

§ 58-60-140. Contents of disclosure document.

At a minimum, all of the following information shall be included in the disclosure document required under this Part:

- (1) The generic name of the contract, the company product name, if different, and form number, and the fact that it is an annuity.
- (2) The insurer's name and address.
- (3) A description of the contract and its benefits, emphasizing its long-term nature, including the following, if appropriate:
 - a. The guaranteed, nonguaranteed, and determinable elements of the contract, and their limitations, if any, and an explanation of how they operate.
 - b. An explanation of the initial crediting rate, specifying any bonus or introductory portion, the duration of the rate, and the fact that rates may change from time to time and are not guaranteed.
 - c. Periodic income options both on a guaranteed and nonguaranteed basis.
 - d. Any value reductions caused by withdrawals from or surrender of the contract.
 - e. How values in the contract can be accessed.
 - f. The death benefit, if available, and how it will be calculated.
 - g. A summary of the federal tax status of the contract and any penalties applicable on withdrawal of values from the contract.
 - h. The impact of any rider, such as a long-term care rider.
- (4) The specific dollar amount or percentage charges and fees with an explanation of how they apply.
- (5) Information about the current guaranteed rate for new contracts that contains a clear notice that the rate is subject to change.

Insurers shall define terms used in the disclosure statement in language that facilitates the understanding by a typical person within the segment of the public to which the disclosure statement is directed. (2005-234, s. 1.11.)