

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 [Subchapter N \(Section 21.2201-21.2214\)](#), and the scales used in insurer-authorized illustrations are those scales certified by the illustration actuary; and

Comment _____ : The company has provided its agents with information about the expense allocation method used by the company in its illustrations and disclosed as required by the illustration regulation.

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 _____ : The notification shall indicate the board of director's appointment of one or more illustration actuaries.

Comment _____ : If an insurer changes the illustration actuary responsible for all or a portion of the company's policy forms, the insurer shall notify the commissioner of that fact promptly and disclose the reason for the change.

Notice of Error – [28 TAC Section 21.2211\(e\)](#)

Comment _____ : The illustration actuary must promptly notify the commissioner of any errors in previous certifications and the notice must identify the erroneous annual certification and policy form numbers.