

## **20:06:43:02. Individual annuity or pure endowment contracts.**

(1) Except as provided in subdivisions 2 and 3 of this section, the 1983 Table "a" and the Annuity 2000 Mortality Table are recognized and approved as individual annuity mortality tables for valuation and, at the option of the company, either of these tables may be used for purposes of determining the minimum standard of valuation for any individual annuity or pure endowment contract issued on or after July 1, 1978.

(2) Except as provided in subdivision 3 of this section, the Annuity 2000 Mortality Table shall be used for determining the minimum standard of valuation for any individual annuity or pure endowment contract issued on or after January 1, 2001.

(3) The 1983 Table "a" without projection is to be used for determining the minimum standards of valuation for an individual annuity or pure endowment contract issued on or after January 1, 2001, solely when the contract is based on life contingencies and is issued to fund periodic benefits arising from:

(a) Settlements of various forms of claims pertaining to court settlements or out of court settlements from tort actions;

(b) Settlements involving similar actions such as worker's compensation claims; or

(c) Settlements of long term disability claims where a temporary or life annuity has been used in lieu of continuing disability payments.

**Source:** 26 SDR 55, effective October 24, 1999.

**General Authority:** SDCL 58-26-66, 58-26-67.

**Law Implemented:** SDCL 58-26-66, 58-26-67.

**References:** For 1983 Table "a", **1982 Proceedings of the NAIC**, Volume II, page 454, National Association of Insurance Commissioners. Copies of the entire volume may be obtained from the National Association of Insurance Commissioners, Attention Publications Department, 120 West Twelfth Street, Suite 1100, Kansas City, MO 64105, Telephone Number (816) 374-7259. Cost: Free for members; \$180 for nonmembers. Copies of individual pages may be obtained from the National Association of Insurance Commissioners, Attention Research Library, 120 West Twelfth Street, Suite 1100, Kansas City, MO 64105, Telephone Number (816) 374-7175. Cost: Free for members; \$10 flat fee plus 30 cents per page certain for nonmembers (with a higher charge for pages uncertain). For Annuity 2000 Mortality Table, **Transactions of the Society of Actuaries**, Volume XLVII, 1995, pages 211-249, Society of Actuaries. Copies may be obtained from the Society of Actuaries, Attention Publications Department, 475 North Martingale Road, Suite 800, Schaumburg, IL 60173-2226, Telephone Number (847) 706-3526. Cost: \$55 per book. For copies of tables, first 40 pages, \$10 for members and \$20 for nonmembers; each additional page, 25 cents for members and 50 cents for nonmembers.