

PROPOSED AMENDMENTS TO SENATE BILL NO. 2192

Page 1, line 1, after "to" insert "create and enact a new subsection to section 26.1-38.1-05 of the North Dakota Century Code, relating to the powers and duties of a life and health insurance guaranty association; and to"

Page 1, line 12, overstrike "it" and insert immediately thereafter "the portion of the policy or contract" and after "based" insert "or to the extent that the rate of interest, crediting of a rate of interest, or similar factor determined by using an index or other external reference stated in the policy or contract which is employed in calculating returns or changes in value"

Page 3, after line 24, insert:

"SECTION 2. A new subsection to section 26.1-38.1-05 of the 1999 Supplement to the North Dakota Century Code is created and enacted as follows:

Subject to approval of the receivership court, the association, in carrying out association duties in connection with guaranteeing, assuming, or reinsuring policies or contracts under subsections 2 and 3, may issue substitute coverage for a policy or contract that provides a rate of interest, crediting of a rate of interest, or similar factor determined by using an index or other external reference stated in the policy or contract which is employed in calculating returns or changes in value by issuing an alternative policy or contract if:

- a. Instead of the index or other external reference provided in the replaced policy or contract, the alternative policy or contract provides for a fixed interest rate, payment of dividends with minimum guarantees, or different method for calculating interest or changes in value;
- b. There is no requirement for evidence of insurability, a waiting period, or other exclusion that would not have applied under the replaced policy or contract; and
- c. The alternative policy or contract is substantially similar to the replaced policy or contract in all other material terms."

Renumber accordingly