

2019 Year-End CSO Guidelines



4TH QUARTER UPDATES: OCTOBER - DECEMBER 2019

This guideline affects all products not in compliance with the Principle-Based Reserving (PBR) and the 2017 Commissioner Standard Ordinary (CSO) Table.

At American National, we strive to make this transition as smooth as possible. Refer to this guideline for important deadlines, best business practice, and how to get your business issued seamlessly.

The below guidelines apply to any product that is not PBR and/or 2017 CSO compliant.

PRODUCTS ALREADY COMPLIANT WITH 2017 CSO & PBR

Signature Term	Signature Whole Life	Limited Pay Whole Life
Signature Term NY	Signature Whole Life NY	Limited Pay Whole Life NY
Signature GUL		

PRODUCTS IN PROCESS FOR 2017 CSO AND PBR

Product Name	Application Deadline	Issue Paid Deadline	NEW Product Name	Date
Signature Indexed Universal Life	10/31/2019	12/31/2019	Signature Performance Indexed Universal Life	11/01/2019
Signature Indexed Universal Life Unisex	10/31/2019	12/31/2019	Signature Performance Indexed Universal Life Unisex	11/01/2019
ANICO Executive Universal Life	10/31/2019	12/31/2019	Executive Universal Life	12/01/2019
Signature Guaranteed Universal Life NY	10/31/2019	12/31/2019	Signature Guaranteed Universal Life NY	01/01/2020
Signature Indexed Universal Life NY	10/31/2019	12/31/2019	Signature Performance Indexed Universal Life NY	TBD

PRODUCTS BEING DISCONTINUED

Product Name	Application Deadline	Issue Paid Deadline
Signature Plus Indexed Universal Life	10/31/2019	12/31/2019
Signature Plus Indexed Universal Life NY	10/31/2019	12/31/2019
Signature Guaranteed Universal Life SI	10/31/2019	12/31/2019
Signature Guaranteed Universal Life SI NY	10/31/2019	12/31/2019
Signature Term Rider for all products	10/31/2019	12/31/2019
Executive Universal Life NY	10/31/2019	12/31/2019
ANICO Executive TE Universal Life Insurance (NY & Non-NY)	10/31/2019	12/31/2019
ANICO Executive IV Universal Life Insurance (NY & Non-NY)	10/31/2019	12/31/2019

Current PBR/2017 CSO Compliant Portfolio

FREQUENTLY ASKED QUESTIONS

Product Transition to PBR and 2017 CSO Compliant Products

Q: What are the transition rules?

A: Formal applications for non-compliant products must be signed and received, in good order, in the Springfield Processing Center no later than 10/31/2019. Non-Compliant products must be placed in-force with premium no later than December 31, 2019.

Q: What is Principle-Based Reserving (PBR)?

A: PBR is a new statutory reserve regulation that combines company-specific assumptions with prescribed rule-based requirements, resulting in shifting the reserve calculation from a standard formula across the industry to now being aligned with the risk that it carries on specific products or features.

Q: What is the 2017 Commissioner Standard Ordinary (CSO) mortality table?

A: The 2017 CSO is an actuarial table used to compute the minimum non-forfeiture values of ordinary life insurance policies.

Q: Is American National required to implement the new PBR and 2017 CSO regulation?

A: Yes, this regulation is industry-wide. All life insurance products sold, issued, or placed on or after January 1, 2020 must be compliant.

Q: How can I avoid processing delays?

A: Send in any formal applications as soon as possible. Cases that are funded by 1035 exchanges, are trust owned, or have outstanding underwriting requirements will require the most time to process. We recommend applications be submitted by 10/15/2019.

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