

STATE OF DELAWARE
VARIABLE ANNUITY CONTRACT
REQUIREMENTS FOR COMPANIES REQUESTING ADMISSION
AND COMPANIES PRESENTLY LICENSED REQUESTING
AMENDMENT TO CERTIFICATE OF AUTHORITY

DELAWARE DEPARTMENT REGULATION NO. 1 – ARTICLE III, SECTION 3:

- (a) A certified copy of a resolution adopted by the Board of Directors establishing one or more separate accounts. Any amendments to the resolution or any resolution superseding the same immediately to be filed with the Commissioner.
- (b) A copy of the latest Report of Examination and Annual Statement if the company has not been previously admitted.
- (c) A general description of the kinds of variable annuity contracts to be issued or in effect and, as to individual variable annuity contracts, a statement of reserving procedures, investment objectives and a copy of any financial prospectus contained in a registration statement filed with the Securities and Exchange Commissioner.
- (d) A copy of any management or service contract entered into between the company and third party or between any separate account and a third party, the terms of which contain provisions for the third party to provide managerial, investment or sales services to any separate account; any such contract entered into following the initial filing shall also be filed with the Commissioner.
- (e) Biographical statements concerning officers and directors of the company or separate account and, if requested by the Commissioner, of the officers and directors of the management company.

STATE OF DELAWARE
VARIABLE LIFE CONTRACT
REQUIREMENTS FOR COMPANIES REQUESTING ADMISSION
AND COMPANIES PRESENTLY LICENSING REQUESTING
ADDMENDMENT TO CERTIFICATE OF AUTHORITY

DELAWARE DEPARTMENT REGULATION NO. 44

ARTICLE III- SECTION 2

- (a) Copies of and a general description of the variable life insurance policies and the insurer intends to issue in Delaware.
- (b) A general description of the methods of operation of the variable life insurance business of the insurer, including methods of distribution of policies and the names of those persons or firms proposed to supply consulting, investment, administrative, custodial or distribution services to the insurer.
- (c) With respect to any separate account maintained by an insurer for any variable life insurance policy, a statement of the investment policy the insurer intends to follow for the investment of the assets held in such separate account and a statement of procedures for changing such investment policy. The statement of investment policy shall include a description of the investment objectives intended for the separate account.
- (d) A description of any investment advisory services contemplated as required by Section 10 of Article VI (see below) including a copy of the investment advisory contract.
- (e) A copy of the statutes and regulations of the state of domicile of the insurer under which the insurer is authorized to issue variable life insurance policies.
- (f) Biographical data with respect to the officers and directors of the insurer on the National Association of Insurance Commissioner Uniform Biographical Data Form
- (g) A statement of the insurer's actuary describing the mortality and expense risks which the insurer will bear under the policy.

ARTICLE III. SECTION 3

Standards of Suitability: Every insurer seeking approval to enter into the variable life insurance business in this State shall establish and maintain a written statement specifying the Standards of Suitability to be used by the Insurer. Such Standards of Suitability shall specify that no recommendation shall be made to an applicant to purchase a variable life insurance policy and that no variable life insurance policy shall be issued in the absence of reasonable grounds to believe that the purchase of such policy is not unsuitable for each applicant on the basis of information furnished after reasonable inquiry of such applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and any other information known to the insurer or to the agent making the recommendation.

ARTICLE VI. SECTION 8

Standards of Conduct – Every insurer seeking approval to enter into the variable life insurance business in this State shall adopt by formal action of its Board of Directors a written statement specifying the Standards of Conduct of the Insurer, its directors, officers, employees, and affiliates with respect to the purchase or sale of investments of separate accounts. Such Standards of Conduct shall be binding on the insurer and those to whom it refers. A code or codes of ethics meeting the requirements of Section 17j under the Investment Company Act of 1940 and applicable rules and regulations thereunder shall satisfy the provisions of this Section.

ARTICLES VI, SECTION 10

Investment Advisory Services – An Insurer shall not enter into a contract under which any person undertakes, for a fee, to regularly furnish investment advise to such insurer with respect to its separate accounts maintained for variable life insurance policies unless:

- (a) the person providing such advise is registered as an investment advisor under the Investment Advisers Act of 1940; and
- (b) the person providing such advise is an investment manager under the Employee Retirement Income Security act of 1974 with respect to the assets of each employee benefit plan allocated to the separate account; or
- (c) the insurer has filed with the Commissioner and continues to file annually the following information and statements concerning the proposed advise;
 - (1) the name and form of organization, state of organization, and its principal place of business;
 - (2) the names and addresses of its partners, officers, directors, and persons performing similar functions or, if such an investment adviser be an individual of such individual;
 - (3) a written Standard of Conduct complying in substance with the requirements of Section 8 of this Article which has been adopted by the investment advisor and is applicable tot he investment advisor, its officers, directors and affiliates;
 - (4) a statement provided by the proposed advisor as to whether the adviser or any person associated therewith:
 - (a) ha been convicted within ten years of any felony or misdemeanor arising out of such person’s conduct as an employee, salesman, officer or director of an insurance company, a banker, an insurance agent, a securities broker, or an investment adviser involving embezzlement, fraudulent conversion, or misappropriation of funds or securities, or involving the violation of Sections 1341, 1342, or 1343of Title 18 of United States Code;
 - (b) has been permanently or temporarily enjoined by order, judgement, or decree of any court or competent jurisdiction from acting as an investment adviser, underwriter, broker, or dealer, or as an affiliated person or as an employee of an investment company, bank or insurance company, or from engaging in or continuing any conduct or practice in connection with any such activity.
 - (c) Has been found by federal or state regulatory authorities to have willfully violated or have acknowledge willful violation of any provision of federal or state securities laws or state insurance laws or of any rule or regulation under any such laws; or
 - (d) Has been censured, denied an investment adviser registration, and a registration as an investment adviser revoked or suspended, or been barred or suspended from being associated with an investment adviser by order of federal or state regulatory authorities; or
 - (5) such investment advisory contract shall be in writing and provide that it may be terminated by the I ensure without penalty to the insurer or the separate account upon no more than sixty days written notice to the investment adviser.