

## Annuity and Life Applications Checklist

### Important notes:

- Every effort has been made to ensure the accuracy of the information in this document. All parties should consult the Texas Insurance Code, the Texas Administrative Code, and other applicable laws.
- Applications which provide selection for optional riders must be filed with a certification from the company that all riders listed have been submitted to the Department for approval and/or exemption. In addition, a selection of "Other Rider(s)" with a fill-in line must be filed with an explanation of how the company intends to use the rider.
- Approval of the application form is not an approval of the company's administrative processes. The company is responsible for its compliance with all applicable Texas requirements, including [Texas Business and Commerce Code Chapter 322](#) (Uniform Electronic Transactions Act) and [Texas Insurance Code Chapter 35](#), Electronic Transactions.

### Basic requirements - [TIC Chapter 1701](#) and [28 TAC Section 3.2\(9\)\(C\)](#)

Page \_\_\_\_\_ : The application must contain the name of the company.

Page \_\_\_\_\_ : The application must contain a description of the product.

### Variable material - [28 TAC Section 3.4\(e\)\(1\)](#)

Page \_\_\_\_\_ : Any variable material in a form shall be bracketed and shall contain a clear explanation of how the material will vary.

Page \_\_\_\_\_ : Investment divisions of a separate account may be bracketed. **Fixed accounts may not be bracketed.**

### Market value adjustment requirement (if applicable) - [TIC Chapter 1701](#) and [28 TAC Section 3.2\(9\)\(C\)](#)

Page \_\_\_\_\_ : Contain a prominent statement in the application disclosing that amounts payable under the contract are subject to a market value adjustment prior to a date specified in the contract. This disclosure statement should precede the signature line.

### Index-Linked crediting requirement (if applicable) - [TIC Chapter 1701](#) and [28 TAC Section 3.2\(9\)\(C\)](#)

Page \_\_\_\_\_ : The application must contain a prominent acknowledgment statement disclosing that the applicant understands that he/she is applying for an index-based product. It must also address that while the values of the policy may be affected by an external index, the policy does not directly participate in any stock or equity investments. This acknowledgment statement

must be set forth immediately preceding the signature line.

**Fraud statement** - [TIC Section 704.002](#)

Page \_\_\_\_\_ : An application may include a warning stating that a person who knowingly makes a false insurance claim commits insurance fraud, or similar wording; it may not state that a person is guilty of insurance fraud or assign a degree of criminal offense.

**Binding arbitration and waiver of jury trial** - [TIC Chapter 1701](#) and [28 TAC Section 3.2\(9\)\(C\)](#)

Page \_\_\_\_\_ : The Texas Department of Insurance is required to verify that approved forms allow consumers all statutory protections granted by the legislature, including rights, benefits, and remedies relating to court access in insurance actions. Mandatory binding arbitration and waiver of jury trial clauses are prohibited because they deny consumers statutorily guaranteed access to courts. Statutory consumer protections include: Texas Insurance Code [Chapters 541, 542, and 544](#).

**Prohibited practices**

Page \_\_\_\_\_ : A company may not require a customer to provide any documentation certifying the customer's COVID-19 vaccination or post-transmission recovery in order to obtain health insurance coverage or otherwise receive service from the company – [Health and Safety Code Section 161.0085\(c\)](#), as added by SB 968 (87R)

**AIDS questions** - [28 TAC Section 21.704](#)

Page \_\_\_\_\_ : Questions relating to the proposed insured having, or having been diagnosed as having, acquired immune deficiency syndrome (AIDS) or AIDS-related complex are permissible if they are factual and designed to establish the existence of the condition.

Acceptable Examples Without Medical Doctor Fill-In Blanks for **“Yes”** Answers.

1. Have you ever been diagnosed as having or told by a medical doctor that you have AIDS, HIV, or ARC disorders?
2. Have you ever tested positive for antibodies of the AIDS virus?
3. Has any proposed insured been diagnosed by a member of the medical profession as having AIDS or has any proposed insured received treatment from a member of the medical profession for AIDS?

Acceptable Examples With Medical Doctor Fill-In Blanks for All **“Yes”** Answers.

1. Have you ever been treated for or ever had any known indications of AIDS or ARC?
2. Have you had or been told you had, or been treated for any immune deficiency disorder, AIDS, or ARC?
3. Has any person insured been diagnosed by a member of the medical profession or tested positive for the Human Immunodeficiency Virus (AIDS virus) or Acquired Immune Deficiency Syndrome (AIDS)?

## Specific annuity application requirements

### Guaranteed investment periods (if applicable) - [TIC Chapter 1701](#) and [28 TAC Section 3.2\(9\)\(C\)](#)

Page \_\_\_\_\_ : Display all available guaranteed investment periods in the application. Any additions or deletions of a guaranteed investment period(s) will require a refiling of the application.

### Variable annuity requirements - [28 TAC Section 4.2105\(4\)](#)

Page \_\_\_\_\_ : A **prominent** statement that the benefits may increase or decrease in accordance with the experience of a separate account.

Page \_\_\_\_\_ : The portion of the premium allocable on the date of issue to any fixed dollar benefits and the portion allocable on the date of issue to the variable benefits.

## Specific life application requirements

### Basic requirements - [TIC Chapter 1701](#) and [28 TAC Section 3.2\(9\)\(C\)](#)

Page \_\_\_\_\_ : The application must define the amount of insurance.

Page \_\_\_\_\_ : If applicable, the portion of the premium allocable on the date of issue to any fixed dollar benefits and the portion allocable on the date of issue to the variable benefits. If no application is used provide the form used to indicate premium allocations.

### Consent form - [TIC Section 1103.056](#) (if used for corporate-owned life insurance (COLI))

Page \_\_\_\_\_ : A consent form should be signed by the insured.

### Deferred whole life with accidental death benefit requirements - [28 TAC Section 4.615](#)

Page \_\_\_\_\_ : Must contain a statement which discloses the deferred nature of the insurance and reflects the amount of insurance in force during the deferred period.

### Variable life requirements - [28 TAC Section 4.1508](#)

Page \_\_\_\_\_ : A **prominent** statement that the death benefit may be variable or fixed under specified conditions.

Page \_\_\_\_\_ : A **prominent** statement that cash values may increase or decrease in accordance with the experience of the separate account, subject to any specified minimum guarantees.

Page \_\_\_\_\_ : A set of questions designed to elicit information which enables the insurer to determine the suitability of variable life insurance for the applicant, such as income, financial objectives, net worth, existing assets, and risk tolerance.

**Temporary insurance agreements** - [TIC Chapter 1701](#) and [28 TAC Section 3.2\(9\)\(C\)](#)

Page \_\_\_\_\_ : A Temporary Insurance Agreement or Conditional Receipt allows for coverage for a limited specified amount of insurance during a limited specified underwriting period. If referenced in the application, it must be included with the filing.

**Electronic communication** - [TIC Section 35.003](#) and [35.004\(c\)\(1\) and \(2\)](#)

Page \_\_\_\_\_ : Electronic communication: allows issuers to conduct business electronically: (1) by seeking out prior affirmative consent; or (2) if the issuer provides notice of intent to conduct business electronically and the party does not opt out. Further describes either method is subject to disclosure requirements set out in [TIC Section 35.004](#). In addition, (1) the party must have a right to withdraw consent; or (2) in the case affirmative consent was not obtained, the party requests written communication be delivered in nonelectronic form.