

VARIABLE CONTRACT MODEL LAW

Table of Contents

- Section 1. Domestic Companies
- Section 2. Contract Statement Required
- Section 3. License Required
- Section 4. Power of Commissioner
- Section 5. Applicability
- Section 6. Effective Date

Section 1. Domestic Companies

A domestic life insurance company may establish one or more separate accounts, and may allocate amounts to it (including without limitation proceeds applied under optional modes of settlement or under dividend options) to provide for life insurance or annuities (and incidental benefits), payable in fixed or variable amounts or both, subject to the following:

- A. The income, gains and losses, realized or unrealized, from assets allocated to a separate account shall be credited to or charged against the account, without regard to other income, gains or losses of the company.
- B. Except as may be provided with respect to reserves for guaranteed benefits and funds referred to in Subsection C:
 - (1) Amounts allocated to a separate account and accumulations ~~set~~ may be invested and reinvested without regard to any requirements or limitations prescribed by the laws of this state governing the investments of life insurance companies; and
 - (2) The investments in the separate account or accounts shall not ~~be taken~~ account in applying the investment limitations otherwise applicable to the investments of the company.
- C. Except with the approval of the commissioner and under such conditions as to investments and other matters as the commissioner may prescribe,

Section 6. Effective Date

This Act shall take effect [insert date].

Chronological Summary of Action (all references are to the Proceedings of the NAIC).

1970 Proc. I 300, 344, 367-370, 379 (adopted).

1972 Proc. I 15, 16, 555, 607 (amended).