

**Utah Insurance Department  
Content Standards  
Individual Term Life Insurance**

These Standards are provided to assist the insurer in filing forms and rates. They are not intended to be all-inclusive and are a work in progress. The citations below refer to Utah Code Annotated (U.C.A.) and the Utah Administrative Code (U.A.C.). As required by U.C.A. §31A-21-201(2), *the insurer is responsible* for assuring that forms and rates submitted are in compliance with the Utah Insurance Code and Rules.

<b>FILING PROCEDURES</b>		
Filing of Forms	U.C.A. §31A-21-201 R590-226-4 R590-226-6	Forms are accepted on a "FILE AND USE" basis. It is the insurer's responsibility that the filing is in compliance with Utah law and rules.
Sample Data	U.C.A. §31A-2-202(6) U.A.C. R590-226-5	All filing information and data must be accurate, complete and consistent within all filing documents. The data page must contain amounts consistent with the actuarial memorandum and demonstration of values.
Variability - (bracketed data)	U.A.C. R590-226-5 U.A.C. R590-226-6	Any information that is variable must be bracketed and must be explained in a statement of variability. Any change in the items contained within the brackets must be re-filed prior to use.
<b>GENERAL REQUIREMENTS</b>		
Application	U.C.A. §31A-21-201(3) U.C.A. §31A-22-429	An application must identify the insurer's name and address and state of domicile and must contain a replacement statement. The application may not contain vague health questions without a time limit.
Arbitration	U.A.C. R590-122	An arbitration provision must be properly disclosed in the policy, certificate, application and enrollment forms. No provision may deprive Utah courts of jurisdiction over an action against an insurer, except as provided in permissible arbitration provisions.
Assignment	U.C.A. §31A-22-412	Subject to the exemptions allowed in the code, an assignment provision must allow the owner of any rights in the policy to assign any of those rights.
Autopsy and Physical Examination	U.C.A. §31A-22-417	Autopsy and/or physical examination are at the insurer's expense.
Claims Settlement	U.C.A. §31A-26-301(1) U.A.C. R590-191-4	All proceeds and claims settlement provisions must provide for prompt claim handling.
Conversion	U.C.A. §31A-21-201(3)	It is considered misleading for a policy that is convertible to not contain a provision describing the conditions of the conversion option.
Coverage Name, Description & Special Features	U.C.A. §31A-22-426	The coverage name or title, a brief description of the coverage and any special features must be disclosed on the policy cover; i.e. Term to 95, etc.
Data Page	U.A.C. R590-226-6	The data page must disclose the specific data for the coverage including the benefits, amounts, durations, premium information, and any other benefit data applicable to the insured. All filing data must be consistent with the actuarial memorandum and other filing documents.
Death Claim Interest	31A-22-428 R590-191-5	Interest on the death proceeds is payable according to the date of issue.
Deferral of Payment of Values	U.C.A. §31A-22-408(2) U.A.C. R590-98	The right to defer surrender value, if any, for six months <u>with consent of the commissioner</u> must be in the policy.
Entire Contract Provision	U.C.A. §31A-22-424	The entire contract provision must define the documents and agreements that constitute the entire contract.
Examination Period	U.C.A. §31A-22-423	A minimum examination period of 10 days for new issues and 30 days for replacement policies must be prominently printed on the cover page. A refund of premium is required upon return of the policy within the examination period.
Expiry Date, Renewal Dates	U.C.A. §31A-21-301(1)(f)	The expiration date and any renewal dates must be clearly described.
Grace Period	U.C.A. §31A-22-402	Grace period entitles the policyholder to at least a 31-day grace period during which the policy continues in full

		force.
Illustration	U.A.C. R590-177-10	When the policy is illustrated, the illustration provision must provide for one free illustration per year.
Incontestability	U.C.A. §31A-22-403	Incontestability provision states that the policy is incontestable after it has been in force for a period of two years during the lifetime of the insured. The code does not allow an exception for fraud. A survivor policy is incontestable after it has been in force for a period of two years during the lifetime of the surviving insured.
Incorporation by Reference	U.C.A. §31A-21-106	Except as provided in 31A-21-106(1)(b), no policy may contain any agreement or incorporate any provision not fully set forth in the policy.
Insurable Interest	U.C.A. §31A-21-104	Insurable interest must exist on the effective date and at the time of a later procurement of an interest in the proceeds. Policies used in Bank Owned Life Insurance (BOLI) and Corporate Owned Life Insurance (COLI) must include an individual application or a Notice of Consent form signed by the life to be insured. The extent of the employer's insurable interest is limited to an amount commensurate with employer's unfunded liabilities.
Insurer Name	U.C.A. §31A-21-201(3)(a)(iii) U.C.A. §31A-21-301(1)(a)	The exact name of the insurer, the administrative office address, and state of domicile must be identified conspicuously on the policy.
Limitation of Actions	U.C.A. §31A-21-313 U.C.A. §31A-21-314	Such provisions may not restrict the time for beginning an action to earlier than 60 days and no more than three years from the date the cause of action accrues. The provision may not deny Utah courts of jurisdiction.
Misstatement of Age and/or Sex	U.C.A. §31A-22-405	Policy must state that if the age and/or sex of the insured is misstated in an application and the error is not adjusted during the person's lifetime, the amount payable is what the premium paid would have purchased at the correct age and/or sex. The code does not allow for an adjustment due to misstatement of a rating class for tobacco use or for smoking status.
Payment of Values	U.A.C. R590-98	A request for payment of values must be processed within the allowable time limit.
Premiums	U.C.A. §31A-21-302	Premiums for the policy and for each rider must be clearly disclosed separately on the data pages. Policy fees and charges must be disclosed separately.
Proof of Loss	U.C.A. §31A-21-312 Bulletin 87-6	Proof of loss provision allows the insured or claimant to file the notice and/or proof of loss as soon as reasonably possible. Failure to file within the time specified does not invalidate a claim if the insured or claimant shows that it was not reasonably possible to file within the time specified and that notice and/or proof was filed as soon as reasonably possible. The provision <u>may not</u> state that in no event, except in the absence of legal capacity, may proof be filed later than the time proof is otherwise required.
Reinstatement	U.C.A. §31A-22-407 U.A.C. R590-108	Policy allows reinstatement within three years of the date of premium default
Renewability	U.C.A. §31A-21-301(3)	It is considered misleading for a policy that is renewable to not state the conditions of Renewability. The policy must contain a schedule of guaranteed premiums for the renewal periods.
Settlement Options	U.C.A. §31A-22-406	If the policy provides that proceeds may be payable in installments that are determinable at the issue date of the policy then it shall provide a table showing the amounts and intervals of the installments.
Suicide	U.C.A. §31A-22-404	Suicide is allowed as a defense to a claim during the first two years from the date coverage is effective and for the two years after an increase in coverage for the amount of the increase. The policy must provide for payment of an amount not less than the premiums paid for the policy.
Unfair, Misleading, Deceptive Provisions.	U.C.A. §31A-21-201(3)(a)	Provisions may not be inequitable, unfairly discriminatory, misleading, deceptive, obscure, unfair, encourage misrepresentation, or not in the public interest. The policy may not contain inconsistent, ambiguous or misleading clauses, or contain exceptions and conditions that unreasonably affect the benefits purported to be provided in the general coverage of the contract.
Values	U.C.A. §31A-22-408	A term policy that provides nonforfeiture values must contain a detailed description of the values.
<b>MARKETING and DISCLOSURE FORMS</b>		
Basic Life Illustration	U.A.C. R590-177	Basic Life Illustration complies with the requirements of the rule.
Statement of Policy Cost and Benefit Information	U.A.C. R590-79-4 U.A.C. R590-79-6.F	Statement of Policy Cost and Benefit Information contains ONLY guaranteed items, such as premiums, death benefit and policy values and otherwise complies with the rule.
<b>ACTUARIAL DOCUMENTS</b>		
Actuarial Memorandum,	U.C.A. §31A-17 Part 5	Actuarial memorandum, demonstration, and certification comply with the requirements of the rule and

Demonstration, and Certification of Compliance	U.C.A. §31A-22-408 U.A.C. R590-226-6	applicable law of Utah.
Illustration Actuary and Company Officer Certification	U.A.C. R590-177 U.A.C. R590-226-6	Illustration actuary and company officer certification must be included in the filing for any illustrated policy.