New York State Department of Financial Services		LIFE BUREAU FILING GUIDANCE NOTE

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25 Beaver Street New York, N.Y. 10004

GUIDANCE DATE: October 14, 2011 **FOR IMMEDIATE RELEASE**

Guidance For Filing Responses To The Department's July 2011 Request For Special Reports Pursuant To Section 308 Of The New York Insurance Law Relating To Investigating Claims And Locating Beneficiaries With Respect To Death Benefits Under Life Insurance Policies, Annuity Contracts And Retained Asset Accounts

On July 5, 2011, the New York State Insurance Department, now the Department of Financial Services (the "Department"), issued a letter pursuant to Section 308 of the New York Insurance Law ("308 letter") advising all authorized life insurers and fraternal benefit societies ("life insurers") that a cross-check of all life insurance policies, annuity contracts, and retained asset accounts on their administration data files, including group policies for which a life insurer maintains detailed insured records, should be performed with the latest updated version of the U.S. Social Security Administration's Death Master File ("SSA Master File"), or another database or service that is at least as comprehensive as the SSA Master File, to identify any death benefit payments that may be due under life insurance policies, annuity contracts, or retained asset accounts as a result of the death of an insured or contract or account holder.

The 308 letter, supplemented by the Filing Guidance Note dated August 8, 2011, requires every life insurer to report to the Superintendent the First Stage Request results by no later than October 31, 2011 and provide Second Stage Request progress updates (including the final report) on the last day of each month from and including November 2011 through March 2012.

Pursuant to the 308 letter, the First Stage Request report shall include the following information:

- a narrative summary of the SSA Master File cross-check procedures implemented by the life insurer including the earliest year that cross-check procedures were performed on the life insurer's data and the extent to which data files that are maintained by third party vendors were encompassed by the cross-check procedures;

- the overall results of the SSA Master File cross-check, including the number of matches; the number of matches eliminated because the life insurance policies, annuity contracts, or retained asset accounts were previously paid or not in-force at the time of death; the number of matches where the life insurer is attempting to locate the beneficiary; and the number of matches still being reviewed;

- the current procedures utilized by the life insurer to locate beneficiaries; and

- a seriatim listing of any death benefits paid as a result of the SSA Master File cross-check sorted by the payee's state of residence, which shall also include:
    - name and address of the payee;
    - type of life insurance policy, annuity contract or retained asset account matched to the SSA Master File;
    - face amount or account value; and
    - amount paid including interest.

The EXCEL workbook accompanying this guidance provides the format for reporting required First Stage Request results relative to the overall results of the SSA Master File cross-check (second bullet above) and the seriatim listing of any death benefits paid as a result of the SSA Master File cross-check (fourth bullet above). The workbook contains the following worksheets:

- Report – This multicolumn worksheet shall be used for the reporting, pursuant to the 308 letter and Filing Guidance Notes, of results of the First Stage initial cross-check and the progress update reports and final report comprising the Second Stage Request.

- Report Explanations – This worksheet is used to report the details for line 5.6 in the Report worksheet and provide any other explanations a life insurer deems necessary.

- Report Notes – This worksheet provides explanatory notes to the information requested in the Report worksheet.

- Instructions – This worksheet provides general instructions for completion of the Report and Seriatim worksheets.

- Seriatim – Six separate seriatim worksheets have been provided for the reporting of death benefits paid as a result of the SSA Master File cross-check. Results should be sorted by payee's state of residence (or escheatment state, where applicable) as required by the 308 letter.

For the filing of the required First Stage Request, each life insurer shall, no later than October 31, 2011, submit to the Superintendent: (i) a narrative summary of the SSA Master File cross-check procedures implemented containing the information detailed in the 308 letter, (ii) current procedures utilized by the life insurer to locate beneficiaries and (iii) an EXCEL workbook in which the October 31, 2011 column in the Report worksheet has been appropriately completed and containing completed seriatim worksheets reflecting all claims paid and benefits escheated pursuant to the 308 letter.

For each period in which a Second Stage Request progress update shall be filed pursuant to the 308 letter and Filing Guidance Notes, each life insurer shall submit to the Superintendent: (i) any updates to the initial narrative summary provided in response to the First Stage Request; (ii) any updated procedures utilized to locate beneficiaries and (iii) an EXCEL workbook in which the column in the Report worksheet corresponding to the reporting month has been completed and containing completed seriatim worksheets reflecting all claims paid and benefits escheated for the reporting month. In addition to the current reporting month's information, the Report worksheet in each Second Stage Request progress update shall reflect information previously reported to the Superintendent in the Report worksheets submitted for the First Stage Request and all Second Stage Request progress updates prior to such reporting month.

Each report and update submitted to the Superintendent shall be subscribed and affirmed as true under penalty of perjury by a senior officer of the life insurer.

Any report or update that is not completed or filed in accordance with instructions in this Filing Guidance Note or is determined to be incomplete will not be acceptable.

All records that support the initial, final, and progress reports submitted to the Superintendent, are subject to examination or regulatory review by the Department and shall be retained by the life insurer in accordance with 11 NYCRR 243 (Regulation No. 152). In addition, life insurers are to preserve all documents and records related to the subject matter of this letter until notified otherwise.

Information regarding the secure delivery method for submission of the reports required pursuant to the 308 letter will be provided shortly.

All technical questions regarding the completion of the EXCEL workbook should be directed to Stephen Pallas, Associate Insurance Examiner, Life Bureau, at (212) 480-4765. All other questions should be directed to Dennis Fernez, Assistant Chief, Life Bureau, at (212) 480-5032 or by email at dennis.fernez@dfs.ny.gov