

CHAPTER 2752
DEPARTMENT OF COMMERCE
ANNUITY MORTALITY TABLES

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2752.0010 DEFINITIONS.

Subpart 1. **Terms.** For purposes of parts 2752.0010 to 2752.0040, the terms in this part have the meanings given them.

Subp. 2. **1983 Table "a."** "1983 Table 'a'" means the mortality table developed by the Society of Actuaries Committee to Recommend a New Mortality Basis for Individual Annuity Valuation and adopted as a recognized mortality table for annuities in June 1982, by the National Association of Insurance Commissioners.

Subp. 3. **1983 GAM Table.** "1983 GAM Table" means the mortality table developed by the Society of Actuaries Committee on Annuities and adopted as a recognized mortality table for annuities in December 1983, by the National Association of Insurance Commissioners.

Subp. 4. **1994 GAR Table.** "1994 GAR Table" means the mortality table developed by the Society of Actuaries Group Annuity Valuation Table Task Force and adopted as a recognized mortality table for annuities in December 1996, by the National Association of Insurance Commissioners.

Subp. 5. **Annuity 2000 Mortality Table.** "Annuity 2000 Mortality Table" means the mortality table developed by the Society of Actuaries Committee on Life Insurance Research and adopted as a recognized mortality table for annuities in December 1996, by the National Association of Insurance Commissioners.

Statutory Authority: *MS s 45.023; 61A.25*

History: 23 SR 806

2752.0015 INCORPORATIONS BY REFERENCE.

The 1983 Table "a," the 1983 GAM Table, the 1994 GAR Table, and the Annuity 2000 Mortality Table are incorporated by reference. The tables are not subject to frequent change and are available at the State Law Library, 25 Constitution Avenue, Saint Paul, Minnesota 55155.

Statutory Authority: *MS s 45.023; 61A.25*

History: 23 SR 806

2752.0020 INDIVIDUAL ANNUITY OR PURE ENDOWMENT CONTRACTS.

Subpart 1. **Approved table for annuity or pure endowment contract issued on or after August 1, 1978.** Except as provided in subparts 2 and 3, 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 an individual annuity or pure endowment contract issued on or after August 1, 1978.

Subp. 2. **Approved table for annuity or pure endowment contract issued on or after January 1, 1999.** Except as provided in subpart 3, the Annuity 2000 Mortality Table shall be used for determining the minimum standard of valuation for an individual annuity or pure endowment contract issued on or after January 1, 1999.

Subp. 3. **Approved table for annuity or pure endowment contract based on life contingencies issued to fund periodic benefits.** The 1983 Table "a" without projection is to be used for determining the minimum standard of valuation for an individual

annuity or pure endowment contract issued on or after January 1, 1999, 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 workers' 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.

Statutory Authority: *MS s 45.023; 61A.25*

History: *23 SR 806*

2752.0030 GROUP ANNUITY OR PURE ENDOWMENT CONTRACTS.

Subpart 1. **Approved table for annuity or pure endowment purchased on or after August 1, 1978, under a group annuity or pure endowment contract.** Except as provided in subpart 2, the 1983 GAM Table, the 1983 Table "a," and the 1994 GAR Table are recognized and approved as group annuity mortality tables for valuation and, at the option of the company, any one of these tables may be used for purposes of valuation for an annuity or pure endowment purchased on or after August 1, 1978, under a group annuity or pure endowment contract.

Subp. 2. **Approved table for annuity or pure endowment purchased on or after January 1, 1999, under a group annuity or pure endowment contract.** The 1994 GAR Table shall be used for determining the minimum standard of valuation for any annuity or pure endowment purchased on or after January 1, 1999, under a group annuity or pure endowment contract.

Statutory Authority: *MS s 45.023; 61A.25*

History: *23 SR 806*

2752.0040 APPLICATION OF THE 1994 GAR TABLE.

In using the 1994 GAR Table, the mortality rate for a person age x in year $(1994 + n)$ is calculated as follows:

$$q_x^{1994+n} = q_x^{1994}(1-AA_x)^n$$

where the q_x^{1994} s and AA_x s are as specified in the 1994 GAR Table.

Statutory Authority: *MS s 45.023; 61A.25*

History: *23 SR 806*