

2750.0100 DEFINITIONS.

Subpart 1. **Scope.** For the purposes of this chapter, the terms defined in this part have the meanings given them.

Subp. 1a. **Affiliate.** "Affiliate" of an insurer means any person, directly or indirectly, controlling, controlled by, or under common control with the insurer; any person who regularly furnishes investment advice to the insurer with respect to its separate accounts for which a specific fee or commission is charged; or any director, officer, partner, or employee of an insurer, controlling or controlled person, or person providing investment advice or any member of the immediate family of this person.

Subp. 2. **Assumed investment rate.** "Assumed investment rate" means the rate of investment return which would be required to be credited to a variable life insurance policy, after deduction of charges for taxes, investment expenses, and mortality and expense guarantees to maintain the variable death benefit equal at all times to the amount of death benefit, other than incidental insurance benefits, which would be payable under the plan of insurance if the death benefit did not vary according to the investment experience of the separate account.

Subp. 3. **Benefit base.** "Benefit base" means the amount to which the net investment return is applied.

Subp. 3a. **Control.** "Control," including the terms "controlling," "controlled by," and "under common control with," means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control is presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing more than ten percent of the voting securities of any other person. This presumption may be rebutted by a showing made to the satisfaction of the commissioner that control does not exist in fact. The commissioner may determine, after furnishing all persons in interest notice and opportunity to be heard and making specific findings of fact to support the determination, that control exists in fact, notwithstanding the absence of a presumption to that effect.

Subp. 4. **Employee Retirement Income Security Act of 1974.** "Employee Retirement Income Security Act of 1974" means the Federal Employee Retirement Income Security Act of 1974, United States Code, title 29, section 1001 et. seq.

Subp. 4a. **Flexible premium policy.** "Flexible premium policy" means any variable life insurance policy other than a scheduled premium policy as specified in subpart 12a.

Subp. 5. **General account.** "General account" means all assets of the insurer other than assets in separate accounts established pursuant to Minnesota Statutes, section 61A.14, or pursuant to the corresponding section of the insurance laws of the state of domicile of a foreign or alien insurer, whether or not for variable life insurance.

Subp. 6. **Incidental insurance benefit.** "Incidental insurance benefit" means all insurance benefits in a variable life insurance policy, other than the variable death benefit and the minimum death benefit, including accidental death and dismemberment benefits, disability benefits, guaranteed insurability options, family income, or term riders.

Subp. 7. **Investment Company Act of 1940.** "Investment Company Act of 1940" means the Federal Investment Company Act of 1940, United States Code, title 15, section 80a-1 et. seq.

Subp. 8. **Minimum death benefit.** "Minimum death benefit" means the amount of the guaranteed death benefit, other than incidental insurance benefits, payable under a variable life insurance policy regardless of the investment performance of the separate account.

Subp. 9. **Net investment return.** "Net investment return" means the rate of investment return in a separate account to be applied to the benefit base.

Subp. 9a. **Policy processing day.** "Policy processing day" means the day on which charges authorized in the policy are deducted from the policy's cash value.

Subp. 10. **Securities Act of 1933.** "Securities Act of 1933" means the Federal Securities Act of 1933, United States Code, title 15, section 77a et. seq.

Subp. 11. **Securities Exchange Act of 1934.** "Securities Exchange Act of 1934" means the Federal Securities Exchange Act of 1934, United States Code, title 15, section 78a et. seq.

Subp. 12. **Separate account.** "Separate account" means a separate account established for variable life insurance pursuant to Minnesota Statutes, section 61A.14, or pursuant to the corresponding section of the insurance laws of the state of domicile of a foreign or alien insurer.

Subp. 12a. **Scheduled premium policy.** "Scheduled premium policy" means any variable life insurance policy under which both the amount and timing of premium payments are fixed by the insurer.

Subp. 13. **Variable death benefit.** "Variable death benefit" means the amount of the death benefit, other than incidental insurance benefits, payable under a variable life insurance policy dependent on the investment performance of the separate account, which the insurer would have to pay in the absence of any minimum death benefit.

Subp. 14. **Variable life insurance policy.** "Variable life insurance policy" means any individual policy which provides for life insurance the amount or duration of which varies

according to the investment experience of any separate account or accounts established and maintained by the insurer as to this policy, pursuant to Minnesota Statutes, section 61A.14, or pursuant to the corresponding section of the insurance laws of the state of domicile of a foreign or alien insurer.

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