

§951-A. Definitions

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 2013, c. 238, Pt. C, §2 (NEW).]

1. Appointed actuary. "Appointed actuary" means the actuary appointed by an insurer pursuant to section 952-A, subsection 1.

[PL 2013, c. 238, Pt. C, §2 (NEW).]

2. NAIC.

[PL 2021, c. 521, §26 (RP).]

3. Operative date. "Operative date," with respect to the initial adoption of the valuation manual, means January 1st of the first calendar year beginning at least 6 months after all of the following events have occurred:

A. The valuation manual has been adopted by the NAIC by an affirmative vote of at least 42 members or 3/4 of the members voting, whichever is greater; [PL 2013, c. 238, Pt. C, §2 (NEW).]

B. The NAIC's model standard valuation law, as amended by the NAIC in 2009, or legislation including substantially similar terms and provisions has been enacted by states representing greater than 75% of the direct premiums written as reported in the following annual statements submitted for 2008: life, accident and health annual statements; health annual statements; or fraternal annual statements; and [PL 2013, c. 238, Pt. C, §2 (NEW).]

C. The NAIC's model standard valuation law, as amended by the NAIC in 2009, or legislation including substantially similar terms and provisions has been enacted by at least 42 of the following 55 jurisdictions: the 50 states of the United States, American Samoa, the District of Columbia, Guam, the Commonwealth of Puerto Rico and the United States Virgin Islands. [PL 2013, c. 238, Pt. C, §2 (NEW).]

[PL 2013, c. 238, Pt. C, §2 (NEW).]

4. Policyholder behavior. "Policyholder behavior" means any action a policyholder, contract holder or any other person with the right to elect options, such as a certificate holder, may take under a policy or contract subject to this subchapter, including, but not limited to, lapse, withdrawal, transfer, deposit, premium payment, loan, annuitization or benefit elections prescribed by the policy or contract, but excluding events of mortality or morbidity that result in benefits prescribed in their essential aspects by the terms of the policy or contract.

[PL 2013, c. 238, Pt. C, §2 (NEW).]

5. Principle-based valuation. "Principle-based valuation" means a reserve valuation that uses one or more methods or one or more assumptions determined by the insurer and is subject to section 960.

[PL 2013, c. 238, Pt. C, §2 (NEW).]

6. Qualified actuary. "Qualified actuary" means an individual who is qualified to sign the applicable statement of actuarial opinion in accordance with the American Academy of Actuaries qualification standards for actuaries signing such statements and who meets all applicable requirements specified in the valuation manual or by rule adopted by the superintendent.

[PL 2013, c. 238, Pt. C, §2 (NEW).]

7. Subject lines of insurance. "Subject lines of insurance" means life insurance, accident and health insurance and deposit-type contracts, as those terms are defined in the valuation manual.

[PL 2013, c. 238, Pt. C, §2 (NEW).]

8. Tail risk. "Tail risk" means a risk for which the frequency of low-probability events is higher than expected under a normal probability distribution or the risk of events of very significant magnitude.

[PL 2013, c. 238, Pt. C, §2 (NEW).]

9. Valuation manual. "Valuation manual" means the manual of valuation instructions adopted by the NAIC as specified in section 959.

[PL 2013, c. 238, Pt. C, §2 (NEW).]

SECTION HISTORY

PL 2013, c. 238, Pt. C, §2 (NEW). PL 2021, c. 521, §26 (AMD).

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