

Life Illustration Certification and Notification Checklist

Every effort has been made to ensure the accuracy of the information in this document. All parties should consult the Texas Insurance Code (TIC), the Texas Administrative Code (TAC), and other applicable laws.

Annual Certification - 28 TAC Section 21.2211
Comment: The illustration actuary shall certify that the disciplined current scale used in illustrations is in conformity with the Actuarial Standard of Practice for Compliance (ASOP 24) with the NAIC Model Regulation on Life Insurance Illustrations promulgated by the Actuarial Standards Board, and that the illustrated scales used in insurer-authorized illustrations meet the requirements of Subchapter N (Section 21.2201-21.2214) .
The illustration actuary shall disclose one or more of the following, if applicable:
Comment: If, since the last certification, a currently payable scale applicable for business issued within the previous five years and within the scope of the certification has been reduced for reasons other than changes in the experience factors underlying the disciplined current scale.
Comment: If nonguaranteed elements illustrated for new policies are not consistent with those illustrated for similar in force policies.
Comment: If nonguaranteed elements illustrated for both new and in force policies are not consistent with the nonguaranteed elements actually being paid, charged, or credited to the same or similar forms.
Comment: The illustration actuary shall disclose the method used to allocate overhead expenses for all illustrations as:
(a) fully allocated;
(b) marginal; or
(c) a generally recognized expense table (GRET) based on fully allocated expenses representing a significant portion of insurance companies and approved by the NAIC or the commissioner.
Comment: The illustration actuary certification must be signed and dated by the illustration actuary.
A company officer, not the illustration actuary, must certify the following: Section 21.2211(g)
Comment: The company's illustration formats meet the requirements of <u>Subchapter N</u> (<u>Section 21.2201-21.2214</u>), and the scales used in insurer-authorized illustrations are those scales certified by the illustration actuary; and

	<u></u>	: The company has provided its agents with information about the expense sed by the company in its illustrations and disclosed as required by the n.	
	Comment	: The certification must be signed and dated by the company officer.	
Appointment or Change of Illustration Actuary – 28 TAC Section 21.2211(a) and (i)			
	Comment more illustration act	: The notification shall indicate the board of director's appointment of one or uaries.	
	<u></u>	: If an insurer changes the illustration actuary responsible for all or a portion licy forms, the insurer shall notify the commissioner of that fact promptly and or the change.	
N	Notice of Error – 28 TAC Section 21.2211(e)		
		: The illustration actuary must promptly notify the commissioner of any errors ions and the notice must identify the erroneous annual certification and policy	