**20:06:38:18.  Annual report -- Content for universal life policies.** The annual report for universal life policies must include the following:

(1)  The beginning and end date of the current report period;

(2)  The policy value at the end of the previous report period and at the end of the current report period;

(3)  The total amounts that have been credited or debited to the policy value during the current report period, identifying each by type (e.g., interest, mortality, expense, and riders);

(4)  The current death benefit at the end of the current report period on each life covered by the policy;

(5)  The net cash surrender value of the policy as of the end of the current report period;

(6)  The amount of outstanding loans, if any, as of the end of the current report period; and

(7)  For fixed premium policies, assuming guaranteed interest, mortality, and expense loads and continued scheduled premium payments, the policy’s net cash surrender value is such that it would not maintain insurance in force until the end of the next reporting period, a notice to this effect must be included in the report; or

(8)  For flexible premium policies, assuming guaranteed interest, mortality, and expense loads, the policy’s net cash surrender value will not maintain insurance in force until the end of the next reporting period unless further premium payments are made, a notice to this effect must be included in the report.

**Source:** 23 SDR 228, effective July 1, 1997.

**General Authority:** SDCL 58-33-5.1.

**Law Implemented:** SDCL 58-33-5.1.