

**THE INSURANCE CODE OF 1956 (EXCERPT)**  
**Act 218 of 1956**

**500.2236a Interest indexed universal life insurance; information to be maintained on file.**

Sec. 2236a.

All of the following information shall be maintained on file by the insurer for all interest indexed universal life insurance policies:

- (a) A description of how the interest credits are determined, including all of the following:
  - (i) A description of the index.
  - (ii) The relationship between the value of the index and the actual interest rate to be credited.
  - (iii) The frequency and timing that determines the interest rate.
  - (iv) If more than 1 rate of interest applies to different portions of the policy value, the allocation of interest credits.
- (b) The insurer's investment policy, which shall include a description of all of the following:
  - (i) How the insurer addresses the reinvestment risks.
  - (ii) How the insurer plans to address the risk of capital loss on cash outflows.
  - (iii) How the insurer plans to address the risk that appropriate investments may not be available or not available in sufficient quantities.
  - (iv) How the insurer plans to address the risk that the indexed interest rate may fall below the minimum contractual interest rate guaranteed in the policy.
  - (v) The amount and type of assets currently held for interest indexed policies.
  - (vi) The amount and type of assets expected to be acquired in the future.
- (c) If a policy is linked to an index for a specified period less than the maturity date of the policy, a description of the method to be used to determine interest credits upon the expiration of the period.
- (d) A description of any interest guarantee in addition to or in lieu of the index.
- (e) A description of any maximum premium limitations and the conditions under which they apply.

**History:** Add. 1993, Act 349, Eff. Oct. 1, 1994

**Popular Name:** Act 218