

STATE OF NEW YORK
DEPARTMENT OF FINANCIAL SERVICES

CONSOLIDATED

SEVENTH AMENDMENT TO 11 NYCRR 98
(INSURANCE REGULATION 147)
VALUATION OF LIFE INSURANCE RESERVES

FIFTH AMENDMENT TO 11 NYCRR 100
(INSURANCE REGULATION 179)
**RECOGNITION OF THE 2001 CSO MORTALITY TABLE AND THE 2017 CSO MORTALITY
TABLE FOR USE IN DETERMINING MINIMUM RESERVE LIABILITIES AND
NONFORFEITURE BENEFITS AND RECOGNITION AND APPLICATION OF PREFERRED
MORTALITY TABLES FOR USE IN DETERMINING MINIMUM RESERVE LIABILITIES**

I, Maria T. Vullo, Superintendent of Financial Services, pursuant to the authority granted by Sections 202 and 302 of the Financial Services Law and Sections 301, 1304, 1308, 4217, 4218, 4221, 4224, 4240, and 4517 of the Insurance Law, do hereby promulgate the Seventh Amendment to Part 98 and Fifth Amendment to Part 100 of Title 11 of the Official Compilation of Codes, Rules and Regulations of the State of New York (Insurance Regulations 147 and 179) to take effect upon publication in the State Register, to read as follows:

(New Matter is Underscored; Matter in Brackets is Deleted)

Section 98.4(b)(5)(ii) is amended to read as follows:

(ii) X is such that, when using the valuation interest rate used for basic reserves, the actuarial present value of future death benefits calculated using the mortality rates resulting from the application of X is greater than or equal to:

(a) except for a varying premium term life insurance policy or a universal life policy that guarantees that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement, issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.11(b) or 100.12(b) of this Title (Insurance Regulation 179), respectively, as provided in clause (b) of this subparagraph, the actuarial present value of future death benefits calculated using anticipated mortality experience without recognition of mortality improvement beyond the valuation date; or

(b) for a varying premium term life insurance policy or a universal life policy that guarantees that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement, issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.11(b) or 100.12(b) of this Title (Insurance Regulation 179), respectively, the actuarial present value of future death benefits calculated using anticipated mortality experience with recognition of mortality improvement beyond the valuation date as specified in section 100.11 or 100.12 of this Title (Insurance Regulation 179) as applicable;

Section 98.4(b)(5)(iii) is amended to read as follows:

(a) Except for a varying premium term life insurance policy or a universal life policy that guarantees that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement, issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.11(b) or 100.12(b) of this Title (Insurance Regulation 179), respectively, as provided in clause (b) of this subparagraph, X is such that the mortality rates resulting from the application of X are at least as great as the anticipated mortality experience, without recognition of mortality improvement beyond the valuation date, in each of the first five years after the valuation date; or

(b) For a varying premium term life insurance policy or a universal life policy that guarantees that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement, issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.11(b) or 100.12(b) of this Title (Insurance Regulation 179), respectively, X is such that the mortality rates resulting from the application of X are at least as great as the anticipated mortality experience, with recognition of mortality improvement beyond the valuation date, in each of the first five years after the valuation date, as specified in section 100.11 or 100.12 of this Title (Insurance Regulation 179) as applicable;

Section 98.4(b)(5)(vii)(b)(2) is amended to read as follows:

(2) The opinion required by this clause shall be supported by an actuarial report, subject to appropriate actuarial standards of practice promulgated by the Actuarial Standards Board of the American Academy of Actuaries. Except for a varying premium term life insurance policy or a universal life policy that guarantees that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement, issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.11(b) or 100.12(b) of this Title (Insurance Regulation 179), respectively, the opinion shall reflect future mortality, without recognition of mortality improvement beyond the valuation date, taking into account relevant emerging experience. For a varying premium term life insurance policy or a universal life policy that guarantees that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement, issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.11(b) or 100.12(b) of this Title (Insurance Regulation 179), respectively, the opinion shall reflect future mortality, with recognition of mortality improvement beyond the valuation date, as specified in section 100.11 or 100.12 of [the] this Title (Insurance Regulation 179) as applicable, taking into account relevant emerging experience.

Section 98.5(d) is amended to read as follows:

(d) For policies subject to an insurer-election to substitute the 2001 CSO Preferred Class Structure Mortality Table for the 2001 CSO Mortality Table:

(1) If the policy was issued on a policy form filed for approval prior to January 1, 2009, the insurer may, but shall not be required to, recalculate the segments; and

(2) If the policy was issued on a policy form filed for approval on or after January 1, 2009 and prior to January 1, 2020, the insurer shall recalculate the segments using the new valuation mortality rates.

A new section 98.5(e) is added to read as follows:

(e) For policies subject to an insurer-election to substitute the 2017 CSO Preferred Class Structure Mortality Table for the 2017 CSO Mortality Table the insurer shall recalculate the segments using the new valuation mortality rates.

Section 98.6(a)(1) is amended to read as follows:

(1) Methodology for calculating basic reserves.

(i) Except for a policy of varying premium term life insurance issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under subparagraph (iii) of this paragraph, as provided in subparagraph (ii) of this paragraph, basic reserves for each life insurance policy with nonlevel premiums and/or nonlevel death benefits shall be the greater of the unitary reserves or the segmented reserves as defined in paragraph (2) of this subdivision. The reserves shall be at least as great as those required by section 98.4 and paragraphs (3) through (6) of this subdivision regarding methodology and mortality, and interest rate considerations shall apply to such a policy.

(ii) For a policy of varying premium term life insurance issued on or after January 1, 2015 and prior to January 1, 2017, paragraphs (7) through (12) of this subdivision shall apply.

(iii) An insurer that as of December 31, 2016 utilized the provisions of paragraphs (7) through (12) of this subdivision for any varying premium term life insurance policies issued on or after January 1, 2015 and prior to January 1, 2017, may elect to continue to apply the provisions of said paragraphs to varying premium term life insurance policies issued on or after January 1, 2017 and prior to January 1, 2018, provided that:

(a) In applying the provisions of paragraphs (7) through (12) of this subdivision, the insurer shall utilize the 2001 CSO Mortality Table, or for preferred lives meeting the conditions of section 100.9 of this Title (Insurance Regulation 179), the 2001 CSO Preferred Class Structure Mortality Table; and

(b) The insurer provides written notification to the superintendent by June 30, 2017.

Section 98.6(a)(7) is amended to read as follows:

(7) For a varying premium term life insurance policy issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under paragraph (1)(iii) of this subdivision, basic reserves for a life insurance policy with non-level premiums or non-level death benefits shall be the greater of the unitary reserves or the segmented reserves for varying premium term life insurance prescribed in paragraph (8) of this subdivision.

Section 98.6(b)(1)(ii) is amended to read as follows:

(ii) For a policy of varying premium term life insurance issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under subdivision (a)(1)(iii) of this section, this paragraph shall apply to any policy for which the gross premium at any future duration is less than the corresponding modified net premium calculated on the basis of the commissioners reserve valuation method for varying premium term life insurance, as specified in subdivision (a)(9) of this section.

Section 98.6(b)(2) is amended to read as follows:

(2) Deficiency reserves, if any, shall be calculated for each policy as the excess of quantity A over basic reserves, where quantity A shall be determined by recalculating basic reserves using the commissioners reserve valuation method and, for varying premium term life insurance issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under subdivision (a)(1)(iii) of this section, the commissioners reserve a valuation method for vary premium term life insurance, as specified in subdivision (a)(9) of this section, and using the maximum allowable valuation interest rate and the minimum mortality standard allowable for deficiency reserves and replacing the modified net premium by the gross premium for the policy for each contract year for which the modified net premium exceeds the gross premium. The quantity A should be calculated on a unitary basis if basic reserves are unitary, and on a segmented basis if basic reserves are segmented. If unitary and segmented basic reserves are equal, deficiency reserves should be calculated on a segmented basis. When deficiency reserves are calculated on a segmented basis the length of each segment for quantity A segmented reserves shall equal the length of the corresponding segment for basic segmented reserves. Quantity A segmented reserves shall reflect benefits and premiums in the current segment and all future segments.

Section 98.7(b)(1)(iv) is amended to read as follows:

(iv) Basic reserves for the specified premium secondary guarantees. Basic reserves for the specified premium secondary guarantees shall be determined in accordance with sections 98.4 through 98.6 of [the] this Part treating the policy as a policy with expiry at the end of the secondary guarantee period and using the specified premiums as the gross premiums. The minimum statutory valuation mortality and interest assumptions can be used. For universal life policies that guarantee that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement, issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.12(b) of this Title (Insurance Regulation 179), recognition of mortality improvement, as specified in section 100.12 of this Title (Insurance Regulation 179), may be applied. The specified premiums shall be used as the gross

premiums for the application of the Contract Segmentation Method. Unitary reserves shall be calculated assuming the end of the secondary guarantee period is the mandatory expiry date of the policy.

Section 98.7(b)(1)(v) is amended to read as follows:

(v) Deficiency reserves for the specified premium secondary guarantees. Deficiency reserves for the specified premium secondary guarantees, if any, shall be calculated for the secondary guarantee period in accordance with sections 98.4 through 98.6 of this Part treating the policy as a policy with expiry at the end of the secondary guarantee period and using the specified premiums as the gross premiums. For universal life policies that guarantee that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement, issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.12(b) of this Title (Insurance Regulation 179), recognition of mortality improvement, as specified in section 100.12 of this Title (Insurance Regulation 179), may be applied.

Section 98.9(c)(2)(viii)(b)(2) is amended to read as follows:

(i) For policies issued on or after January 1, 2007[and prior to January 1, 2015], except for policies issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under item (iii) of this subclause, for purposes of applying section 98.7(b)(1) of this Part, an insurer may use a lapse rate of no more than two percent per year for the first five years, followed by no more than one percent per year to the policy anniversary specified in the following table based on issue age, and zero percent per year thereafter. If the period of time from the date of policy issuance to the date of the applicable policy anniversary age in the table is less than five years, then an insurer may use a lapse rate of no more than two percent per year for that period of time, and zero percent per year thereafter.

Issue Age	Policy Anniversary after which the lapse rate is zero
0 – 50	30 th policy anniversary
51 – 60	Policy Anniversary age 80
61 – 70	20 th policy anniversary
71 – 89	Policy Anniversary age 90
90 and over	No lapse

(ii) For policies issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under item (iii) of this subclause, for the purposes of applying section 98.7(b)(1) of this Part, an insurer may use a lapse rate of no more than two percent per year for the first five years, followed by no more than one percent per year for the remaining life of the contract.

(iii) An insurer that as of December 31, 2016 utilized the provisions of item (ii) of this subclause for any policies issued on or after January 1, 2015 and prior to January 1, 2017, may

elect to continue to apply the provisions of said item to policies issued on or after January 1, 2017 and prior to January 1, 2018, provided that:

(A) In applying the provisions of item (ii) of this subclause, the insurer shall utilize the 2001 CSO Mortality Table, or for preferred lives meeting the conditions of section 100.9 of this Title (Insurance Regulation 179), the 2001 CSO Preferred Class Structure Mortality Table.

(B) The insurer provides written notification to the superintendent by June 30, 2017.

Section 98.9(c)(2)(viii)(e) is amended to read as follows:

(e) Compute the net single premium on the valuation date for the coverage provided by the secondary guarantee for the remainder of the secondary guarantee period, using the applicable valuation table and select factors as prescribed in section 98.4(a) of this Part, or Part 100 of this Title (Insurance Regulation 179), if applicable. For purposes of calculating the net single premium for policies issued on or after January 1, 2007[and prior to January 1, 2015], except for policies issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under clause (b)(2)(iii) of this subparagraph, a lapse rate subject to the same criteria as the lapse rate used in applying [item (i) of subclause (2) of clause (b)] clause (b)(2)(i) of this subparagraph may be used. For policies issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under clause (b)(2)(iii) of this subparagraph, a lapse rate subject to the same criteria as the lapse rate used in applying [item (ii) of subclause (2) of clause (b)] clause (b)(2)(ii) of this subparagraph may be used.

The title of 11 NYCRR 100 (Insurance Regulation 179) is amended to read as follows:

RECOGNITION OF THE 2001 CSO MORTALITY TABLE AND THE 2017 CSO MORTALITY TABLE FOR USE IN DETERMINING MINIMUM RESERVE LIABILITIES AND NONFORFEITURE BENEFITS AND RECOGNITION AND APPLICATION OF PREFERRED MORTALITY TABLES FOR USE IN DETERMINING MINIMUM RESERVE LIABILITIES

Section 100.1(a) and (b) are amended to read as follows:

(a) to recognize, permit and prescribe the use of the 2001 and 2017 Commissioners Standard Ordinary (CSO) Mortality Tables for life insurance in accordance with Insurance Law sections 4217, 4221, and 4517[of the Insurance Law];

(b) to recognize and permit, under appropriate guidelines, the use of the 2001 and 2017 CSO Preferred Class Structure Mortality Tables for preferred lives for life insurance in accordance with Insurance Law sections 4217 and 4517[of the Insurance Law];

Section 100.3(e) is amended to read as follows:

(e) 2001 Valuation Basic Preferred Class Structure Mortality Table (2001 VBT) means that mortality table with separate rates of mortality for super preferred nonsmokers, preferred nonsmokers, residual standard

nonsmokers, preferred smokers, and residual standard smoker splits of the 2001 Valuation Basic Mortality Nonsmoker and Smoker tables, developed by Tillinghast for the American Council of Life Insurers, and adopted by the NAIC in September 2006. These tables are included in Appendix 25B of this Part as Tables 1-40.

Section 100.3(f) through (n) are renumbered as section 100.3(k) through (s).

Section 100.3(o) is renumbered as section 100.3(t) and amended to read as follows:

(t) *Mortality improvement scale LT* means annual rates, LT1 and LT2, of mortality improvement by policy year, to be used for projecting future mortality rates, as described in sections 100.11[(c)](d)(2) and 100.12[(c)](d)(2) of this Part.

Section 100.3(p) through (v) are renumbered as section 100.3(u) through (aa).

New section 100.3(f) through (j) are added to read as follows:

(f) 2017 CSO Mortality Table means that mortality table, consisting of separate rates of mortality for male and female lives, developed by the CSO Subgroup of the Joint American Academy of Actuaries Life Experience Committee and Society of Actuaries Preferred Mortality Oversight Group from the Valuation Basic Mortality Table developed by the joint group's Valuation Basic Mortality Subgroup, and adopted by the NAIC in April 2016. These tables are included in Appendix 25C of this Part as Tables 1-24. Unless the context indicates otherwise, the "2017 CSO Mortality Table" includes both:

- (1) the ultimate form of that table and the select and ultimate form of that table;
- (2) the smoker and nonsmoker mortality tables and the composite mortality tables; and
- (3) the age-nearest-birthday and age-last-birthday bases of the mortality tables.

(g) 2017 CSO Mortality Table (F) means that mortality table consisting of the rates of mortality for female lives from the 2017 CSO Mortality Table.

(h) 2017 CSO Mortality Table (M) means that mortality table consisting of the rates of mortality for male lives from the 2017 CSO Mortality Table.

(i) 2017 CSO Preferred Class Structure Mortality Table means that mortality table with separate rates of mortality for super preferred nonsmokers, preferred nonsmokers, residual standard nonsmokers, preferred smokers, and residual standard smoker splits of the 2017 CSO Nonsmoker and Smoker Tables as adopted by the NAIC in April 2016. These tables are included in Appendix 25D of this Part as Tables 1-40. Unless the context indicates otherwise, the "2017 CSO Preferred Class Structure Mortality Table" includes both:

- (1) the ultimate form of that table and the select and ultimate form of that table;
- (2) the smoker and nonsmoker mortality tables and the male and female mortality tables; and

(3) the age-nearest-birthday and age-last-birthday bases of the mortality table.

(j) 2017 Unloaded CSO Preferred Class Structure Mortality Table means that mortality table with separate rates of mortality for super preferred nonsmokers, preferred nonsmokers, residual standard nonsmokers, preferred smokers, and residual standard smoker splits of the 2017 Unloaded CSO Nonsmoker and Smoker Tables developed by the CSO Subgroup of the Joint American Academy of Actuaries Life Experience Committee and Society of Actuaries Preferred Mortality Oversight Group. These tables are included in Appendix 25E of this Part as Tables 1-40.

A new section 100.3(ab) is added to read as follows:

(ab) Valuation Basic Table means the unloaded version of the applicable Commissioners Standard Ordinary table.

The title of section 100.4 is amended to read as follows:

2001 CSO Mortality Table and 2017 CSO Mortality Table.

Section 100.4(a) and (b) are amended to read as follows:

(a) At the election of the insurer for any one or more specified plans of insurance and subject to the conditions stated in this Part, the 2001 CSO Mortality Table may be used as the minimum mortality standard for policies issued on or after January 1, 2004 and before the date specified in subdivision (b) of this section to which Insurance Law sections 4217(c)(2)(A)(iii) and 4221(k)(9)(B)(vi)[of the Insurance Law] and [sections] section 98.4(a) and [98.4] (b) of this Title are applicable. If the insurer elects to use the 2001 CSO Mortality Table, it shall do so for both valuation and nonforfeiture purposes.

(b) Subject to the conditions stated in this Part, the 2001 CSO Mortality Table shall be used in determining minimum mortality standards for policies issued on and after January 1, 2009 and before the date specified in subdivision (e) of this section, to which Insurance Law sections 4217(c)(2)(A)(iii) and 4221(k)(9)(B)(vi)[of the Insurance Law] and [sections] section 98.4(a) and [98.4] (b) of this Title are applicable.

New section 100.4(d) and (e) are added to read as follows:

(d) At the election of the insurer for any one or more specified plans of insurance and subject to the conditions stated in this Part, the 2017 CSO Mortality Table may be used as the minimum mortality standard for policies issued on or after January 1, 2017 and before the date specified in subdivision (e) of this section to which Insurance Law sections 4217(c)(2)(A)(iii) and 4221(k)(9)(B)(vi) and section 98.4(a) and (b) of this Title are applicable. If the insurer elects to use the 2017 CSO Mortality Table, it shall do so for both valuation and nonforfeiture purposes.

(e) Subject to the conditions stated in this Part, the 2017 CSO Mortality Table shall be used in determining minimum mortality standards for policies issued on and after January 1, 2020, to which Insurance Law sections 4217(c)(2)(A)(iii) and 4221(k)(9)(B)(vi) and section 98.4(a) and (b) of this Title are applicable.

The title of section 100.5 is amended to read as follows:

Conditions for using the 2001 CSO Mortality Table and the 2017 CSO Mortality Table.

Section 100.5(c) and (d) are amended to read as follows:

(c) For the purpose of determining minimum reserve liabilities and minimum cash surrender values and amounts of paid-up nonforfeiture benefits, the 2001 CSO Mortality Table and the 2017 CSO Mortality Table may, at the option of the insurer for each plan of insurance, be used in its ultimate or select and ultimate form, subject to the restrictions of section 100.6 of this Part and Part 98 of this Title relative to use of the select and ultimate form.

(d) When the 2001 CSO Mortality Table or the 2017 CSO Mortality Table is the minimum reserve mortality standard for any plan for an insurer, the actuarial opinion in the annual statement filed with the superintendent shall be based on an asset adequacy analysis as specified in Part 95 of this Title (Insurance Regulation 126).

The title of section 100.6 is amended to read as follows:

Applicability of the 2001 CSO Mortality Table and the 2017 CSO Mortality Table to Part 98 of this Title (Insurance Regulation 147).

Section 100.6(a) is amended to read as follows:

(a) The 2001 CSO Mortality Table may be used in applying Part 98 of this Title in the following manner, subject to the transition dates for use of the 2001 CSO Mortality Table in section 100.4 of this Part[.]:

(1) Section 98.4(a)(1)(i) of this Title: The valuation mortality table used in determining the tabular cost of insurance shall be the ultimate mortality rates in the 2001 CSO Mortality Table.

(2) Section 98.4(a)(3) of this Title: The 2001 CSO Mortality Table is the minimum mortality standard for basic reserves. For varying premium term life insurance issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.11(b) of this Part, recognition of mortality improvement, as specified in section 100.11 of this Part, may also be applied. For universal life policies that guarantee that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement, issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.12(b) of this Part, recognition of mortality improvement, as specified in section 100.12 of this Part, may also be applied.

(3) Section 98.4(b)(5) of this Title: The 2001 CSO Mortality Table is the minimum mortality standard for deficiency reserves. For varying premium term life insurance issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.11(b) of this Part, recognition of mortality improvement, as specified in section 100.11 of this Part, may also be applied. For universal life policies that guarantee that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement, issued on or after January 1,

2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.12(b) of this Part, recognition of mortality improvement, as specified in section 100.12 of this Part, may also be applied. If select mortality rates are used, they may be multiplied by X percent for durations in the first segment, subject to the conditions specified in [sections] section 98.4(b)(5)(i) – [98.4(b)(5)](vii) of this Title. In demonstrating compliance with those conditions, the demonstrations [may] shall not combine the results of tests across different mortality tables (e.g. the results of tests that utilize the 1980 CSO Mortality Table shall not be combined with [those] the results of tests that utilize the 2001 CSO Mortality Table), unless the combination is explicitly required by regulation or necessary to be in compliance with relevant Actuarial Standards of Practice.

(4) Section 98.4(f)(2)(i) of this Title: The calculations specified in section 98.4(f)(2) of this Title shall use the ultimate mortality rates in the 2001 CSO Mortality Table.

(5) Section 98.4(j)(2) of this Title: The calculations specified in section 98.4(j) of this Title shall use the ultimate mortality rates in the 2001 CSO Mortality Table.

(6) Section 98.5 of this Title: All calculations are made using the 2001 CSO Mortality rate, and, if elected, the optional minimum mortality standard for deficiency reserves stipulated in paragraph (4) of this subdivision. The value of “ $q_{x+k+t-1}$ ” is the valuation mortality rate for deficiency reserves in policy year $k+t$, but using the unmodified select mortality rates if modified select mortality rates are used in the computation of deficiency reserves.

(7) Section 98.6(a)(4) of this Title: The select and ultimate mortality rates in the 2001 CSO Mortality Table may only be used for the first segment. Ultimate mortality rates in the 2001 CSO Mortality Table [must] shall be used for the second and later segments. For varying premium term life insurance issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.11(b) of this Part, recognition of mortality improvement, as specified in section 100.11 of this Part, may also be applied. For universal life policies that guarantee that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement, issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.12(b) of this Part, recognition of mortality improvement, as specified in section 100.12, may also be applied.

(8) Section 98.6(b)(4) of this Title: The select and ultimate mortality rates in the 2001 CSO Mortality Table may only be used for the first segment. Ultimate mortality rates in the 2001 CSO Mortality Table [must] shall be used for the second and later segments. For varying premium term life insurance issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.11(b) of this Part, recognition of mortality improvement, as specified in section 100.11 of this Part, may also be applied. For universal life policies that guarantee that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement, issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under section 100.12(b) of this Part, recognition of mortality improvement, as specified in section 100.12, may also be applied.

(9) Section 98.6(e)(2) of this Title: The calculations specified in section 98.6(e) of this Title shall use the ultimate mortality rates in the 2001 CSO Mortality Table.

(10) Section 98.7(b)(1)(vii)(b) of this Title: The net level reserve premium is based on the ultimate mortality rates in the 2001 CSO Mortality Table.

(11) Section 98.7(b)(2)(i) of this Title: The one-year valuation premium shall be calculated using the ultimate mortality rates in the 2001 CSO Mortality Table.

Section 100.6(b) is renumbered as section 100.6(c) and amended to read as follows:

(c) Nothing in this section shall be construed to expand the applicability of Part 98 of this Title to include life insurance policies exempted under sections 98.2(b)[, 98.2] and (c), and 98.7(b)(1)(vii) of this Title.

A new section 100.6(b) is added to read as follows:

(b) The 2017 CSO Mortality Table may be used in applying Part 98 of this Title in the following manner, subject to the transition dates for use of the 2017 CSO Mortality Table in section 100.4 of this Part:

(1) Section 98.4(a)(1)(i) of this Title: The valuation mortality table used in determining the tabular cost of insurance shall be the ultimate mortality rates in the 2017 CSO Mortality Table.

(2) Section 98.4(a)(3) of this Title: The 2017 CSO Mortality Table is the minimum mortality standard for basic reserves.

(3) Section 98.4(b)(5) of this Title: The 2017 CSO Mortality Table is the minimum mortality standard for deficiency reserves. If select mortality rates are used, they may be multiplied by X percent for durations in the first segment, subject to the conditions specified in section 98.4(b)(5)(i)-(vii) of this Title. In demonstrating compliance with those conditions, the demonstrations shall not combine the results of tests across different mortality tables (e.g. the results of tests that utilize the 2001 CSO Mortality Table shall not be combined with the results of tests that utilize the 2017 CSO Mortality Table), unless the combination is explicitly required by regulation or necessary to be in compliance with relevant Actuarial Standards of Practice.

(4) Section 98.4(f)(2)(i) of this Title: The calculations specified in section 98.4(f)(2) of this Title shall use the ultimate mortality rates in the 2017 CSO Mortality Table.

(5) Section 98.4(j)(2) of this Title: The calculations specified in section 98.4(j) of this Title shall use the ultimate mortality rates in the 2017 CSO Mortality Table.

(6) Section 98.5 of this Title: All calculations shall use the 2017 CSO Mortality rate, and, if elected, the optional minimum mortality standard for deficiency reserves stipulated in paragraph (4) of this subdivision. The value of “ $q_{x+k+t-1}$ ” is the valuation mortality rate for deficiency reserves in policy year $k+t$, but using the unmodified select mortality rates if modified select mortality rates are used in the computation of deficiency reserves.

(7) Section 98.6(a)(4) of this Title: The select and ultimate mortality rates in the 2017 CSO Mortality Table may only be used for the first segment. Ultimate mortality rates in the 2017 CSO Mortality Table shall be used for the second and later segments.

(8) Section 98.6(b)(4) of this Title: The select and ultimate mortality rates in the 2017 CSO Mortality Table may only be used for the first segment. Ultimate mortality rates in the 2017 CSO Mortality Table shall be used for the second and later segments.

(9) Section 98.6(e)(2) of this Title: The calculations specified in section 98.6(e) of this Title shall use the ultimate mortality rates in the 2017 CSO Mortality Table.

(10) Section 98.7(b)(1)(vii)(b) of this Title: The net level reserve premium shall be based on the ultimate mortality rates in the 2017 CSO Mortality Table.

(11) Section 98.7(b)(2)(i) of this Title: The one-year valuation premium shall be calculated using the ultimate mortality rates in the 2017 CSO Mortality Table.

The title of section 100.7 is amended to read as follows:

2001 CSO gender-blended mortality tables and 2017 CSO gender-blended mortality tables.

Section 100.7(a) and (b) are amended to read as follows:

(a) For any ordinary life insurance policy delivered or issued for delivery in this State on and after January 1, 2004 and prior to January 1, 2020, that utilizes the same premium rates and charges for male and female lives or is issued in circumstances where applicable law does not permit distinctions on the basis of gender, a mortality table that is a blend of the 2001 CSO Mortality Table (M) and the 2001 CSO Mortality Table (F) may, at the option of the insurer for each plan of insurance, be substituted for the 2001 CSO Mortality Table for use in determining minimum cash surrender values and amounts of paid-up nonforfeiture benefits. No change in minimum valuation standards is implied by this subdivision.

(b) [The] In applying subdivision (a) of this section, the insurer may choose from among the blended tables developed by the American Academy of Actuaries CSO Task Force and adopted by the NAIC in December 2002. Gender- blended tables are included in Appendix 25 of this Title as tables 25-84.

Section 100.7(c) is renumbered as section 100.7(e).

New section 100.7(c) and (d) are added to read as follows:

(c) For any ordinary life insurance policy delivered or issued for delivery in this state on and after January 1, 2017, that utilizes the same premium rates and charges for male and female lives or is issued in circumstances where applicable law does not permit distinctions on the basis of gender, a mortality table that is a blend of the 2017 CSO Mortality Table (M) and the 2017 CSO Mortality Table (F) may, at the option of the insurer for each plan of insurance, be substituted for the 2017 CSO Mortality Table for use in determining minimum cash surrender values and amounts of paid-up nonforfeiture benefits. No change in minimum valuation standards is implied by this subdivision.

(d) In applying subdivision (c) of this section, the insurer may choose from among the blended tables developed by the CSO Subgroup of the Joint American Academy of Actuaries Life Experience Committee and

Society of Actuaries Preferred Mortality Oversight Group, and adopted by the NAIC in April 2016. Gender-blended tables are included in Appendix 25C as tables 25-84.

The title of section 100.8 is amended to read as follows:

2001 CSO Preferred Class Structure Mortality Table and 2017 CSO Preferred Class Structure Mortality Table.

Section 100.8(a) is amended to read as follows:

(a) At the election of the insurer, for each calendar year of issue, for any one or more specified plans of insurance and subject to satisfying the conditions stated in section 100.9 of this Part, the 2001 CSO Preferred Class Structure Mortality Table may be substituted in place of the 2001 CSO Smoker or Nonsmoker Mortality Table as the minimum mortality standard for policies issued on or after January 1, 2007 and prior to January 1, 2020. For policies issued on or after January 1, 2004, and prior to January 1, 2007, the 2001 CSO Preferred Class Structure Mortality Table may be substituted with the prior approval of the superintendent and subject to the conditions of section 100.9 of this Part. A table from the 2001 CSO Preferred Class Structure Mortality Table used in place of a 2001 CSO Mortality Table, pursuant to the requirements of this Part, [will] shall only be treated as part of the 2001 CSO Mortality Table for purposes of reserve valuation.

Section 100.8(b) is renumbered as section 100.8(c) and amended to read as follows:

(c) [The] Neither the 2001 CSO Preferred Class Structure Mortality Table nor the 2017 CSO Preferred Class Structure Mortality Table shall[not] be used as the minimum nonforfeiture standard described in Insurance Law section 4221(k)(9)(B)(vi) [of the Insurance Law].

A new section 100.8(b) is added to read as follows:

(b) At the election of the insurer, for each calendar year of issue, for any one or more specified plans of insurance and subject to satisfying the conditions stated in section 100.9 of this Part, the 2017 CSO Preferred Class Structure Mortality Table may be substituted in place of the 2017 CSO Smoker or Nonsmoker Mortality Table as the minimum mortality standard for policies issued on or after January 1, 2017. A table from the 2017 CSO Preferred Class Structure Mortality Table used in place of a 2017 CSO Mortality Table, pursuant to the requirements of this Part, shall only be treated as part of the 2017 CSO Mortality Table for purposes of reserve valuation.

The title of section 100.9 is amended to read as follows:

Conditions for using the 2001 CSO Preferred Class Structure Mortality Table and the 2017 CSO Preferred Class Structure Mortality Table.

Section 100.9(a) – (g) are amended to read as follows:

(a) The 2001 CSO Preferred Class Structure Mortality Table or the 2017 CSO Preferred Class Structure Mortality Table, subject to the transition dates specified in section 100.8 of this Part, may be used for valuation purposes for individual life insurance and group life insurance products sold to individuals by certificate with premium rates guaranteed from issue for at least two years. No such election shall be made until the insurer

demonstrates at least 20 percent of the business to be valued on this table is in one or more of the preferred classes.

(b) For each plan of insurance with separate rates for preferred and standard nonsmoker lives, an insurer may use the super preferred nonsmoker, preferred nonsmoker, and residual standard nonsmoker tables to substitute for nonsmoker mortality in the [2001 CSO Mortality Table] corresponding CSO mortality table to determine minimum reserve liabilities. At the time of election and annually thereafter, except for business valued under the residual standard nonsmoker table, the appointed actuary shall certify that the following tests of sufficiency were passed:

(1) for each class, the present value of death benefits over the next 10 years after the valuation date, using the anticipated mortality experience without recognition of mortality improvement beyond the valuation date for each class, is less than the present value of death benefits using the Valuation Basic Table corresponding to the valuation table being used for that class;

(2) for each class, the present value of death benefits over the future life of the contracts, using anticipated mortality experience without recognition of mortality improvement beyond the valuation date for each class, is less than the present value of death benefits using the Valuation Basic Table corresponding to the valuation table being used for that class; and

(3) in the event that the class does not contain any policies with expiry dates 10 or more years into the future, the appointed actuary shall only be required to certify that the test of sufficiency defined in paragraph (2) of this subdivision was passed.

(c) For each plan of insurance with separate rates for preferred and standard smoker lives, an insurer may use the preferred smoker and residual standard smoker tables to substitute for smoker mortality in the [2001 CSO Mortality Table] corresponding CSO mortality table to determine minimum reserve liabilities. At the time of election and annually thereafter, for business valued under the preferred smoker table, the appointed actuary shall certify that:

(1) for each class, the present value of death benefits over the next 10 years after the valuation date, using the anticipated mortality experience without recognition of mortality improvement beyond the valuation date for each class, is less than the present value of death benefits using the preferred smoker Valuation Basic Table corresponding to the valuation table being used for that class;

(2) for each class, the present value of death benefits over the future life of the contracts, using anticipated mortality experience without recognition of mortality improvement beyond the valuation date for each class, is less than the present value of death benefits using the preferred smoker Valuation Basic Table; and

(3) in the event that the class does not contain any policies with expiry dates 10 or more years into the future, the appointed actuary shall only be required to certify that the test of sufficiency defined in paragraph (2) of this subdivision was passed.

(d) Calculation of present value. The annual tests of sufficiency, as described in subdivisions (b) and (c) of this section, require that four present value calculations be made for each class. Two are based on anticipated

mortality and two are based on the Valuation Basic Table corresponding to the table within the [2001 CSO Preferred Class Structure Mortality Table] applicable preferred class structure mortality table being used for that class. The calculation of the present value of death benefits shall be based on a projection of death benefits, without the effect of lapse, at the valuation interest rate used to calculate basic reserves for the class. If the class contains policies with several valuation interest rates, the lowest valuation interest rate used for the basic reserves for any policy within the class shall be used for that class.

(e) Tests of sufficiency. After the anticipated mortality is established, each class must be tested for sufficiency. If a class fails either of the two annual tests of sufficiency, as described in subdivisions (b) and (c) of this section, the class must be re-valued using a different table within the [2001 CSO Preferred Class Structure Mortality Table] applicable preferred class structure mortality table. An insurer [must] shall choose a table under which both tests of sufficiency can be passed.

(f) Every insurer using the 2001 CSO Preferred Class Structure Mortality Table or the 2017 CSO Preferred Class Structure Mortality Table, shall annually file on or before July 1 with the superintendent, or at the direction of the superintendent, with either the National Association of Insurance Commissioners or with a statistical agent designated by the superintendent, statistical reports, in a form specified by the superintendent, showing mortality and such other company experience information as the superintendent may deem necessary or expedient for the administration of the provisions of the Insurance Law or this Part, with respect to individual life insurance policies and group life insurance products sold to individuals by certificate with premium rates guaranteed from issue for at least two years.

(g) If an insurer chooses to use a table within the 2001 CSO Preferred Class Structure Mortality Table or the 2017 CSO Preferred Class Structure Mortality Table, then the same table must be used for the calculation of both basic and deficiency reserves.

The title of section 100.10 is amended to read as follows:

Application of the 2001 CSO Preferred Class Structure Mortality Table and the 2017 CSO Preferred Class Structure Mortality Table.

The opening paragraph to and paragraph (1) of Section 100.10(a) are amended to read as follows:

(a) Selection of a table within the 2001 CSO Preferred Class Structure Mortality Table or the 2017 CSO Preferred Class Structure Mortality Table.

(1) The election of the 2001 CSO Preferred Class Structure Mortality Table or the 2017 CSO Preferred Class Structure Mortality Table is on a policy form and calendar year of issue basis. Once a calendar year cohort of policy forms is placed on the 2001 CSO Preferred Class Structure Mortality Table basis or the 2017 CSO Preferred Class Structure Mortality Table basis, it [may] shall not subsequently revert back to the respective standard [2001 CSO Mortality Table] mortality table basis without the prior approval of the superintendent. Such change would be considered a basis change for annual statement reporting purposes. For those calendar years of issue in which an insurer chooses to use the 2001 CSO Preferred Class Structure Mortality Table or the 2017 CSO Preferred Class Structure Mortality Table, it [must] shall use the entire 2001 CSO Preferred Class Structure Mortality Table or the entire 2017 CSO Preferred Class Structure Mortality Table, respectively, for the chosen policy forms, i.e., an insurer [may] shall not use the 2001 CSO Preferred

Class Structure Mortality Table or the 2017 CSO Preferred Class Structure Mortality Table for the preferred classes and use the respective standard [2001 CSO Mortality Table] mortality table for the non-preferred class(es). Additionally, if the insurer sells two similar policy forms in the same market, the appointed actuary [must] shall use the same version of the table for both forms and [may] shall not use the 2001 CSO Preferred Class Structure Mortality Table or the 2017 CSO Preferred Class Structure Mortality Table on one policy form and the respective standard [2001 CSO Mortality Table] mortality table on the other policy form. For example, it would be unacceptable to put preferred lives under one policy form and non-preferred lives under the other policy form.

Section 100.10(a)(2)(i)(a) is amended to read as follows:

(2) In order to choose the proper table of mortality rates within the 2001 CSO Preferred Class Structure Mortality Table or the 2017 CSO Preferred Class Structure Mortality Table and to develop the preferred class actuarial certification required by section 100.9 of this Part, the following requirements apply:

(i) Creation of classes:

(a) The appointed actuary shall reflect the composition and characteristics of the policies issued under a plan of insurance in the determination of the appropriate classes that will be applicable under that plan. The policies that comprise classes shall have similar underwriting or mortality experience characteristics. When classes are similar across various plans of insurance, these classes may be combined into a single aggregate class. Multiple underwriting classes on a policy form can be mapped into the same table within the 2001 CSO Preferred Class Structure Mortality Table or the 2017 CSO Preferred Class Structure Mortality Table, if, in aggregate, the underwriting classes can be shown to have anticipated mortality no greater than the Valuation Basic Table associated with the table selected. However, the appointed actuary shall not combine classes that are expected to have dissimilar anticipated mortality as a means to produce reserves that are materially lower than those developed if the classes were not combined.

Section 100.10(a)(2)(i)(e) is amended to read as follows:

(e) If a class of business is assigned to a different table within the 2001 CSO Preferred Class Structure Mortality Table or the 2017 CSO Preferred Class Structure Mortality Table from that used in the prior valuation, the change is not considered a basis change, and the reserve change must be accounted for in the calculation of gain from operations.

Section 100.10(a)(2)(ii)(e) is amended to read as follows:

(e) If no sufficient underwriting-based nor experienced-based justification is made to derive anticipated mortality for a class, the insurer shall not use the 2001 CSO Preferred Class Structure Mortality Table nor the 2017 CSO Preferred Class Structure Mortality Table for valuation.

Section 100.10(b)(2)(i) is amended to read as follows:

(i) The specified plans of insurance for which the insurer has elected to use the 2001 CSO Preferred Class Structure Mortality Table or the 2017 CSO Preferred Class Structure Mortality Table. A brief

description of each plan and the amount of in force business, including the policy count, face amount, and associated reserves, shall be provided as of the valuation date;

Section 100.11 is amended to read as follows:

(a) This section applies to varying premium term life insurance policies issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under subdivision (b) of this section.

(b) An insurer that as of December 31, 2016 utilized the provisions of this section for any varying premium term life insurance policies issued on or after January 1, 2015 and prior to January 1, 2017, may elect to continue to apply the provisions of this section to varying premium term life insurance policies issued on or after January 1, 2017 and prior to January 1, 2018, provided that the insurer provides written notification to the superintendent by June 30, 2017.

(c) An insurer shall use the methodology for applying mortality improvement scale LT in conjunction with either the 2001 CSO Mortality Table, or for preferred lives meeting the conditions of section 100.9 of this Part, the 2001 CSO Preferred Class Structure Mortality Table. The resulting mortality adjusted table shall be the minimum mortality standard for policies issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under subdivision (b) of this section.

[(c)](d)

(1) The annual improvement rates, LT1 and LT2, from mortality improvement scale LT shall be applied only within the first segment. The length of each segment shall be determined at issue by the Contract Segmentation Method as described in section 98.5 of this Title. The value, t, shall be the number of policy years after the year 2008. The annual year improvement rates and the formula for applying the rates are shown in paragraph (2) of this subdivision.

(2) The mortality rate for a person age x in year (2008 + t) is calculated as follows, where q_x^{2008} is the appropriate rate from the 2001 CSO Mortality Table, or for preferred lives meeting the conditions of section 100.9 of this Part, the 2001 CSO Preferred Class Structure Mortality Table:

(i) $q_x^{2008+t} = q_x^{2008} * (1 - LT1)^t$ for t=1 through 40;

(ii) $q_x^{2008+t} = q_x^{2008} * (1 - LT1)^{40} * (1 - LT2)^{(t-40)}$ for t=41 through policy year 30;

(iii) LT1 equals 0.01;

(iv) LT2 equals 0.005; and

(v) The resulting q_x^{2008+t} shall be rounded to two decimal places per 1,000, e.g., 0.68 deaths per 1,000. After the first segment, the rates revert to the q_x^{2008} rates.

[(d)](e) A numerical example of applying the annual improvement rates and formulas from subdivision [(c)](d) of this section follows. The example assumes a super-preferred 45 year old male non-smoker with issue

year 2015. The unadjusted mortality table, q_x^{2008} , is the 2001 CSO M NS Super Preferred ANB Select & Ultimate Mortality Table. The product type is 20 year level term with varying premiums that increase after year 20. The first segment has a length of 20 years. Select mortality rates shall be used only for the first segment. After 20 years, the Ultimate rates of the 2001 CSO M NS Super Preferred ANB table must be used. The rates of mortality per 1,000 lives based on age nearest birthday for the first 25 policy years are shown below.

Attained Age (x)	q_x^{2008}	LT Adjusted q_x^{2008+t}
45	0.68	0.63
46	0.82	0.76
47	0.96	0.88
48	1.09	0.99
49	1.25	1.12
50	1.42	1.26
51	1.64	1.44
52	1.87	1.62
53	2.10	1.81
54	2.33	1.98
55	2.63	2.22
56	3.01	2.51
57	3.35	2.77
58	3.65	2.99
59	4.00	3.24
60	4.45	3.57
61	5.01	3.98
62	5.65	4.44
63	6.32	4.92
64	6.91	5.32
65	10.69	10.69
66	11.74	11.74
67	12.81	12.81
68	13.97	13.97
69	15.16	15.16

Section 100.12 is amended to read as follows:

(a) This section applies to universal life policies that guarantee that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement, issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under subdivision (b) of this section.

(b) An insurer that as of December 31, 2016 utilized the provisions of this section for any universal life policies that guarantee that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement issued on or after January 1, 2015 and prior to January 1, 2017, may elect to continue to apply the provisions of this section to universal life policies that guarantee that coverage will remain in force as long as the accumulation of premiums paid satisfies the secondary guarantee requirement

issued on or after January 1, 2017 and prior to January 1, 2018, provided that the insurer provides written notification to the superintendent by June 30, 2017.

(c) An insurer shall use the methodology for applying mortality improvement scale LT in conjunction with either the 2001 CSO Mortality Table, or for preferred lives meeting the conditions of section 100.9 of this Part, the 2001 CSO Preferred Class Structure Mortality Table. The resulting mortality adjusted table shall be the minimum mortality standard for policies issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 if optionally elected under subdivision (b) of this section.

[(c)](d)

(1) The annual improvement rates, LT1 and LT2, from mortality improvement scale LT shall be applied only within the first segment. The length of each segment shall be determined at issue by the Contract Segmentation Method as described in section 98.5 of this Title. The value, t, shall be the number of policy years after the year 2008. The annual year improvement rates and the formula for applying the rates are shown in paragraph (2) of this subdivision.

(2) The mortality rate for a person age x in year (2008 + t) is calculated as follows, where q_x^{2008} is the appropriate rate from the 2001 CSO Mortality Table, or for preferred lives meeting the conditions of section 100.9 of this Part, the 2001 CSO Preferred Class Structure Mortality Table:

(i) $q_x^{2008+t} = q_x^{2008} * (1 - LT1)^t$ for t=1 through 40;

(ii) $q_x^{2008+t} = q_x^{2008} * (1 - LT1)^{40} * (1 - LT2)^{(t-40)}$ for t=41 through policy year 30;

(iii) LT1 equals 0.01;

(iv) LT2 equals 0.005;

(v) the mortality rate for attained ages 81 through 90 shall be linearly graded from the adjusted q_x^{2008+t} rates back to the unadjusted q_x^{2008} rates; and

(vi) the resulting q_x^{2008+t} shall be rounded to two decimal places per 1,000, e.g., 0.68 deaths per 1,000. After the first segment, the rates revert to the q_x^{2008} rates.

[(d)](e) A numerical example of applying the annual improvement rates and formulas from subdivision [(c)](e) of this section follows. The example assumes a super-preferred 45 year old male non-smoker with issue year 2015. The unadjusted mortality table, q_x^{2008} , is the 2001 CSO M NS Super Preferred ANB Select & Ultimate Mortality Table. The first segment has a length of 75 years. Select mortality rates shall be used only for the first segment and the Ultimate rates of the 2001 CSO M NS Super Preferred ANB table must be used thereafter. The rates of mortality per 1,000 lives based on age nearest birthday through attained age 90 are shown below.

Attained Age (x)	q_x^{2008}	LT Adjusted q_x^{2008+t}
45	0.68	0.63
46	0.82	0.76

47	0.96	0.88
48	1.09	0.99
49	1.25	1.12
50	1.42	1.26
51	1.64	1.44
52	1.87	1.62
53	2.10	1.81
54	2.33	1.98
55	2.63	2.22
56	3.01	2.51
57	3.35	2.77
58	3.65	2.99
59	4.00	3.24
60	4.45	3.57
61	5.01	3.98
62	5.65	4.44
63	6.32	4.92
64	6.91	5.32
65	7.84	5.98
66	9.20	6.94
67	10.35	7.73
68	11.91	8.81
69	13.20	9.67
70	16.60	12.03
71	18.22	13.08
72	20.34	14.45
73	22.57	15.88
74	24.92	17.35
75	27.49	18.95
76	30.98	21.15
77	35.06	23.69
78	39.86	26.67
79	45.48	30.27
80	51.76	34.28
81	59.01	40.90
82	66.77	48.38
83	75.32	56.99
84	84.96	67.08
85	95.87	78.90
86	108.19	92.73
87	121.88	108.70
88	136.86	126.90
89	153.02	147.41
90	170.30	170.30

New Appendices 25C, 25D and 25E are added.



NEW YORK STATE
DEPARTMENT *of*
FINANCIAL SERVICES

Andrew M. Cuomo
Governor

Maria T. Vullo
Superintendent

I, Maria T. Vullo, Superintendent of Financial Services, do hereby certify that the foregoing is the Seventh Amendment to Part 98 and Fifth Amendment to Part 100 of Title 11 of the Official Compilation of Codes, Rules and Regulations of the State of New York (Insurance Regulations 147 and 179), signed by me on April 24, 2017 pursuant to the authority granted by Sections 202 and 302 of the Financial Services Law and Sections 301, 1304, 1308, 4217, 4218, 4221, 4224, 4240, and 4517 of the Insurance Law, to take effect upon publication in the State Register.

Pursuant to the provisions of the State Administrative Procedure Act, prior notice of the proposed rule was published in the State Register on March 1, 2017. No other publication or prior notice is required by statute.

A handwritten signature in black ink, appearing to read "Maria T. Vullo", written over a horizontal line.

Maria T. Vullo
Superintendent of Financial Services

Date: April 24, 2017