

**Pennsylvania Insurance Department**  
**Guidance on Intermediate Period Endowment Benefit Features (including ROP)**  
**Included in Individual Life Insurance Policies**

**Dated: May 26, 2009**

The Department anticipates that an increasing number of forms will be filed with an Intermediate Period Endowment Benefit subject to Actuarial Guideline 45 (formerly CCC). In order to minimize the possibility of misunderstanding, the Department wishes to summarize its conclusions with respect to standards for forms with Intermediate Period Endowment Benefit features (including "Return of Premium").

1. No special latitude is extended to such filings, which must comply with all general filing instructions and any applicable laws and regulations. It is prudent to review any or all of the Individual Whole Life, Individual Term Life, or Individual Endowment insurance checklists available on the Department's website, since they all address requirements generally applicable to forms having loan values and tabular cash values.
2. Actuarial Guideline 45 (formerly CCC) is applicable and must be satisfied for all issue ages, risk classes, amount bands, etc. The actuarial memorandum must demonstrate nonforfeiture compliance and adequately address the requirement of a detailed statement of the method of computation of values.
3. Tabular cash values must be presented as dollar amounts. Percentages may also be shown, in addition to dollar amounts, if percentages are considered useful in the sales process. Future surrender or endowment benefits must be clearly established based on the dollar amounts that appear in the schedule page.
4. All other requirements previously applicable for approved forms with an Intermediate Endowment Benefit feature will continue to apply.

The Department will reject any filing that does not meet the requirements identified above and intends to apply the above requirements uniformly among all policies with an Intermediate Endowment Benefit feature submitted or resubmitted to the Department during 2009 and thereafter. Questions regarding this guidance may be directed to Wayne Fetsko, Actuary, Bureau of Life, Accident and Health Insurance at 717-783-2312 or wfetsko@pa.gov