

SERFF Tracking Number: AEGD-126302534 State: Arkansas  
Filing Company: Transamerica Life Insurance Company State Tracking Number: 93560  
Company Tracking Number: 09016  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: Fixed Settlement Option Endorsement  
Project Name/Number: Fixed Settlement Option Endorsement/09016

## Filing at a Glance

Company: Transamerica Life Insurance Company

Product Name: Fixed Settlement Option SERFF Tr Num: AEGD-126302534 State: Arkansas

Endorsement

TOI: L09I Individual Life - Flexible Premium SERFF Status: Closed-Approved- State Tr Num: 93560

Adjustable Life Closed

Sub-TOI: L09I.001 Single Life

Co Tr Num: 09016

State Status: Approved-Closed

Filing Type: Form

Author: Paula Sachs

Reviewer(s): Linda Bird

Date Submitted: 09/22/2009

Disposition Date: 09/28/2009

Disposition Status: Approved-Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name: Fixed Settlement Option Endorsement

Status of Filing in Domicile: Not Filed

Project Number: 09016

Date Approved in Domicile:

Requested Filing Mode: Review & Approval

Domicile Status Comments: Iowa is our state of domicile. Iowa belongs to the Interstate Compact and will be submitted and approved as part of the IC.

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 09/28/2009

Explanation for Other Group Market Type:

State Status Changed: 09/28/2009

Deemer Date:

Created By: Paula Sachs

Submitted By: Paula Sachs

Corresponding Filing Tracking Number:

Filing Description:

RE: Transamerica Life Insurance Company

NAIC: 468-86231

FIN: 39-0989781

Forms Filing – Individual Universal Life Insurance

SERFF Tracking Number: AEGD-126302534 State: Arkansas  
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#### Fixed Settlement Endorsement – Form 1-022 11-109

Please find attached a copy of the above referenced form. This is a new form, which is not intended to replace any forms previously approved by your Department. The Endorsement is intended for use with our Company's current and future fixed UL insurance policies, on file with your Department, for which its use is appropriate. The underlying policies with which this Endorsement will be used are made available to our general market and are offered for sale on an individual basis.

This form does not contain any unusual or controversial items or provisions that deviate from normal company or industry standards.

This Endorsement will offer the Owner choices ("Designated Payments") in how the death benefit will be paid to the beneficiary at and after the insured's death (or survivor's death, if the policy form to which the endorsement is attached has been issued on a joint and last survivor basis). Designated Payments may consist of (1) an initial lump sum ("initial lump sum"); and/or (2) monthly payments for a Guaranteed Period ("fixed monthly payment"); and/or (3) a final lump sum at the end of the Guaranteed Period. The monthly payments and the final lump sum are comprised of policy death benefit and interest accruing through date of payment. The Owner may choose the payment structure that best fits his or her beneficiary's needs. The Owner is not required to apply death benefits in all payout periods (e.g. the owner may elect no lump sum at death and only have a monthly income stream and a final lump sum payout).

Payment amounts shown in the Schedule of Benefits are initially based on the Total Face Amount at the time of the initial designation by the Owner and the Guaranteed Annual Interest Rate. Total Face Amount and the Designated Payment Amounts may be adjusted thereafter as provided in the Endorsement and such adjusted Designated Payment amounts will be the amounts paid whether or not the Schedule of Benefits has been updated to reflect such adjustments.

Prior to the insured's or survivor's death, only the Owner of the policy may make changes to the payout schedule. The beneficiary may not change the payout schedule after the insured's or survivor's death.

There is no cost involved with this endorsement. The issue age limits for this endorsement will be the same as the age limits for its corresponding base policy.

Also enclosed is a sample copy of life insurance policy data pages, which includes the payout schedule for the Fixed Settlement Endorsement.

If you have any questions, comments or concerns or if you need any additional information in order to complete your review, please contact me by e-mail at paula.sachs@transamerica.com, fax at (213) 741-5839, or you may call me

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collect at (213) 741-7101 (Pacific Time).

Thank you in advance for your time and attention.

## Company and Contact

### Filing Contact Information

Paula Sachs, Senior Analyst Paula.Sachs@Transamerica.com  
 1150 S. Olive St. 213-741-7101 [Phone]  
 Los Angeles, CA 90015 213-741-5839 [FAX]

### Filing Company Information

|                                     |                         |                         |
|-------------------------------------|-------------------------|-------------------------|
| Transamerica Life Insurance Company | CoCode: 86231           | State of Domicile: Iowa |
| Contract Development T-24           | Group Code: 468         | Company Type:           |
| 1150 S. Olive St.                   | Group Name:             | State ID Number:        |
| Los Angeles, CA 90015               | FEIN Number: 39-0989781 |                         |
| (319) 355-2671 ext. [Phone]         |                         |                         |

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## Filing Fees

|                  |                |
|------------------|----------------|
| Fee Required?    | Yes            |
| Fee Amount:      | \$20.00        |
| Retaliatory?     | No             |
| Fee Explanation: | 20.00 per form |
| Per Company:     | No             |

| COMPANY                             | AMOUNT  | DATE PROCESSED | TRANSACTION # |
|-------------------------------------|---------|----------------|---------------|
| Transamerica Life Insurance Company | \$20.00 | 09/22/2009     | 30726849      |

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## Correspondence Summary

### Dispositions

| Status          | Created By | Created On | Date Submitted |
|-----------------|------------|------------|----------------|
| Approved-Closed | Linda Bird | 09/28/2009 | 09/28/2009     |

*SERFF Tracking Number:* AEGD-126302534      *State:* Arkansas  
*Filing Company:* Transamerica Life Insurance Company      *State Tracking Number:* 93560  
*Company Tracking Number:* 09016  
*TOI:* L09I Individual Life - Flexible Premium      *Sub-TOI:* L09I.001 Single Life  
Adjustable Life  
*Product Name:* Fixed Settlement Option Endorsement  
*Project Name/Number:* Fixed Settlement Option Endorsement/09016

## **Disposition**

Disposition Date: 09/28/2009

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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| <b>Schedule</b>            | <b>Schedule Item</b>                           | <b>Schedule Item Status</b> | <b>Public Access</b> |
|----------------------------|--|-----------------------------|----------------------|
| <b>Supporting Document</b> | Flesch Certification                           |                             | Yes                  |
| <b>Supporting Document</b> | Application                                    |                             | No                   |
| <b>Supporting Document</b> | Health - Actuarial Justification               |                             | No                   |
| <b>Supporting Document</b> | Outline of Coverage                            |                             | No                   |
| <b>Supporting Document</b> | Regulation 19 and 49 certifications            |                             | Yes                  |
| <b>Supporting Document</b> | Sample Data Pages and Statement of Variability |                             | Yes                  |
| <b>Form</b>                | Fixed Settlement Endorsement                   |                             | Yes                  |

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## Form Schedule

Lead Form Number: 1-022 11-109

| Schedule Item Status | Form Number  | Form Type  | Form Name                    | Action  | Action Specific Data | Readability | Attachment                        |
|----------------------|--------------|--|------------------------------|---------|----------------------|-------------|-----------------------------------|
|                      | 1-022 11-109 | Certificate Amendmen t, Insert Page, Endorseme nt or Rider | Fixed Settlement Endorsement | Initial |                      | 50.620      | Fixed Settlement Endorsement. pdf |

# TRANSAMERICA LIFE INSURANCE COMPANY

## Fixed Settlement Endorsement

Transamerica Life Insurance Company has issued this Endorsement as a part of the Policy to which it is attached.

This Endorsement provides for the payment of the Total Face Amount plus applicable interest in installments following the death of the Insured. The amounts of such installments payable under this Endorsement as of the effective date of this Endorsement and their frequency and duration are provided in the Schedule of Benefits set forth in the Policy Data. All provisions of the Base Policy which are not inconsistent with the provisions of this Endorsement apply to this Endorsement.

### Definitions

**For the purpose of this endorsement:**

References to **Beneficiary** will include all Beneficiaries if there is more than one.

**Base Policy** means the Policy without regard to this Endorsement and without regard to any policy layers, and any riders or other endorsements.

**Designated Payment** means a payment or payments of the Total Face Amount plus applicable interest as designated by the Owner. They are set forth in the Schedule of Benefits in the Policy Data as (1) an initial lump sum ("initial lump sum"); and/or (2) monthly payments for a Guaranteed Period ("fixed monthly payment"); and/or (3) a final lump sum at the end of the Guaranteed Period. Payment amounts shown in the Schedule of Benefits are initially based on the Total Face Amount at the time of the initial designation by the Owner. Total Face Amount and the Designated Payment Amounts may be adjusted thereafter as provided in this Endorsement and such adjusted Designated Payment amounts will be the amounts paid whether or not the Schedule of Benefits has been updated to reflect such adjustments.

**Guaranteed Annual Interest Rate** is the interest rate applicable to this Endorsement and is shown in the Schedule of Benefits in the Policy Data.

**Guaranteed Period** is the period in years beginning at the date of the insured's death set forth in the Schedule of Benefits in the Policy Data during which the fixed monthly payment, if elected, will be paid, and which is also the period in years before the final lump sum payment, if elected, will be paid.

In the event the underlying policy provides coverage on a Joint and Last Survivor basis, references to **Insured** mean the Survivor.

**Net Death Benefit** means the amount payable under the Policy and any rider covering the Insured as a result of the Insured's death. Any Net Death Benefit amount in excess of the Total Face Amount will be paid as a lump sum. If an initial lump sum was elected as a Designated Payment, the Net Death Benefit in excess of the Total Face Amount will be added to the initial lump sum payment amount. If an initial lump sum was not elected as a Designated Payment, the Net Death Benefit amount in excess of the Total Face Amount will be paid as an initial lump sum. If the Net Death Benefit is less than the Total Face Amount, then all Designated Payment amounts will be proportionately reduced.

**Total Face Amount** means the sum of the face amount of the Base Policy plus the face amount of any policy layer plus the face amount of any supplemental UL rider on the Insured. Total Face Amount is initially determined as of the effective date of this Endorsement. Total Face Amount is recalculated as of the date of any policy change or other transaction that increases or decreases the prior Total Face Amount. If the Total Face Amount is reduced as a result of an Accelerated Death Benefit Endorsement and/or Living Benefit Rider claim payment, or due to any other change or transaction

that results in a reduction of the Total Face Amount upon which the Designated Payments were based, then the Total Face Amount reflected in each Designated Payment will be proportionately reduced.

**Payout of Designated Payment** - Upon the Insured's death, we will pay the Designated Payments adjusted as provided in this Endorsement at the intervals provided in the Schedule of Benefits in the Policy Data. We will pay any initial lump sum when we receive due proof of the Insured's death while this Policy and Endorsement are in force. The proof must be sent to us at our Administrative Office. We will send appropriate forms to the Beneficiary upon request. The first fixed monthly payment will be paid at the same time as the initial lump sum and subsequent monthly payments will be paid at monthly intervals beginning one month after the date of the Insured's death. If we do not timely receive proof of death, monthly payments will be paid retroactively to the date of the Insured's death upon receipt and processing of such proof and monthly thereafter for the remainder of the Guaranteed Period. The final lump sum will be paid at the end of the Guaranteed Period as specified in the Schedule of Benefits in the Policy Data.

At the time of the Insured's death, the amount of the fixed monthly Designated Payments provided in the Schedule of Benefits will be adjusted to reflect our then-current rate for a fixed monthly settlement option of the same type and for the same duration as the Guaranteed Period if that current rate is greater than the Guaranteed Annual Interest Rate. The interest rate applicable to monthly Designated Payments will thereafter remain fixed through the Guaranteed Period.

The final lump sum payment provided in the Schedule of Benefits will be adjusted to reflect our current interest rate for benefits deposited with interest if that current rate is greater than the Guaranteed Annual Interest Rate. Adjustments to reflect the current interest rate will be made at the death of the Insured and during the Guaranteed Period, as the current rate for benefits deposited with interest may vary during that time. The interest rates used to determine the final lump sum will never be less than the Guaranteed Annual Interest Rate.

Prior to the Insured's death, the Owner may cancel the Endorsement or change the amount of the Designated Payment. Such changes do not result in an increase or decrease of the Total Face Amount. The Beneficiary may not alter the Schedule of Benefits as set by the Owner.

If multiple Beneficiaries are named on the Policy, this Endorsement will apply to all Beneficiaries. Unless otherwise specified, the Designated Payment will be proportionately split among all Beneficiaries. If the proportionately split Designated Payment results in amounts less than \$50 per person per month under the fixed monthly payment option, we may change the payment frequency. If the Owner of the Policy has designated more than one Beneficiary, the Owner may designate which Beneficiary receives some or all of (1) an initial lump sum payment and/or (2) a fixed monthly payment for the Guaranteed Period; and/or (3) a final lump sum payment at the end of the Guaranteed Period.

**Beneficiary Death** - After the Insured's death, a Beneficiary of a Designated Payment (other than the initial lump sum payment) may name one or more successor Beneficiaries to receive remaining Designated Payments payable to such Beneficiary in the event the Beneficiary dies prior to the payment to such Beneficiary of all Designated Payments payable to such Beneficiary.

If a Beneficiary dies before the Insured, and no contingent Beneficiary was named for such Beneficiary by the Owner, that Beneficiary's interest in this Endorsement will end. Any portion of the Total Face Amount designated for such Beneficiary under this Endorsement will be paid pursuant to the Beneficiary provision in the Base Policy. If the Owner has named more than one Beneficiary, this paragraph will be applied separately to each.

If the Beneficiary dies prior to the due date of the final fixed monthly payment, the successor Beneficiary will receive any remaining fixed monthly payments. If more than one successor Beneficiary is named, we will pay any remaining fixed monthly payments to the named successor Beneficiaries proportionately unless the Beneficiary specified otherwise. If a successor Beneficiary is not named (or if the named successor Beneficiary predeceases the Beneficiary), we will pay the commuted value of the remaining fixed monthly payments to the Beneficiary's estate. The commuted value will be calculated at the Guaranteed Annual Interest Rate.

If the Beneficiary of the final lump sum dies before that payment is paid, we will pay the final lump sum amount to the successor Beneficiary at the end of the Guaranteed Period. If more than one successor Beneficiary is named, the final lump sum amount will be paid proportionately among the named successor Beneficiaries unless the Beneficiary specified otherwise. If a successor Beneficiary is not named (or if the named successor Beneficiary does not survive the Beneficiary), then the final lump sum payment amount will be recalculated and will be paid to the Beneficiary's estate. The recalculated amount of the final lump sum payment will be the portion of the Total Face Amount reflected in the lump sum payment together with interest accrued under this Endorsement to the date of the Beneficiary's death.

**Concurrent Beneficiary Death** - If a Beneficiary dies at the same time as the Insured, or within 30 days after the Insured, that Beneficiary's interest in this Endorsement and any Designated Payments will end for any Designated Payment that has not been paid to that Beneficiary. On such death, this Endorsement applies to any contingent Beneficiary named by the Owner prior to the death of the Insured. If no contingent Beneficiary is named, then any portion of the Total Face Amount designated for such Beneficiary under this Endorsement will be paid pursuant to the Beneficiary provision in the Base Policy.

Signed for Transamerica Life Insurance Company at Cedar Rapids, Iowa, and effective on the date of issue of the policy to which this endorsement is attached unless a different date is shown here.



Secretary



President

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## Supporting Document Schedules

|   | Item Status: | Status Date: |
|---|--------------|--------------|
| <p><b>Satisfied - Item:</b> Flesch Certification<br/> <b>Comments:</b><br/> <b>Attachments:</b><br/>           AR Readability Certification.pdf<br/>           AR Regulation 19 Certification.pdf<br/>           AR Regulation 49 Certification.pdf</p>           |              |              |
| <p><b>Bypassed - Item:</b> Application<br/> <b>Bypass Reason:</b> Single Life Application form APA401008T and Joint Life Application APA411008T, approved June 23, 2008 for use with Transamerica Life Insurance Company life products.<br/> <b>Comments:</b></p> |              |              |
| <p><b>Bypassed - Item:</b> Health - Actuarial Justification<br/> <b>Bypass Reason:</b> Not applicable<br/> <b>Comments:</b></p>   |              |              |
| <p><b>Bypassed - Item:</b> Outline of Coverage<br/> <b>Bypass Reason:</b> Not applicable<br/> <b>Comments:</b></p>  |              |              |
| <p><b>Satisfied - Item:</b> Regulation 19 and 49 certifications</p>   |              |              |

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**Comments:**

**Attachments:**

AR Regulation 19 Certification.pdf  
AR Regulation 49 Certification.pdf

**Item Status:**

**Status  
Date:**

**Satisfied - Item:** Sample Data Pages and Statement  
of Variability

**Comments:**

**Attachments:**

Policy Data Page for Fixed Settlement Endorsement.pdf  
Statement of Variability.pdf

**TRANSAMERICA LIFE INSURANCE COMPANY**  
**Home Office: Cedar Rapids, Iowa**

**ARKANSAS CERTIFICATION OF READABILITY**

This is to certify that the attached life insurance forms have each achieved a Flesch Reading Ease Score as shown.

| <u>Form Number</u> | <u>Form Description</u>             | <u>Flesch Score</u> |
|--------------------|-------------------------------------|---------------------|
| 1-022 11-109       | Fixed Settlement Option Endorsement | 50.62               |

and each form complies with the requirements of Arkansas Statutes Annotated Sections 66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language Simplification Act.



\_\_\_\_\_  
Cheryl Bock  
Assistant Vice President

09/15/2009  
Date

**TRANSAMERICA LIFE INSURANCE COMPANY**

**Home Office: Cedar Rapids, Iowa**

**REGULATION 19 CERTIFICATION**

**Endorsement Form: 1-022 11-109**

We certify that, to the best of our knowledge and belief, this submission meets the provisions of Rule and Regulation 19 as well as all applicable requirements of the Insurance Division of the State of Arkansas.

*Cheryl Bock*

\_\_\_\_\_  
Cheryl Bock  
Assistant Vice President

09/15/2009  
Date

**TRANSAMERICA LIFE INSURANCE COMPANY**

**Home Office: Cedar Rapids, Iowa**

**REGULATION 49 CERTIFICATION**

**Policy Form: 1-022 11-109**

We certify that, for policies issued in Arkansas on the above-referenced policy form number, we will deliver the Life and Health Guaranty Fund Notice required by Regulation 49.

*Cheryl Bock*

\_\_\_\_\_  
Cheryl Bock  
Assistant Vice President

09/15/2009  
Date

**TRANSAMERICA LIFE INSURANCE COMPANY**

**Home Office: Cedar Rapids, Iowa**

**REGULATION 19 CERTIFICATION**

**Endorsement Form: 1-022 11-109**

We certify that, to the best of our knowledge and belief, this submission meets the provisions of Rule and Regulation 19 as well as all applicable requirements of the Insurance Division of the State of Arkansas.

*Cheryl Bock*

\_\_\_\_\_  
Cheryl Bock  
Assistant Vice President

09/15/2009  
Date

**TRANSAMERICA LIFE INSURANCE COMPANY**

**Home Office: Cedar Rapids, Iowa**

**REGULATION 49 CERTIFICATION**

**Policy Form: 1-022 11-109**

We certify that, for policies issued in Arkansas on the above-referenced policy form number, we will deliver the Life and Health Guaranty Fund Notice required by Regulation 49.

*Cheryl Bock*

\_\_\_\_\_  
Cheryl Bock  
Assistant Vice President

09/15/2009  
Date

POLICY DATA

SCHEDULE OF BENEFITS:  
FIXED SETTLEMENT ENDORSEMENT

ONLY A BRIEF DESCRIPTION IS GIVEN. THE COMPLETE PROVISIONS ARE INCLUDED IN THE ENDORSEMENT.

| ENDORSEMENT NUMBER | SCHEDULE OF BENEFITS  | ANNUAL PREMIUM |
|--------------------|---|----------------|
| 1-022 11-109       | FIXED SETTLEMENT ENDORSEMENT<br>TOTAL FACE AMOUNT: \$[434,456] (1)<br>INITIAL LUMP SUM: \$[100,000] (1)<br>MONTHLY PAYMENTS FOR [10] (1) YEARS: \$[2,500] (1)<br>FINAL LUMP SUM PAYMENT AFTER [10] (1) YEARS: \$[100,000] (1)<br>GUARANTEED ANNUAL INTEREST RATE: 3.00% | NO CHARGE      |

THE NUMBER OF YEARS SHOWN FOR MONTHLY PAYMENTS AND FINAL LUMP SUM IS THE GUARANTEED PERIOD.

ANY MONTHLY PAYMENTS AND ANY FINAL LUMP SUM INCLUDE INTEREST AT THE GUARANTEED ANNUAL INTEREST RATE.

ANY NET DEATH BENEFIT IN EXCESS OF TOTAL FACE AMOUNT WILL BE ADDED TO OR PAID AS AN INITIAL LUMP SUM.

Statement of Variability  
Fixed Settlement Endorsement 1-022 11-109  
Sample Data Pages

- (1) The amounts shown in the Schedule of Benefits are determined by the policyholder based on the face amount of the policy, the design of the settlement plan elected and the payout expected for the desired number of years.
- (2) Policy form number in lower left hand corner will vary as this endorsement is intended for use with our complete fixed UL portfolio.
- (3) Page number on the bottom of the page may change.