

**CHAPTER 90e. INDIVIDUAL IRA ENDORSEMENTS
FOR LIFE INSURANCE AND ANNUITIES—
STATEMENT OF POLICY**

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Source

The provisions of this Chapter 90e adopted January 18, 1991, effective January 19, 1991, 21 Pa.B. 243, unless otherwise noted.

§ 90e.1. Scope.

An individual IRA endorsement filing complying with the standards of this chapter is acceptable.

§ 90e.2. General provisions.

An individual IRA endorsement filing complying with the following is acceptable:

- (1) The submission letter for a form complies with applicable requirements of § 89b.5 (relating to letter of submission).
- (2) The form is submitted in duplicate. This complies with § 89b.4(a) (relating to general filing procedure).
- (3) The form is submitted in the final printed form intended for actual issue, unless the company requests tentative approval under § 89.4(d) (Reserved). A form submitted for tentative approval is submitted in draft, printer's-proof, photocopied, "filer" or another legible form.
- (4) The form number and the wording in the form are printed in easily readable type.
- (5) Logos are or are not present and are more or less prominent than the company name.
- (6) The full company name appears on the form for filing purposes only. The name is printed or added by rubber stamp or other appropriate means. This complies with § 89b.11(a) (relating to general contents of forms).

(7) An administrative office address or the home office address is or is not shown. If an address is captioned as “home office,” it is the official home office address of record.

(8) The form contains a caption disclosing that the form is a rider, endorsement, agreement or amendment. An alternative caption if the form provides that it is “attached to and made a part of the contract.”

§ 90e.3. Right to examine notice.

If the form is for use with a separate account annuity contract and contains a right to examine (“free look”) notice or provision for the contract, the notice or provision complies with the last two sentences of section 410E of The Insurance Company Law of 1921 (40 P. S. § 510d). Among other things, this means that the notice or provision provides that the amount that will be returned to the contractholder will be the sum of the following:

- (1) The difference between the premiums paid and the amounts allocated to any separate accounts under the contract.
- (2) The contract value on the date of surrender attributable to the amounts allocated to any separate accounts under the contract.

§ 90e.4. Revocation of contract.

If the form is for use with a separate account annuity contract and provides that the contractholder may revoke the contract within a specified period of time after the contract date or after the contractholder is notified of a contract amendment, the amount that will be refunded to the contractholder upon revocation complies with the next-to-last sentence of section 410E of The Insurance Company Law of 1921 (40 P. S. § 510d). That is, the amount will be the sum of the difference between the premiums paid and the amounts allocated to any separate accounts under the contract and the contract value on the date of surrender, revocation, attributable to the amounts allocated to any separate accounts under the contract. Alternatively, the company certifies that the revocation period will always precede and never coincide with or overlap the 10-day right to examine period under section 410E of The Insurance Company Law of 1921. This alternative complies with section 410E of The Insurance Company Law of 1921.

§ 90e.5. Contract maturity date.

The form does not provide for a contract maturity date beyond the age shown as follows for the issue age of the annuitant:

ISSUE AGE	MAXIMUM MATURITY AGE
70 OR LESS	85

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ISSUE AGE	MAXIMUM MATURITY AGE
71—75	86
76—80	88
81—85	90
86—90	93
91—93	96
94—95	98
96—97	99
98—99	101
100—101	102
102	103
103	104
104	105
105	106

§ 90e.6. Amendment of contract.

(a) The form does not give the company the right to unilaterally amend the contract to comply with future requirements of the tax laws or of the Internal Revenue Code (IRC) or Internal Revenue Service (IRS). The form provides that a future amendment that affect the benefits or coverage provided by the contract will be subject, at the time the amendment is offered, to the contractholder's signed acceptance, or at least to the contractholder's right of rejection. This complies with § 89.16(c) (relating to riders and endorsements).

(b) Similarly, the contract does not state that the contractholder agrees to future changes in the contract for the purpose of complying with tax law, IRC or IRS requirements. The form provides that a future change in the contract will be subject to the contractholder's signed acceptance or right of rejection at the time that the change is proposed.

§ 90e.7. Prohibitions.

The form does not contain the following:

- (1) A provision that the terms of the form are subject to the provisions of a plan under which the contract and form are issued.
- (2) A provision that the terms of the contract and form are subject to the provisions of a plan under which the contract and form are issued.

§ 90e.8. Prohibited terminology.

The following terminology is not present:

- (1) The term "special," unless used in reference to or to designate one or more of the following: a premium payment mode, a premium rating class, a

settlement option or options under a policy. This complies with § 89.13(c) (relating to use of certain words and terms).

(2) The term “deposit,” unless used on conjunction with the word “premium” or the payment establishes a debtor-creditor relationship. This complies with § 87.28 (relating to reference to payment as “deposit”).

(3) The term “legal reserve”, the absence of which complies with Chapter 139 (relating to prohibited phrases).

(4) The term “franchise”.

(5) The term “sponsor” unless used in reference to an entity which pays all or part of the premium or is a pension or welfare plan sponsor under ERISA.

§ 90e.9. Inconsistent or contradictory language.

The form contains no inconsistent or contradictory language or provisions.

§ 90e.10. Fraternal benefit society.

If a form will be issued by a fraternal benefit society, nonstandard insurance terminology is or is not used. This complies with § 89.102(b)(3) (relating to guidelines for approval of forms).

§ 90e.11. Riders.

(a) If a rider will be attached to a policy after issue, the form contains an officer’s signature. If a rider will be attached to a policy only at issue, an officer’s signature is or is not present.

(b) A rider contains a form number. This complies with § 89b.11(b) (relating to general contents of forms).

§ 90e.12. Change in contract expense or surrender charges.

If the form changes contract expense or surrender charges, the company’s submission of the form includes an actuarial memorandum supporting the change.

§ 90e.13. Right to accept or reject form.

If the form will be attached to existing in force contracts, the company’s submission of the form includes an explanation of how existing contractholders will be given the right to accept or reject the form.

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