

ALABAMA DEPARTMENT OF INSURANCE  
ADMINISTRATIVE CODE

CHAPTER 482-1-073  
ALABAMA PROCEDURE FOR PERMITTING SAME MINIMUM  
NONFORFEITURE STANDARDS FOR MEN AND WOMEN  
INSURED UNDER 1980 CSO AND 1980 CET MORTALITY TABLES

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**482-1-073-.01 Authority.** This chapter is promulgated by the Commissioner of Insurance pursuant to Section 27-2-17, et al., Code of Ala. 1975.

**Author:** Commissioner of Insurance

**Statutory Authority:** Code of Ala. 1975, §27-2-17.

**History: New:** October 17, 1984; effective November 15, 1984. Filed for codification in the Alabama Administrative Code by the Department of Insurance on December 16, 2003, pursuant to the Code of Ala. 1975, §27-7-43.

**482-1-073-.02 Purpose.** The purpose of the chapter is to permit individual life insurance policies to provide the same cash surrender values and paid-up nonforfeiture benefits to both men and women. No change in minimum valuation standards is implied by this chapter.

**Author:** Commissioner of Insurance

**Statutory Authority:** Code of Ala. 1975, §27-2-17.

**History: New:** October 17, 1984; effective November 15, 1984. Filed for codification in the Alabama Administrative Code by the Department of Insurance on December 16, 2003, pursuant to the Code of Ala. 1975, §27-7-43.

**482-1-073-.03 Definitions.**

(1) 1980 CSO TABLE, WITH OR WITHOUT TEN-YEAR SELECT MORTALITY FACTORS. The mortality table, consisting of separate rates of mortality for male and female lives, developed by the Society of Actuaries Committee to Recommend New Mortality Tables for Valuation of Standard Individual Ordinary Life Insurance, incorporated in the 1980 NAIC Amendments to the Model Standard Valuation Law and Standard Nonforfeiture Law for Life Insurance, and referred to in those models as the Commissioners 1980 Standard Ordinary Mortality Table, with or without Ten-Year Select Mortality Factors.

(2) 1980 CSO TABLE (M), WITH OR WITHOUT TEN-YEAR SELECT MORTALITY FACTORS. The mortality table consisting of the rates of mortality for male lives from the 1980 CSO Table, with or without Ten-Year Select Mortality Factors.

(3) 1980 CSO TABLE (F), WITH OR WITHOUT TEN-YEAR SELECT MORTALITY FACTORS. The mortality table consisting of the rates of mortality for female lives from the 1980 CSO Table, with or without Ten-Year Select Mortality Factors.

(4) 1980 CET TABLE. The mortality table consisting of separate rates of mortality for male and female lives, developed by the Society of Actuaries Committee to Recommend New Mortality Tables for Valuation of Standard Individual Ordinary Life Insurance, incorporated in the 1980 NAIC Amendments to the Model Standard Valuation Law and Standard Nonforfeiture Law for Life Insurance, and referred to in those models as the Commissioners 1980 Extended Term Insurance Table.

(5) 1980 CET TABLE (M). The mortality table consisting of the rates for mortality for male lives from the 1980 CET Table.

(6) 1980 CET TABLE (F). The mortality table consisting of the rates for mortality for female lives from the 1980 CET Table.

**Author:** Commissioner of Insurance

**Statutory Authority:** Code of Alabama 1975, § 27-2-17

**History: New:** October 17, 1984; effective November 15, 1984. Filed for codification in the Alabama Administrative Code by the Department of Insurance on December 16, 2003, pursuant to the Code of Ala. 1975, §27-7-43.

**482-1-073-.04 Rule.** For any policy of insurance on the life of either a male or female insured delivered or issued for delivery in this state beyond January 1, 1989, and after the operative date of Section 27-15-28 for that policy form,

(a) a mortality table which is a blend of the 1980 CSO Table (M) and the 1980 CSO Table (F) with or without Ten-Year Select Mortality Factors may at the option of the company be substituted for the 1980 CSO Table, with or without Ten-Year Select Mortality Factors, and

(b) a mortality table which is of the same blend as used in (i) but applied to form a blend of the 1980 CET Table (M) and the 1980 CET Table (F) may at the option of the company be substituted for the 1980 CET Table,

for use in determining cash surrender and amounts of paid-up nonforfeiture benefits.

The following tables will be considered as the basis for acceptable tables:

TABLE A. 100% Male 0% Female for tables to be designated as the "1980 CSO-A" and "1980 CET-A" tables.

TABLE B. 80% Male 20% Female for tables to be designated as the "1980 CSO-B" and "1980 CET-B" tables.

TABLE C. 60% Male 40% Female for tables to be designated as the "1980 CSO-C" and "1980 CET-C" tables.

TABLE D. 50% Male 50% Female for tables to be designated as the "1980 CSO-D" and "1980 CET-D" tables.

TABLE E. 40% Male 60% Female for tables to be designated as the "1980 CSO-E" and "1980 CET-E" tables.

TABLE F. 20% Male 80% Female for tables to be designated as the "1980 CSO-F" and "1980 CET-F" tables.

TABLE G. 0% Male 100% Female for tables to be designated as the "1980 CSO-G" and "1980 CET-G" tables.

Tables A and G are not to be used with respect to policies issued on or after January 1, 1985, except where the proportion of persons insured is anticipated to be 90% or more of one sex

or the other or except for certain policies converted from group insurance. Such group conversions issued on or after January 1, 1986, must use Mortality Tables based on the blend of lives by sex expected for such policies if such group conversions are considered as extensions of the United States Supreme Court's decision in Arizona Governing Committee v. Norris, 51 U.S.L.W. 5243 (July 6, 1983). This consideration has not been clearly defined by court or legislative action in all jurisdictions. Table A is the same as 1980 CSO Table (M) and 1980 CET Table (M) and Table G is the same as 1980 CSO Table (F) and 1980 CET Table (F).

**Author:** Commissioner of Insurance

**Statutory Authority:** Code of Ala. 1975, §27-2-17.

**History: New:** October 17, 1984; effective November 15, 1984. Filed for codification in the Alabama Administrative Code by the Department of Insurance on December 16, 2003, pursuant to the Code of Ala. 1975, §27-7-43.

**482-1-073-.05 Unfair Discrimination.** It shall not be a violation of the "Trade Practices Law" (Section 27-12-1, et seq., Code of Ala. 1975) for an insurer to issue the same kind of policy of life insurance on both a sex distinct and sex neutral basis.

**Author:** Commissioner of Insurance

**Statutory Authority:** Code of Ala. 1975, §27-2-17.

**History: New:** October 17, 1984; effective November 15, 1984. Filed for codification in the Alabama Administrative Code by the Department of Insurance on December 16, 2003, pursuant to the Code of Ala. 1975, §27-7-43.

**482-1-073-.06 Separability.** If any provision of this chapter or the application thereof to any person or circumstance is for any reason held to be invalid, the remainder of the chapter and the application of such provision to other persons or circumstances shall not be affected thereby.

**Author:** Commissioner of Insurance

**Statutory Authority:** Code of Ala. 1975, §27-2-17.

**History: New:** October 17, 1984; effective November 15, 1984. Filed for codification in the Alabama Administrative Code by the Department of Insurance on December 16, 2003, pursuant to the Code of Ala. 1975, §27-7-43.

**482-1-073-.07 Effective Date.** The effective date of this chapter is November 15, 1984.

**Author:** Commissioner of Insurance

**Statutory Authority:** Code of Ala. 1975, §27-2-17.

**History: New:** October 17, 1984; effective November 15, 1984. Filed for codification in the Alabama Administrative Code by the Department of Insurance on December 16, 2003, pursuant to the Code of Ala. 1975, §27-7-43.