

Illinois Department of Insurance  
320 West Washington Street  
Springfield, IL 62767-0001

**Individual Variable Annuity  
Review Requirements Checklist**  
Effective March 8, 2022

Company Name \_\_\_\_\_

Checklist Completed by \_\_\_\_\_

SERFF Tracking Number \_\_\_\_\_

Date Checklist Completed \_\_\_\_\_

Policy/Contract Form Number \_\_\_\_\_

**TOI:** An appropriate Type of Insurance (TOI) must be selected for the SERFF filing. **Sub-TOI:** An appropriate Sub-TOI must be selected for the SERFF Filing.  
**FILING TYPE:** An appropriate Filing Type must be selected for the SERFF filing.

**A completed Review Requirements checklist for must be submitted for EACH contract.**

The checklist(s) must indicate where in the filing the Minimum Filing requirement appears (e.g., page number and section number). Each General Form Requirement must be acknowledged and must indicate where, in the policy form the Required Policy Provision appears (e.g., page number and section number).

**Any Requirement that is Not Applicable (N/A) must include an explanation.**

This interactive document must be completed and submitted in the SERFF filing. Alteration of this document will result in rejection of the filing.

**Products that contain multiple interest crediting features must have a Review Requirements Checklist completed and submitted for EACH of those features.**

Example: A product with variable feature and a fixed feature must have two checklists completed and submitted in the filing.

**Please check to acknowledge your understanding of the potential requirement for multiple Review Requirement Checklists.**

### MINIMUM FILING REQUIREMENTS

This section of the checklist must be completed to indicate the location of the requirement in the filing (e.g., “yes”, “Comply”) Any Requirement that is Not Applicable (N/A) must include an explanation.

Minimum Filing Requirement	Reference	Description of Minimum Filing Requirement	Location of Requirement in Filing
FILING FEE(S)	215 ILCS 5/408 (jj) 50 IL ADM Code 916.40 (g)	Filing Fees are \$50 per form. Filing fees must be paid by Electronic Funds Transfer through SERFF upon submission of the SERFF Filing.	
FILING DESCRIPTION OR LETTER OF SUBMISSION	50 IL Adm. Code 1405.20 (e)  50 IL Adm. Code 916.40 (b) (1)	The filing description or a letter of submission must generally describe the purpose of the form(s), how it will be issued (to existing contract holders, new issues on a go forward basis or both.  The purpose and use of the form shall be explained in the submission letter.	
CERTIFICATE OF COMPLIANCE	50 IL Adm. Code 916.40 (a) 50 IL Adm. Code 916.50 (a)	Each company doing business in the State of Illinois shall submit with each filing a Certificate of Compliance, as described in Section 916.50 and Exhibit A.  <a href="http://www.ilga.gov/commission/jcar/admincode/050/05000916ZZ9999aR.html">http://www.ilga.gov/commission/jcar/admincode/050/05000916ZZ9999aR.html</a>	

ACTUARIAL MEMORANDUM	215 ILCS 5/143	<p>Each annuity filing should include an actuarial memorandum to assist in review.</p> <p>The actuarial memorandum should be sent as a separate schedule item under the Supporting Documentation tab and should be titled Actuarial Memorandum. The Actuarial Memorandum must state that the reserving methodology is in compliance with Actuarial Guideline 35.</p> <p>The schedule item containing the actuarial memorandum WILL NOT be marked for public access if the schedule item is appropriately titled.</p>	
ADDITIONAL REQUIREMENTS FOR ACTUARIAL MEMORANDUM	215 ILCS 5/143	<p>For all <b>Separate Account Products</b>, the Actuarial Memorandum must include answers to EACH of the following questions to assist in our review of this filing.</p> <p>1) Does any portion of this product contain guarantees? If so, describe the guarantees. 2) If the answer to 1) is "yes", will the assets backing the reserves for the guarantees be held in a Separate Account or the General Account? 3) If the answer to 2) is "Separate Account", is the separate account a) insulated or non-insulated; b) unitized or non-unitized?</p>	

Minimum Filing Requirement	Reference	Description of Minimum Filing Requirement	Location of Requirement in Filing
ANNUITY FILING CHECKLIST	215 ILCS 5/229.4a 215 ILCS 5/143	<p>Every annuity filing must include an Annuity Filing Checklist for each policy in the filing which must be completed and signed by the insurer's actuary.</p> <p>This checklist may be found by using the following link:  <a href="http://insurance.illinois.gov/Regulatory_Filings/Checklist/AnnuityFilingChecklistforCompanies.pdf">http://insurance.illinois.gov/Regulatory_Filings/Checklist/AnnuityFilingChecklistforCompanies.pdf</a></p>	
SEC CERTIFICATION REQUIREMENT	50 IL Adm. Code 1451.50 (d)	Companies filing variable contracts shall include a certification by an officer of the company affirming that they will not sell the product subsequent to the Director's approval unless the Securities and Exchange Commission (SEC) has provided an effective date for any securities registration required by federal law.	
STATEMENT OF VARIABILITY	215 ILCS 5/143	If the form includes variable bracketed language, a statement of variability must be included in the filing for informational purposes.	

### GENERAL FORM REQUIREMENTS

**This section of the checklist must be completed to indicate acknowledgement of the General Form Requirement (e.g., “yes”, “Comply”) Any Requirement that is Not Applicable (N/A) must include an explanation.**

Form Requirement	Reference	Description of General Form Requirement	Acknowledge
FORM NUMBER	50 IL Adm. Code 1405.20 (b) 215 ILCS 5/143	Each form must have a unique suitable form number of numerical digits and/or numbers located in the lower left-hand corner of the form. The form number must adequately distinguish the form from all others used by the company.  The form number MAY NOT contain a prefix or suffix of "ICC".	
VARIABLE LANGUAGE	50 IL. Adm. Code 916.40 (b) (4) 215 ILCS 5/143	Variable language must be placed in brackets and the filing must include a statement of variability.	
BLANK SPACES AND VARIABLE LANGUAGE	50 IL Adm. Code 1405.20 (d) (2)	All blank spaces must be completed in “John Doe” fashion with all variable language bracketed (variable) and completed with a sample of language that may appear within the brackets.	
NO BLANK SPACES	50 IL Adm. Code 1405.20 (d) (2)  50 IL Adm. Code 916.40 (b)(2)	The schedule page must be completed in “John Doe” fashion and all other bracketed (variable) spaces must include a sample of language that may appear within the brackets.  The statement of variability should include the sample language and any other variable language that may appear within the brackets.	

Form Requirement	Reference	Description of General Form Requirement	Acknowledge
STANDARD PROVISIONS FOR ANNUITIES	215 ILCS 5/226 except for (1)(a), (1)(f), (1)(g), and (3)  215 ILCS 5/245.25 50 IL Adm. Code 1451.60	The requirements of 215 ILCS 5/226 apply to all individual annuity contracts except for reversionary and survivorship annuities and annuities contracted by an employer on behalf of his/her employees.	

SUITABILITY	50 IL. Adm. Code 3120	An insurance producer or the insurer, when no producer is involved must comply with the requirements set forth in this regulation, which includes but not limited to, establishing procedures such as a questionnaire requesting information from the applicant that is reasonably appropriate to determine the suitability of a recommendation.	
MINIMUM NON-FORFEITURE INTEREST RATES	215 ILCS 5/229.4a. (4) (B)	Under 215 ILCS 5/229.4a, the minimum non forfeiture interest rate is a dynamic rate and is described in 215 ILCS 5/229.4a(4)(B).	
BASIC INTEREST CREDITING FEATURES	215 ILCS 5/143	It is the Department's position that basic interest crediting features are inherent elements of a contract and therefore must be included in the contract itself (not incorporated via endorsement, rider or amendment).	
ANNUAL REPORT	50 IL Adm. Code 1451.70 (a) (b)	The insurer must provide, after the first contract year, an annual report that provides the annuitant with the number of shares and their dollar value, or the total value of the account.	
ILLUSTRATIONS	50 IL Adm. Code 1451.60 (a)	Illustrations of benefits payable may not project past investment experience into the future or attempt to predict future investment experience.	
REPLACEMENT QUESTION	50 IL. Adm. Code 917.50 (f), 917.70 & 1405.30 (f)	The application for an individual contract, unless exempted by 50 IL Adm. Code 917.50, must contain a replacement question designed to elicit information concerning whether the policy will replace any existing annuity contract.	

**REQUIRED PROVISIONS**

**This section of the checklist must be completed to indicate the EXACT location of the required provision in the form (. e.g., Page 5, Section 3) Any Requirement that is Not Applicable (N/A) must include an explanation.**

Required Policy Form Provision	Reference	Description of Required Provision	Page Number and Section in Form where Provision Appears
NAME AND ADDRESS REQUIRED	50 IL Adm. Code 1405.20 (c) (1), (2)	The insurer name and home office address must appear on the form.	
COMPANY CONSUMER ASSISTANCE TELEPHONE NUMBER	50 IL Adm. Code 1405.20 (c) (3)	Policy shall include the company's consumer assistance telephone number.	
APPROPRIATE DESCRIPTIVE TITLE	215 ILCS 5/143 50 IL Adm. Code 1405.20 (c) (6)	There must be an appropriate, unambiguous title describing the form. An annuity with a variable feature must include the description "variable" in the contract title.	
ISSUE DATE	50 IL Adm. Code 1405.20 (c) (4)	The form must indicate the issue date and the effective date if different.	
FREE LOOK	215 ILCS 5/226 (1) (h)	The policy must contain a 10-day free look provision.	
PARTICIPATING CONTRACTS	215 ILCS 5/226 (1) (e)	If the contract is participating, there must be a provision explaining that the divisible surplus shall be apportioned annually and dividends shall be payable in cash or be applied to any stipulated payment or payments to the company under the contract.	
ENTIRE CONTRACT	215 ILCS 5/226 (1) (c)	The policy together with an endorsed application attached to the policy shall constitute the entire contract between the parties.	
CIVIL UNION	CB2011-06	<p>Riders, Endorsements or Amendments that include language referencing Spouse, Marriage, etc. but do not include Civil Unions must provide an explanation in the filing as to how the company complies with the requirements of Illinois Religious Freedom Protection and Civil Union Act as outlined in Company Bulletin 2011-06.</p> <p>A copy of any previously approved or filed Notice, Disclosure or Endorsement should be submitted under the supporting documentation tab of the filing.</p>	
DISCLOSURE OF PREMIUM	50 IL Adm. Code 1451.50 (b) (c)	Contracts providing both a fixed and variable benefit must indicate the premium charged for each component separately in the contract and must disclose that information to prospective annuitants prior to the time of the sale.	

Required Policy Form Provision	Reference	Description of Required Provision	Page Number and Section in Form where Provision Appears
INCONTESTABLE PERIOD	215 ILCS 5/226 (1) (b)	The policy MUST be incontestable from the date of issue. (The ONLY exception is if the application is included as part of the policy and specifically asks health questions.)	
MORTALITY TABLE	215 ILCS 5/229.4(a) (3) (A) (iii)	There must be a statement regarding the mortality table, if any, and interest rates used in calculating any minimum paid-up annuity, cash surrender or death benefits guaranteed under the contract. Sufficient information must be included to determine the amount of the benefits.	
MISSTATEMENT OF AGE	215 ILCS 5/226 (1) (d), (2)	The policy must contain a provision that if a misstatement of age is found, the policy shall provide the amount payable under the contract as the stipulated payments to the insurer would have purchased at the correct age or ages.  Adjustments may be made for overpayments but may not exceed six (6) per centum per annum.	
BENEFITS AVAILABLE	215 ILCS 5/229.4a. (3) (A) (iv)	There must be a statement that any paid-up annuity, cash surrender or death benefit that may be available will not be less than the minimum benefit allowable in the state in which it is issued and include an explanation of the manner in which benefits are adjusted.	
CONTRACT IN FORCE THREE YEARS	215 ILCS 5/226 (1) (f)  215 ILCS 5/226 (3)	There must be a provision that after a contract has been in force for three years and lapses due to nonpayment of premium, the reserve shall be applied as a net single payment for the purchase of a paid-up annuity or a pure endowment contract, which may be nonparticipating and which shall be payable by the company under the same terms and conditions as the original contract, except as to amount.	
LUMP SUM SETTLEMENTS	215 ILCS 5/229.4(a) (3) (A) (ii), (5), (6), (8) & (10)	If the contract provides for a lump sum settlement at maturity, or at any other time, the policy must contain a provision that insurer will pay a cash surrender benefit in place of a paid-up up annuity benefit.	
CASH SURRENDER VALUE	215 ILCS 5/229.4a. (9) 215 ILCS 5/229.4a. (2)	If the contract does not provide cash surrender benefits or does not provide death benefits at least equal to the minimum non forfeiture amount prior to the annuity commencement date, it must include a statement on the face page, in bold type, that those benefits are not provided.	

6 MONTH DEFERRAL	215 ILCS 5/229.4a (3) (A) (ii)	The contract must contain a provision that payment of cash surrenders may be delayed for a period not to exceed 6 months based upon a written request and approval from the Director.	
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Required Policy Form Provision	Reference	Description of Required Provision	Page Number and Section in Form where Provision Appears
LIFETIME SETTLEMENT OPTIONS	215 ILCS 5/226.1 215 ILCS 5/143(1)	Lifetime settlement options are required. The only exception is contracts issued without life contingencies pursuant to 215 ILCS 5/226.1.  The application may reflect the option if the policy does not.	
CASH VALUE TABLES	50 IL Adm. Code 1405.70(e)(1) 215 ILCS 5/229.4a (2)	The policyholder must be made aware of the amount of the annuity purchased, either by including a table of the values in the contract, or by specifying therein that notices of the current or other values will be sent to the policyholder upon request.	
OPTIONS AVAILABLE IN EVENT OF DEFAULT	50 IL Adm. Code 1451.60(b)(3)	There must be a provision specifying the options available in the event of a default of a periodic premium payment.	
PAID-UP ANNUITY	215 ILCS 5/229.4a(3)(A)(i), (5), (6), (7), (8) & (10)	The policy must contain a provision that when payment of consideration ceases the insurer will issue a paid-up annuity as provided.	
INVESTMENT INCREMENT FACTORS	50 IL Adm. Code 1451.60(d)	Variable contracts must clearly state the investment increment factors used in computing the dollar amount of variable benefits or other variable contractual payments or values.	

### PROHIBITED PRACTICES AND PROCEEDURES

**This section of the checklist must be completed to indicate acknowledgement of the Prohibited Practice or Procedure (e.g., “yes”, “Comply”)  
Any Requirement that is Not Applicable (N/A) must include an explanation.**

Prohibited Practice	Reference	Description of Prohibited Practice	Acknowledge
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BASIC INTEREST CREDITING FEATURES	215 ILCS 5/143	Basic interest crediting features are inherent features of a contract and therefore adding these features to a contract via endorsement and/or rider is considered ambiguous and is prohibited.  <b>A variable option may NOT be added to a contract via rider or endorsement if the contract to which it will be attached does not already contain the feature.</b>	
EXCESSIVE BRACKING	215 ILCS 5/143	Language may not be placed in brackets to avoid filing with this Department any future language changes.	
NO DISCRIMINATION ON LAWFUL TRAVEL	215 ILCS 5/236 (e)	No life company may discriminate in its underwriting or rating practices based on an insured's past lawful travel experiences.	

**IMPORTANT NOTICE**

**This Checklist does not include all of the requirements of Illinois laws, regulations or bulletins. Companies are responsible for reviewing Illinois laws, regulations and bulletins to ensure that forms are fully compliant before filing the forms with the Department of Insurance.**

Contact Person:

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