

SERFF Tracking Number: WSST-126801101 State: Arkansas
 Filing Company: Integrity Life Insurance Company State Tracking Number: 46801
 Company Tracking Number: GMIR - INFO
 TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
 Product Name: ILIC/GMIR Calculation Chng/NDL
 Project Name/Number: ILIC/GMIR Calculation Chng/NDL/GMIR Calc Chng - Info

Filing at a Glance

Company: Integrity Life Insurance Company

Product Name: ILIC/GMIR Calculation
 Chng/NDL

TOI: A10 Annuities - Other

Sub-TOI: A10.000 Annuities - Other

Filing Type: Form

SERFF Tr Num: WSST-126801101 State: Arkansas

SERFF Status: Closed-Accepted State Tr Num: 46801

For Informational Purposes

Co Tr Num: GMIR - INFO

State Status: Filed-Closed

Reviewer(s): Linda Bird

Authors: Megan Peterson, Nikki

Disposition Date: 09/20/2010

Lape, Ramona Piercefield

Date Submitted: 09/15/2010

Disposition Status: Accepted For
 Informational Purposes

Implementation Date:

Implementation Date Requested: On Approval

State Filing Description:

General Information

Project Name: ILIC/GMIR Calculation Chng/NDL

Project Number: GMIR Calc Chng - Info

Requested Filing Mode: Informational

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments: This informational
 filing has been submitted concurrently to our
 state of domicile, Ohio.

Market Type: Individual

Group Market Size:

Group Market Type:

Explanation for Other Group Market Type:

State Status Changed: 09/20/2010

Created By: Nikki Lape

Corresponding Filing Tracking Number:

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 09/20/2010

Deemer Date:

Submitted By: Nikki Lape

Filing Description:

Dear Reviewer:

We are changing the method by which the minimum nonforfeiture rate is determined. The NAIC Annuity Model Nonforfeiture Regulation (model 806), section 4B, states "Changes to the initial method are allowed once per calendar year." Our current method has been in place since January, 2004. We plan to implement the revised technique for

SERFF Tracking Number: WSST-126801101 State: Arkansas
Filing Company: Integrity Life Insurance Company State Tracking Number: 46801
Company Tracking Number: GMIR - INFO
TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
Product Name: ILIC/GMIR Calculation Chng/NDL
Project Name/Number: ILIC/GMIR Calculation Chng/NDL/GMIR Calc Chng - Info

issues beginning October 1, 2010. The following previously approved policies will be affected by this change:

Form Number, Description, Approval Date
INT96 Rev., Flexible Premium Deferred Fixed and Variable Annuity, 12/17/1996
INT 01-04, Single Premium Fixed Deferred Annuity, 06/01/2001
INT 04-03 AR, Single Premium Fixed Deferred Annuity, 09/23/2004

Actuarial Description of Method:

We have included our revised method for determining the minimum nonforfeiture rate.

Contract Issue:

The minimum nonforfeiture rate established is guaranteed for the life of the contract. Contract Date identifies new contract issue. All contracts issued on a specified Contract Date will receive the minimum nonforfeiture rate established for that time period.

We look forward to your review and acknowledgement of this informational filing.

Sincerely,
Nikki Lape, ALMI, ACS
Product & State Filing Analyst
1-800-446-0795 ext: 1523

Company and Contact

Filing Contact Information

Nikki Lape, Product & State Filing Analyst Nikki.Lape@wslife.com
400 Broadway 800-446-0795 [Phone] 1523 [Ext]
Cincinnati, OH 45202 513-357-4123 [FAX]

Filing Company Information

| | | |
|----------------------------------|---------------------------------|-------------------------|
| Integrity Life Insurance Company | CoCode: 74780 | State of Domicile: Ohio |
| 400 Broadway | Group Code: 836 | Company Type: Life |
| Cincinnati, OH 45202 | Group Name: West-Southern Group | State ID Number: |
| (800) 446-0795 ext. [Phone] | FEIN Number: 86-0214103 | |

Filing Fees

SERFF Tracking Number: WSST-126801101 State: Arkansas
Filing Company: Integrity Life Insurance Company State Tracking Number: 46801
Company Tracking Number: GMIR - INFO
TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
Product Name: ILIC/GMIR Calculation Chng/NDL
Project Name/Number: ILIC/GMIR Calculation Chng/NDL/GMIR Calc Chng - Info

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? Yes
Fee Explanation: \$50.00 per filing.
Per Company: No

| COMPANY | AMOUNT | DATE PROCESSED | TRANSACTION # |
|----------------------------------|---------|----------------|---------------|
| Integrity Life Insurance Company | \$50.00 | 09/15/2010 | 39525843 |

SERFF Tracking Number: WSST-126801101 State: Arkansas
Filing Company: Integrity Life Insurance Company State Tracking Number: 46801
Company Tracking Number: GMIR - INFO
TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
Product Name: ILIC/GMIR Calculation Chng/NDL
Project Name/Number: ILIC/GMIR Calculation Chng/NDL/GMIR Calc Chng - Info

Correspondence Summary

Dispositions

| Status | Created By | Created On | Date Submitted |
|--|------------|------------|----------------|
| Accepted For Linda Bird Informational Purposes | | 09/20/2010 | 09/20/2010 |

SERFF Tracking Number: *WSST-126801101* *State:* *Arkansas*
Filing Company: *Integrity Life Insurance Company* *State Tracking Number:* *46801*
Company Tracking Number: *GMIR - INFO*
TOI: *A10 Annuities - Other* *Sub-TOI:* *A10.000 Annuities - Other*
Product Name: *ILIC/GMIR Calculation Chng/NDL*
Project Name/Number: *ILIC/GMIR Calculation Chng/NDL/GMIR Calc Chng - Info*

Disposition

Disposition Date: 09/20/2010

Implementation Date:

Status: Accepted For Informational Purposes

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: WSST-126801101 State: Arkansas
 Filing Company: Integrity Life Insurance Company State Tracking Number: 46801
 Company Tracking Number: GMIR - INFO
 TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
 Product Name: ILIC/GMIR Calculation Chng/NDL
 Project Name/Number: ILIC/GMIR Calculation Chng/NDL/GMIR Calc Chng - Info

| Schedule | Schedule Item | Schedule Item Status | Public Access |
|---------------------|--|----------------------|---------------|
| Supporting Document | Flesch Certification | | No |
| Supporting Document | Application | | No |
| Supporting Document | Life & Annuity - Acturial Memo | | No |
| Supporting Document | Procedures for Determining Minimum Nonforfeiture Rate | | Yes |

SERFF Tracking Number: WSST-126801101 State: Arkansas
 Filing Company: Integrity Life Insurance Company State Tracking Number: 46801
 Company Tracking Number: GMIR - INFO
 TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
 Product Name: ILIC/GMIR Calculation Chng/NDL
 Project Name/Number: ILIC/GMIR Calculation Chng/NDL/GMIR Calc Chng - Info

Supporting Document Schedules

| | Item Status: | Status Date: |
|--|---------------------|---------------------|
| Bypassed - Item: Flesch Certification | | |
| Bypass Reason: Not applicable. | | |
| Comments: | | |

| | Item Status: | Status Date: |
|---------------------------------------|---------------------|---------------------|
| Bypassed - Item: Application | | |
| Bypass Reason: Not applicable. | | |
| Comments: | | |

| | Item Status: | Status Date: |
|--|---------------------|---------------------|
| Bypassed - Item: Life & Annuity - Acturial Memo | | |
| Bypass Reason: Not applicable to this informational filing. | | |
| Comments: | | |

| | Item Status: | Status Date: |
|---|---------------------|---------------------|
| Satisfied - Item: Procedures for Determining Minimum Nonforfeiture Rate | | |
| Comments: | | |
| Attachment: ILIC - Acuarial Doc for Min Nonforf Rate.pdf | | |

Integrity Life Insurance Company

Procedures for Determining the Minimum Nonforfeiture Rate

This document outlines Integrity Life Insurance Company's procedures for determining the minimum nonforfeiture rate. This method complies with the Standard Nonforfeiture Law for Individual Deferred Annuities.

The minimum nonforfeiture rate is determined at issue and will remain constant for the life of the contract; there is no redetermination date. The minimum nonforfeiture rate for new issues can fluctuate from 1% to 3%.

Annual Minimum Nonforfeiture Rate Determination

The minimum nonforfeiture rate for newly issued contracts will be determined annually. The 5-year CMT average used to determine the minimum nonforfeiture rate for issues beginning January 1 of each calendar year will be the average of the first five business days in October of the prior calendar year.

Quarterly Minimum Nonforfeiture Rate Examination

In addition to determining the minimum nonforfeiture rate for new issues on an annual basis, our method also allows for a quarterly adjustment. The minimum nonforfeiture rate for new issues is subject to change each subsequent quarter during a calendar year, using the average of the 5-year CMT rates reported for the first five business days in the prior quarter. The minimum nonforfeiture rate will only change if, in the absence of the 1% minimum and the 3% maximum, it would move by at least 50 basis points up or down; if it would not move at least 50 basis points, the rate will not be changed for new issues that quarter.

Regardless of whether or not the minimum nonforfeiture rate has been changed during the year based on the quarterly examination, the annual calculation will take place, and the minimum nonforfeiture rate for new issues will be established each January 1 based on the first five business days in October of the prior calendar year.

We will never set the guaranteed minimum interest rate lower than the results using the method detailed above. However we may set a higher guaranteed minimum interest rate based on other factors such as interest rate volatility, cost and complexity of changing systems and marketing communications, maintaining a rate that is consistent among states, and remaining competitive with other insurance companies.

Example Using 2010 Issues

The following is an example of how the calculations work for policies issued in 2010. The average of the 5-year CMT rates for the first five business days of October 2009 is 2.21%, which, rounded to the nearest 1/20%, is 2.20%. After subtracting 1.25%, the nonforfeiture rate for issues beginning January 1, 2010 is calculated to be 0.95%, and so is set to the minimum of 1.00%.

The average of the first five business days of January 2010 is 2.60%; the minimum is thus 1.35%. Because this does not meet the criterion of a 50 basis point change from 0.95%, the nonforfeiture rate remains at the minimum 1.00% for issues beginning April 1, 2010.

The average of the first five business days of April 2010 is 2.67%, which is rounded to 2.65%; the minimum is thus 1.40%. Because this does not meet the criterion of a 50 basis point change from 0.95%, the nonforfeiture rate remains at the minimum 1.00% for issues beginning July 1, 2010. (Had the calculation resulted in 1.45%, the rate would have changed.)

The average of the first five business days of July 2010 is 1.79%, which is rounded to 1.80%; the minimum is thus 0.55%. Because this does not meet the criterion of a 50 basis point change the calculation remains unchanged at 0.95%, and the nonforfeiture rate is again at the minimum 1.00% for issues beginning October 1, 2010.



Jeffrey P. Kuhn, FSA, MAAA
Senior Actuarial Consultant