**20:06:13:86.01.  Exchanging of standardized plan -- Age rate schedule.** An issuer need not provide justification to the director if the insured replaces a 1990 Standardized policy or certificate with an issue age rated 2010 Standardized policy or certificate at the insured's original issue age. If an insured's policy or certificate to be replaced is priced on an issue age rate schedule at the time of such offer, the rate charged to the insured for the new exchanged policy shall recognize the policy reserve buildup, due to the pre-funding inherent in the use of an issue age rate basis, for the benefit of the insured. The method proposed to be used by an issuer must be submitted with the director through the System for Electronic Rate and Form filing, SERFF.

**Source:** 35 SDR 183, effective February 2, 2009.

**General Authority:** SDCL 58-17A-2.

**Law Implemented:** SDCL 58-17A-2.

**Reference:** System for Electronic Rate and Form Filing, SERFF. Copies of industry manuals may be obtained from National Association of Insurance Commissioners, 2301 McGee Street, Suite 800, Kansas City, Missouri, 64108-2604, <http://www.serff.org/index.htm>.