

The Life Insurance Disclosure Model Regulation, adopted by the commissioner of insurance, is designed to improve the ability of life insurance purchasers to select appropriate policies and comprehend their features. This regulation is applicable to life insurance solicitations and negotiations within the state, with specific exemptions for individual and group annuity contracts, credit life insurance, group life insurance (excluding preneed funeral contracts), ERISA-related life insurance, and variable life insurance. Key definitions include "Buyer's Guide," which refers to the current guide adopted by the NAIC, and "policy summary," which provides essential policy information such as premiums, death benefits, and cash surrender values. Insurers are mandated to provide a Buyer's Guide to prospective purchasers before accepting initial premiums, although it may be delivered with the policy if it includes a ten-day unconditional refund provision. Additionally, a policy summary must be provided for policies not marketed with illustrations, detailing guaranteed values. For existing policies, insurers are required to furnish policy data or in-force illustrations upon request, adhering to specific guidelines regarding the presentation of this information, including the treatment of nonguaranteed elements.

In the case of preneed funeral contracts funded by life insurance, insurers must disclose the relationship between the policy and the prearrangement, any penalties for non-payment, and the specifics of the merchandise and services involved. Insurers are also obligated to maintain a complete file of all documents used under this regulation for three years and ensure that agents clearly identify themselves and the insurance company they represent. Non-compliance with these requirements is considered a misrepresentation of the policy's benefits or terms. The regulation includes a separability clause, ensuring that if any provision is invalidated, the remainder remains effective, and it will take effect six months after its adoption by the regulatory authority.

The document also outlines a series of amendments and updates to regulations concerning life insurance, marking the transition from the Life Insurance Solicitation to the Life Insurance Disclosure Model Regulation. Significant amendments occurred in various years, including 1984, 1988, 1989,

1990, 1991, 1992, 1993, 1996, and 2000, with the most recent changes noted in 2018, which included the removal of the Buyer's Guide. Furthermore, it states that previous regulations, such as the Deceptive Practices in Life Insurance Model Regulation and the Life Insurance Cost Comparison Model Regulation, have been superseded by the current model regulation, which was adopted and amended between 1973 and 1974. This document serves as a historical record of the evolution of life insurance regulations, emphasizing ongoing efforts to enhance clarity and consumer protection within the industry.