



ADMINISTRATIVE RULES OF MONTANA



6.6.6703 APPLICABILITY

- (1) ARM 6.6.6701, 6.6.6703, 6.6.6705, 6.6.6707, 6.6.6709, 6.6.6711, and 6.6.6713 shall apply to all life insurance policies, with or without nonforfeiture values, issued on or after January 1, 2000, subject to the following exceptions:
 - (a) these rules shall not apply to any individual life insurance policy issued on or after January 1, 2000, if the policy is issued in accordance with and as a result of the exercise of a reentry provision contained in the original life insurance policy of the same or greater face amount, issued before January 1, 2000, that guarantees the premium rates of the new policy. These rules also shall not apply to subsequent policies issued as a result of the exercise of such a provision, or a derivation of the provision, in the new policy.
 - (b) these rules shall not apply to any universal life policy that meets all the following requirements:
 - (i) secondary guarantee period, if any, is 5 years or less;
 - (ii) specified premium for the secondary guarantee period is not less than the net level reserve premium for the secondary guarantee period based on the CSO valuation tables as defined in ARM 6.6.6705(6) and the applicable valuation interest rate; and
 - (iii) the initial surrender charge is not less than 100% of the first year annualized specified premium for the secondary guarantee period.
 - (c) these rules shall not apply to any variable life insurance policy that provides for life insurance, the amount or duration of which varies according to the investment experience of any separate account or accounts.
 - (d) these rules shall not apply to any variable universal life insurance policy that provides for life insurance, the amount or duration of which varies according to the investment experience of any separate account or accounts.
 - (e) these rules shall not apply to a group life insurance certificate unless the certificate provides for a stated or implied schedule of maximum gross premiums required in order to continue coverage in force for a period in excess of one year.
- (2) ARM 6.6.6701, 6.6.6703, 6.6.6705, 6.6.6707, 6.6.6709, 6.6.6711, and 6.6.6713 shall apply to all life insurance policies, with or without nonforfeiture values, issued on or after January 1, 2000, subject to the following conditions:
 - (a) calculation of the minimum valuation standard for policies with guaranteed nonlevel gross premiums or guaranteed nonlevel benefits (other than universal life policies), or both, shall be in accordance with the provisions of ARM 6.6.6709.

- (b) calculation of the minimum valuation standard for flexible premium and fixed premium universal life insurance policies, that contain provisions resulting in the ability of a policyholder to keep a policy in force over a secondary guarantee period shall be in accordance with the provisions of ARM 6.6.6711.

Authorizing statute(s): 33-1-313, 33-2-418, MCA

Implementing statute(s): 33-2-407, 33-2-408, 33-2-409, 33-2-410, 33-2-411, 33-2-412, 33-2-413, 33-2-414, 33-2-415, 33-2-416, 33-2-417, MCA

History: NEW, 1999 MAR p. 2839, Eff. 1/1/00; AMD, 2018 MAR p. 826, Eff. 4/28/18.