

**WAC 284-23-235 Special plans and solicitation by direct response.** (1) In the case of a solicitation by direct response methods, the insurer shall provide a *Buyer's Guide* and a policy summary prior to accepting the application. However, if the policy contains an unconditional refund provision of at least ten days, the *Buyer's Guide* and a policy summary may be delivered with the policy.

(2) Special plans. This subsection modifies the application of this rule as indicated for certain special plans of life insurance:

(a) "Flexible premium and benefit policies." For policies sold without illustrations which:

(i) Permit the policyowner to vary the amount and timing of premium payments, or the amount payable on death, all indexes and other data shall be displayed assuming specific schedules of anticipated premiums and death benefits at issue.

(ii) Provide for a cash value that is based on separately identified interest credits and mortality and expense charges applied to the policy, then the policy summary shall indicate when the policy will expire based on the interest rates and mortality and other charges guaranteed in the policy and the anticipated or assumed annual premiums shown in the policy summary.

(b) "Multitrack policies." For policies which allow a policyowner to change or convert the policy from one plan or amount to another, the policy summary:

(i) Shall display all indexes and other data assuming that the option is not exercised; and

(ii) May display all indexes and other data using a stated assumption about the exercise of the option.

(c) "Policies with any rate subject to continued insurability." For policies which allow a policyowner a reduced premium rate if the insured periodically submits evidence of continued insurability, the policy summary:

(i) Shall display cost indexes and other data assuming that the insured always qualifies for the lowest premium;

(ii) Shall display cost indexes and other data assuming that the insured fails to qualify for the lowest premium and the company always charges the highest premiums allowable; and

(iii) Shall indicate the conditions that must be fulfilled for an insured to qualify periodically for the reduced rate.

[Statutory Authority: RCW 48.02.020 and 48.30.010. WSR 98-11-003 (Matter No. R 97-04), § 284-23-235, filed 5/6/98, effective 6/6/98.]