

# CERTIFICATION STATEMENT FOR VALUATION STANDARDS

*To be completed by the actuary.*

*Company*

*Actuary*

print name

*Form #*

*Relationship to Company*

**n/a      true      false**

1) (a) The valuation standards used in establishing reserves for this product comply with Florida laws, including Section 625.121 or 625.1212, F.S., and all NAIC Actuarial Guidelines.

\_\_\_\_\_

(If the response to b) (i) is true, the responses to b) (ii) and (iii) should be N/A. The responses should not be false; only true or N/A are acceptable responses.)

(b) If reserves for this product are subject to Chapter VM-20 of the Valuation Manual, the company has included in this filing either

(i) a demonstration of a net premium reserve calculation based on VM-20 section 3, a demonstration of a deterministic reserve based on VM-20 section 4, and a statement indicating the date, no later than September 1 of the year this product is initially sold in Florida, resources will be in place to calculate a stochastic reserve based on VM-20 section 5,

\_\_\_\_\_

(ii) a demonstration of exemption from the above reserve requirements that will continue on or after January 1, 2020, or

\_\_\_\_\_

(iii) a statement of deferral of compliance with VM-20 indicating reserves will be based on appendices VM-A and VM-C and the date on or before December 31, 2019, that this product will no longer be issued in Florida unless the demonstrations and statement in option (1)(b)(i) of this sentence are provided on or before June 30, 2019.

\_\_\_\_\_

All demonstrations should be provided in an Excel spreadsheet with active formulas.

2) The obligations of this product will **not** require the purchase of options, derivatives or hedging instruments, **nor** will it require the segregation or segmentation of assets.

\_\_\_\_\_

3) The valuation standards used in establishing reserves for this product are consistent with all applicable NAIC Model Regulations and Actuarial Guidelines. If there are no currently applicable NAIC Model Regulations or Actuarial Guidelines, then such valuation standards are consistent with all applicable proposed NAIC Model Regulations and Actuarial Guidelines.

\_\_\_\_\_

- 4) The valuation standards used in establishing reserves for this product follow released position papers of the American Academy of Actuaries and comply with all applicable Actuarial Standards of Practice. \_\_\_\_\_
  
- 5) The valuation standards used in establishing reserves for this product, when considered in light of assets planned to be purchased to support this product consistent with the investment philosophy of the company, are determined to make adequate provision for all guaranteed benefits. \_\_\_\_\_
  
- 6) If the forms have a market value adjustment of any kind, assets are placed in a separate account. \_\_\_\_\_
  
- 7) Mortality tables used for reserves are sex-distinct tables. \_\_\_\_\_
  
- 8) Interest rates for reserves are not greater than maximum rate(s) permitted by statute. \_\_\_\_\_
  - a) For life insurance, the reserve interest rate does not exceed the nonforfeiture interest rate. \_\_\_\_\_
  
  - b) For flexible premium annuities, the valuation interest rate is set recognizing that any guarantee on future considerations, even 3%, requires the valuation rate as that determined reflecting future guarantees. \_\_\_\_\_
  
- 9) For group life products, reserves are at least as strong as those required for a similar individual product. \_\_\_\_\_

**Attached is a complete description and explanation for any area where I am unable to certify "true."**

Date:

Signed:

Qualified Actuary (MAAA)

*revised: ~~January 20, 2004~~ December 31, 2016*