



# PBR and CSO 2017 Deadlines Quickly Approaching

Beginning January 1, 2020 all life insurance policies must meet:

- The new 2017 CSO mortality tables, and
- Principle-Based Reserving (PBR) requirements.

Life insurance products that don't meet both requirements must be issued and paid prior to December 31, 2019. **There are no exceptions to this deadline.**

## What does this mean to you and your clients?

- Several of the products available through DBS have already been revised to meet the new requirements, but many products will change during the last quarter.
- In general, price sensitive products like term and universal life with secondary guarantees benefited by the new requirements so many of these products are already compliant. In contrast, policies designed to maximize cash value accumulation may not benefit from the change. So many carriers delayed these product changes.
- This means that if the product that you are proposing or sold to your client is not yet CSO/PBR compliant the clock is ticking. It's especially urgent if you are contemplating a Section 1035 Exchange as those funds must be transferred to the policy prior to the deadline.
- When reviewing products for your clients, be sure to understand whether the products have been updated for the new requirements.

## Questions? Contact DBS

Your DBS Case Design Analyst knows what products are affected by the deadline and will inform you when illustrating non-compliant products what the various deadlines are if known. You can help by paying close attention to the communication you receive from our employees.

**Count on DBS to keep you informed on this and any other issue affecting your business. We have the team of experts that are ready to help make this process simple and answer any questions you have.**

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5501 Excelsior Boulevard | Minneapolis, MN 55416