

**State:** District of Columbia **Filing Company:** Fidelity Security Life Insurance Company  
**TOI/Sub-TOI:** H11G Group Health - Disability Income/H11G.002 Short Term  
**Product Name:** Group Voluntary Disability Income  
**Project Name/Number:** Group Voluntary Disability Income /M-4026

## Filing at a Glance

Company: Fidelity Security Life Insurance Company  
Product Name: Group Voluntary Disability Income  
State: District of Columbia  
TOI: H11G Group Health - Disability Income  
Sub-TOI: H11G.002 Short Term  
Filing Type: Rate  
Date Submitted: 04/18/2014  
SERFF Tr Num: FDLT-129506531  
SERFF Status: Pending Industry Response  
State Tr Num:  
State Status:  
Co Tr Num: M-4026 - RATE  
Implementation: On Approval  
Date Requested:  
Author(s): Jennifer Glaser, Kelly Humiston, Teresa Saling, Danielle Menzel, Philip Kostelac  
Reviewer(s): John Morgan (primary), Alula Selassie  
Disposition Date:  
Disposition Status:  
Implementation Date:  
State Filing Description:

**State:** District of Columbia **Filing Company:** Fidelity Security Life Insurance Company  
**TOI/Sub-TOI:** H11G Group Health - Disability Income/H11G.002 Short Term  
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**Project Name/Number:** Group Voluntary Disability Income /M-4026

## General Information

Project Name: Group Voluntary Disability Income	Status of Filing in Domicile: Authorized
Project Number: M-4026	Date Approved in Domicile: 12/09/2013
Requested Filing Mode: Review & Approval	Domicile Status Comments:
Explanation for Combination/Other:	Market Type: Group
Submission Type: New Submission	Group Market Size: Small and Large
Group Market Type: Employer	Overall Rate Impact:
Filing Status Changed: 05/07/2014	
State Status Changed:	Deemer Date:
Created By: Danielle Menzel	Submitted By: Philip Kostelac
Corresponding Filing Tracking Number: FDLT-129506482	

**Filing Description:**  
 Fidelity Security Life Insurance Company  
 NAIC #71870 FEIN #43-0949844  
 Group Voluntary Disability Income  
 Rates and Actuarial Memorandum for M-4026

We respectfully submit the above Rates and Actuarial for your review and approval to be used with forms M-4026 et. al. submitted under SERFF Filing #FDLT-129506482.

This filing is for coverage sold via one-on-one direct agent sales to employer groups who elect to offer disability income benefits to their employees.

The forms provide disability income benefits for employees on a voluntary basis. The employees must meet the underwriting requirement of the Company in order to be eligible.

If you have questions or need additional information, please do not hesitate to contact me at 1-800-648-8624 (extension 1276) or e-mail me at [tsaling@fslins.com](mailto:tsaling@fslins.com).

## Company and Contact

### Filing Contact Information

Teresa Saling, Sr. Contract Analyst	<a href="mailto:tsaling@fslins.com">tsaling@fslins.com</a>
3130 Broadway	800-648-8624 [Phone] 1276 [Ext]
Kansas City, MO 64111-2406	816-751-6026 [FAX]

### Filing Company Information

Fidelity Security Life Insurance Company	CoCode: 71870	State of Domicile: Missouri
3130 Broadway	Group Code: 451	Company Type: Life & Health
Kansas City, MO 64111-2406	Group Name:	State ID Number:
(800) 648-8624 ext. [Phone]	FEIN Number: 43-0949844	

**State:** District of Columbia **Filing Company:** Fidelity Security Life Insurance Company  
**TOI/Sub-TOI:** H11G Group Health - Disability Income/H11G.002 Short Term  
**Product Name:** Group Voluntary Disability Income  
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## Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

SERFF Tracking #:

FDLT-129506531

State Tracking #:

Company Tracking #:

M-4026 - RATE

State:

District of Columbia

Filing Company:

Fidelity Security Life Insurance Company

TOI/Sub-TOI:

H11G Group Health - Disability Income/H11G.002 Short Term

Product Name:

Group Voluntary Disability Income

Project Name/Number:

Group Voluntary Disability Income /M-4026

## Rate Information

Rate data applies to filing.

Filing Method:

SERFF

Rate Change Type:

Neutral

Overall Percentage of Last Rate Revision:

0.000%

Effective Date of Last Rate Revision:

Filing Method of Last Filing:

Initial

## Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Fidelity Security Life Insurance Company	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%

**SERFF Tracking #:**

FDLT-129506531

**State Tracking #:****Company Tracking #:**

M-4026 - RATE

**State:**

District of Columbia

**Filing Company:**

Fidelity Security Life Insurance Company

**TOI/Sub-TOI:**

H11G Group Health - Disability Income/H11G.002 Short Term

**Product Name:**

Group Voluntary Disability Income

**Project Name/Number:**

Group Voluntary Disability Income /M-4026

## Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Rate Manual-FSL-GVSTD-M-4026-Generic	M-4026, C-4026, S-4026, A-01159, A-01160	New		Rate Manual-FSL-GVSTD-M-4026-Generic.pdf,

**Fidelity Security Life  
Disability Premium Rates for Policy Forms M-4026, et al.**

**Non-Occupational  
Unisex Annual Premiums (Gross)  
per \$100 Monthly Benefit**

Benefit Period Accident EP/Sickness EP	3 Months								6 Months							
	00/07	07/07	00/14	14/14	30/30	60/60	90/90	180/180	00/07	07/07	00/14	14/14	30/30	60/60	90/90	180/180
<b>Class 1</b>																
18-29	32.89	30.77	26.53	22.64	13.61	9.75	3.95	3.48	39.78	37.21	32.30	27.59	17.95	13.29	6.30	5.54
30-39	32.89	30.77	26.53	22.64	13.61	9.75	3.95	3.48	39.78	37.21	32.30	27.59	17.95	13.29	6.30	5.54
40-49	32.89	30.77	26.53	22.64	13.61	9.75	3.95	3.48	39.78	37.21	32.30	27.59	17.95	13.29	6.30	5.54
50-59	34.76	31.52	28.70	24.00	16.51	13.23	8.32	7.32	45.73	42.07	37.95	32.55	24.15	19.99	13.75	12.10
60-69	42.46	37.59	35.38	28.89	22.78	18.76	12.72	11.19	57.95	52.63	48.36	41.16	34.26	29.11	21.39	18.82
70+	52.33	45.58	43.59	34.92	31.14	25.51	17.06	15.01	72.63	65.31	60.47	50.95	47.48	40.06	28.94	25.47
<b>Class 2</b>																
18-29	41.11	38.46	33.17	28.31	17.03	12.19	4.93	4.34	49.72	46.52	40.37	34.50	22.44	16.62	7.88	6.93
30-39	41.11	38.46	33.17	28.31	17.03	12.19	4.93	4.34	49.72	46.52	40.37	34.50	22.44	16.62	7.88	6.93
40-49	41.11	38.46	33.17	28.31	17.03	12.19	4.93	4.34	49.72	46.52	40.37	34.50	22.44	16.62	7.88	6.93
50-59	43.45	39.40	35.87	30.00	20.64	16.54	10.40	9.15	57.17	52.59	47.43	40.68	30.19	24.99	17.19	15.13
60-69	53.07	46.99	44.22	36.11	28.47	23.44	15.90	13.99	72.44	65.79	60.45	51.45	42.83	36.40	26.75	23.54
70+	65.41	56.97	54.48	43.65	38.92	31.88	21.33	18.77	90.79	81.64	75.58	63.69	59.35	50.08	36.18	31.84
<b>Class 3</b>																
18-29	51.39	48.08	41.46	35.38	21.28	15.23	6.16	5.42	62.15	58.14	50.48	43.13	28.05	20.77	9.86	8.68
30-39	51.39	48.08	41.46	35.38	21.28	15.23	6.16	5.42	62.15	58.14	50.48	43.13	28.05	20.77	9.86	8.68
40-49	51.39	48.08	41.46	35.38	21.28	15.23	6.16	5.42	62.15	58.14	50.48	43.13	28.05	20.77	9.86	8.68
50-59	54.32	49.25	44.85	37.50	25.80	20.68	13.00	11.44	71.45	65.74	59.29	50.85	37.73	31.23	21.48	18.90
60-69	66.33	58.73	55.27	45.14	35.59	29.30	19.87	17.49	90.55	82.24	75.56	64.30	53.54	45.50	33.43	29.42
70+	81.77	71.22	68.10	54.56	48.65	39.85	26.66	23.46	113.49	102.05	94.47	79.60	74.19	62.60	45.22	39.79
<b>Class 4</b>																
18-29	61.67	57.70	49.75	42.46	25.54	18.28	7.40	6.51	74.58	69.77	60.57	51.75	33.66	24.93	11.83	10.41
30-39	61.67	57.70	49.75	42.46	25.54	18.28	7.40	6.51	74.58	69.77	60.57	51.75	33.66	24.93	11.83	10.41
40-49	61.67	57.70	49.75	42.46	25.54	18.28	7.40	6.51	74.58	69.77	60.57	51.75	33.66	24.93	11.83	10.41
50-59	65.18	59.10	53.82	45.00	30.95	24.81	15.60	13.73	85.74	78.89	71.14	61.02	45.28	37.48	25.78	22.69
60-69	79.61	70.49	66.34	54.17	42.71	35.17	23.85	20.99	108.66	98.68	90.68	77.17	64.24	54.59	40.12	35.31
70+	98.12	85.46	81.72	65.48	58.38	47.82	31.99	28.15	136.19	122.46	113.37	95.53	89.04	75.13	54.27	47.76

Fidelity Security Life  
 Disability Premium Rates for Policy Forms M-4026, et al.

Non-Occupational  
 Unisex Annual Premiums (Gross)  
 per \$100 Monthly Benefit

Benefit Period Accident EP/Sickness EP	12 Months								24 Months							
	00/07	07/07	00/14	14/14	30/30	60/60	90/90	180/180	00/07	07/07	00/14	14/14	30/30	60/60	90/90	180/180
<b>Class 1</b>																
18-29	49.58	46.41	40.51	34.70	25.15	19.35	10.65	9.37	69.03	64.68	56.70	48.72	35.95	28.61	17.59	15.48
30-39	49.58	46.41	40.51	34.70	25.15	19.35	10.65	9.37	69.03	64.68	56.70	48.72	35.95	28.61	17.59	15.48
40-49	49.58	46.41	40.51	34.70	25.15	19.35	10.65	9.37	69.03	64.68	56.70	48.72	35.95	28.61	17.59	15.48
50-59	64.01	59.56	53.50	46.86	38.65	33.15	24.89	21.90	104.61	98.24	88.05	78.47	64.65	57.05	45.65	40.17
60-69	86.18	79.77	72.25	63.49	57.54	50.51	39.97	35.17	150.03	140.79	126.38	113.66	100.47	90.22	74.84	65.86
70+	111.11	102.31	92.78	81.26	81.57	70.89	54.86	48.28	198.82	186.07	166.56	149.76	145.09	128.49	103.60	91.17
<b>Class 2</b>																
18-29	61.97	58.02	50.64	43.38	31.44	24.19	13.31	11.71	86.29	80.85	70.88	60.90	44.94	35.76	21.99	19.35
30-39	61.97	58.02	50.64	43.38	31.44	24.19	13.31	11.71	86.29	80.85	70.88	60.90	44.94	35.76	21.99	19.35
40-49	61.97	58.02	50.64	43.38	31.44	24.19	13.31	11.71	86.29	80.85	70.88	60.90	44.94	35.76	21.99	19.35
50-59	80.02	74.45	66.87	58.57	48.31	41.43	31.12	27.39	130.76	122.80	110.06	98.08	80.80	71.30	57.06	50.21
60-69	107.72	99.71	90.31	79.36	71.93	63.14	49.96	43.96	187.54	176.00	157.97	142.07	125.59	112.77	93.55	82.32
70+	138.89	127.89	115.97	101.57	101.96	88.60	68.57	60.34	248.53	232.59	208.21	187.20	181.37	160.63	129.51	113.97
<b>Class 3</b>																
18-29	77.46	72.52	63.30	54.24	39.31	30.24	16.64	14.64	107.86	101.06	88.61	76.13	56.18	44.70	27.49	24.19
30-39	77.46	72.52	63.30	54.24	39.31	30.24	16.64	14.64	107.86	101.06	88.61	76.13	56.18	44.70	27.49	24.19
40-49	77.46	72.52	63.30	54.24	39.31	30.24	16.64	14.64	107.86	101.06	88.61	76.13	56.18	44.70	27.49	24.19
50-59	100.02	93.06	83.59	73.21	60.39	51.79	38.89	34.22	163.46	153.51	137.58	122.61	101.01	89.14	71.33	62.77
60-69	134.66	124.64	112.89	99.20	89.90	78.92	62.45	54.96	234.42	219.99	197.47	177.59	156.99	140.97	116.94	102.91
70+	173.62	159.86	144.97	126.96	127.45	110.75	85.71	75.42	310.66	290.73	260.26	234.00	226.71	200.78	161.88	142.45
<b>Class 4</b>																
18-29	92.95	87.02	75.97	65.09	47.17	36.29	19.97	17.57	129.43	121.28	106.32	91.35	67.41	53.64	32.98	29.02
30-39	92.95	87.02	75.97	65.09	47.17	36.29	19.97	17.57	129.43	121.28	106.32	91.35	67.41	53.64	32.98	29.02
40-49	92.95	87.02	75.97	65.09	47.17	36.29	19.97	17.57	129.43	121.28	106.32	91.35	67.41	53.64	32.98	29.02
50-59	120.03	111.67	100.31	87.85	72.47	62.15	46.67	41.07	196.15	184.20	165.10	147.13	121.21	106.97	85.60	75.33
60-69	161.59	149.57	135.48	119.05	107.88	94.70	74.94	65.95	281.31	263.99	236.96	213.10	188.38	169.16	140.33	123.49
70+	208.34	191.83	173.97	152.36	152.95	132.91	102.86	90.52	372.79	348.88	312.31	280.79	272.05	240.93	194.26	170.95

**Additional Premium for 24-Hour Coverage  
Unisex Annual Premiums (Gross)  
per \$100 Monthly Benefit**

Benefit Period Accident EP/Sickness EP	3 Months								6 Months							
	00/07	07/07	00/14	14/14	30/30	60/60	90/90	180/180	00/07	07/07	00/14	14/14	30/30	60/60	90/90	180/180
<b>Class 1</b>																
18-29	5.12	4.33	4.55	3.09	1.88	1.39	0.66	0.58	6.38	5.41	5.69	3.93	2.63	1.99	1.05	0.92
30-39	5.12	4.33	4.55	3.09	1.88	1.39	0.66	0.58	6.38	5.41	5.69	3.93	2.63	1.99	1.05	0.92
40-49	5.12	4.33	4.55	3.09	1.88	1.39	0.66	0.58	6.38	5.41	5.69	3.93	2.63	1.99	1.05	0.92
50-59	5.79	4.58	5.19	3.42	2.32	1.83	1.08	0.95	7.37	5.99	6.59	4.56	3.36	2.73	1.78	1.57
60-69	7.09	5.27	6.38	3.95	2.96	2.43	1.62	1.42	9.13	7.13	8.17	5.47	4.37	3.70	2.71	2.38
70+	8.79	6.26	7.91	4.66	3.88	3.18	2.14	1.88	11.37	8.63	10.16	6.59	5.79	4.92	3.61	3.17
<b>Class 2</b>																
18-29	6.40	5.41	5.69	3.86	2.35	1.74	0.82	0.72	7.97	6.77	7.11	4.91	3.28	2.49	1.31	1.15
30-39	6.40	5.41	5.69	3.86	2.35	1.74	0.82	0.72	7.97	6.77	7.11	4.91	3.28	2.49	1.31	1.15
40-49	6.40	5.41	5.69	3.86	2.35	1.74	0.82	0.72	7.97	6.77	7.11	4.91	3.28	2.49	1.31	1.15
50-59	7.24	5.72	6.48	4.28	2.91	2.28	1.35	1.19	9.21	7.49	8.24	5.70	4.20	3.41	2.22	1.96
60-69	8.86	6.58	7.98	4.94	3.70	3.03	2.02	1.78	11.41	8.92	10.21	6.84	5.46	4.63	3.38	2.98
70+	10.99	7.82	9.89	5.83	4.84	3.98	2.68	2.36	14.21	10.78	12.69	8.23	7.24	6.15	4.51	3.97
<b>Class 3</b>																
18-29	8.00	6.76	7.11	4.83	2.94	2.17	1.02	0.90	9.96	8.46	8.90	6.14	4.10	3.12	1.64	1.44
30-39	8.00	6.76	7.11	4.83	2.94	2.17	1.02	0.90	9.96	8.46	8.90	6.14	4.10	3.12	1.64	1.44
40-49	8.00	6.76	7.11	4.83	2.94	2.17	1.02	0.90	9.96	8.46	8.90	6.14	4.10	3.12	1.64	1.44
50-59	9.05	7.15	8.10	5.35	3.63	2.86	1.69	1.49	11.51	9.37	10.29	7.13	5.24	4.26	2.78	2.44
60-69	11.08	8.23	9.97	6.17	4.63	3.79	2.53	2.23	14.26	11.15	12.76	8.54	6.83	5.79	4.23	3.72
70+	13.73	9.78	12.37	7.29	6.06	4.97	3.35	2.94	17.77	13.48	15.87	10.29	9.04	7.68	5.64	4.96
<b>Class 4</b>																
18-29	9.60	8.11	8.53	5.80	3.53	2.61	1.23	1.08	11.95	10.15	10.67	7.37	4.92	3.74	1.96	1.73
30-39	9.60	8.11	8.53	5.80	3.53	2.61	1.23	1.08	11.95	10.15	10.67	7.37	4.92	3.74	1.96	1.73
40-49	9.60	8.11	8.53	5.80	3.53	2.61	1.23	1.08	11.95	10.15	10.67	7.37	4.92	3.74	1.96	1.73
50-59	10.86	8.58	9.72	6.42	4.36	3.42	2.02	1.78	13.81	11.24	12.35	8.56	6.29	5.11	3.33	2.93
60-69	13.30	9.88	11.97	7.41	5.56	4.55	3.03	2.67	17.12	13.37	15.32	10.25	8.19	6.95	5.08	4.47
70+	16.48	11.73	14.84	8.75	7.27	5.96	4.01	3.53	21.32	16.17	19.04	12.35	10.86	9.22	6.76	5.95



**Additional Premium for 24-Hour Coverage  
Unisex Annual Premiums (Gross)  
per \$100 Monthly Benefit**

Benefit Period Accident EP/Sickness EP	12 Months								24 Months							
	00/07	07/07	00/14	14/14	30/30	60/60	90/90	180/180	00/07	07/07	00/14	14/14	30/30	60/60	90/90	180/180
<b>Class 1</b>																
18-29	8.14	6.95	7.30	5.12	3.86	3.02	1.76	1.55	11.60	9.97	10.43	7.44	5.67	4.55	2.88	2.54
30-39	8.14	6.95	7.30	5.12	3.86	3.02	1.76	1.55	11.60	9.97	10.43	7.44	5.67	4.55	2.88	2.54
40-49	8.14	6.95	7.30	5.12	3.86	3.02	1.76	1.55	11.60	9.97	10.43	7.44	5.67	4.55	2.88	2.54
50-59	10.00	8.33	8.95	6.46	5.30	4.46	3.20	2.82	15.90	13.51	14.24	10.65	8.77	7.60	5.85	5.15
60-69	12.88	10.48	11.49	8.21	7.21	6.34	5.03	4.43	21.54	18.07	19.17	14.40	12.45	11.23	9.40	8.27
70+	16.34	13.04	14.51	10.19	9.77	8.59	6.81	5.99	27.91	23.13	24.69	18.39	17.20	15.45	12.83	11.29
<b>Class 2</b>																
18-29	10.17	8.69	9.12	6.40	4.82	3.77	2.20	1.94	14.50	12.46	13.04	9.30	7.08	5.69	3.60	3.17
30-39	10.17	8.69	9.12	6.40	4.82	3.77	2.20	1.94	14.50	12.46	13.04	9.30	7.08	5.69	3.60	3.17
40-49	10.17	8.69	9.12	6.40	4.82	3.77	2.20	1.94	14.50	12.46	13.04	9.30	7.08	5.69	3.60	3.17
50-59	12.50	10.41	11.18	8.07	6.62	5.58	4.01	3.53	19.87	16.89	17.80	13.31	10.96	9.50	7.31	6.44
60-69	16.10	13.10	14.36	10.26	9.02	7.93	6.29	5.54	26.92	22.60	23.97	18.00	15.56	14.04	11.75	10.34
70+	20.42	16.30	18.13	12.73	12.21	10.73	8.51	7.49	34.90	28.92	30.86	22.99	21.50	19.31	16.04	14.11
<b>Class 3</b>																
18-29	12.72	10.86	11.40	8.00	6.02	4.71	2.75	2.42	18.13	15.58	16.30	11.62	8.86	7.11	4.50	3.96
30-39	12.72	10.86	11.40	8.00	6.02	4.71	2.75	2.42	18.13	15.58	16.30	11.62	8.86	7.11	4.50	3.96
40-49	12.72	10.86	11.40	8.00	6.02	4.71	2.75	2.42	18.13	15.58	16.30	11.62	8.86	7.11	4.50	3.96
50-59	15.62	13.01	13.98	10.09	8.28	6.97	5.01	4.40	24.84	21.11	22.25	16.64	13.70	11.88	9.14	8.05
60-69	20.13	16.37	17.96	12.82	11.27	9.91	7.86	6.92	33.66	28.24	29.96	22.51	19.46	17.55	14.69	12.92
70+	25.53	20.37	22.67	15.91	15.27	13.41	10.64	9.36	43.62	36.15	38.58	28.73	26.87	24.14	20.04	17.64
<b>Class 4</b>																
18-29	15.26	13.04	13.68	9.60	7.23	5.66	3.30	2.90	21.75	18.69	19.56	13.95	10.62	8.53	5.40	4.75
30-39	15.26	13.04	13.68	9.60	7.23	5.66	3.30	2.90	21.75	18.69	19.56	13.95	10.62	8.53	5.40	4.75
40-49	15.26	13.04	13.68	9.60	7.23	5.66	3.30	2.90	21.75	18.69	19.56	13.95	10.62	8.53	5.40	4.75
50-59	18.75	15.61	16.78	12.10	9.94	8.37	6.01	5.29	29.81	25.33	26.70	19.97	16.44	14.25	10.97	9.66
60-69	24.16	19.65	21.55	15.39	13.52	11.89	9.44	8.31	40.39	33.89	35.95	27.01	23.35	21.06	17.62	15.51
70+	30.64	24.45	27.20	19.10	18.32	16.10	12.77	11.23	52.34	43.38	46.30	34.48	32.25	28.97	24.05	21.17

**Removal of the Exclusion for Mental and Nervous Claims**

The pricing is an 8% load to premium rates for all plan designs.

**Pricing for Anticipated Participation Rate (Expected Enrolled Lives / Eligible Lives)**

<u>Expected Participation</u>	<u>Factor</u>
<= 50%	1.00
51% to 75%	0.90
76% to 100%	0.80

<b>State:</b>	District of Columbia	<b>Filing Company:</b>	Fidelity Security Life Insurance Company
<b>TOI/Sub-TOI:</b>	H11G Group Health - Disability Income/H11G.002 Short Term		
<b>Product Name:</b>	Group Voluntary Disability Income		
<b>Project Name/Number:</b>	Group Voluntary Disability Income /M-4026		

## Supporting Document Schedules

<b>Satisfied - Item:</b>	Cover Letter All Filings
<b>Comments:</b>	Please see General Information tab.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Certificate of Authority to File
<b>Bypass Reason:</b>	Not applicable.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	Please see attached.
<b>Attachment(s):</b>	Actmemo-FSL-GVSTD-M4026-Generic DS.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Actuarial Justification
<b>Comments:</b>	Please see Actuarial Memorandum.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
<b>Bypass Reason:</b>	Not applicable.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
<b>Bypass Reason:</b>	Not applicable.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

SERFF Tracking #:

FDLT-129506531

State Tracking #:

Company Tracking #:

M-4026 - RATE

State:

District of Columbia

Filing Company:

Fidelity Security Life Insurance Company

TOI/Sub-TOI:

H11G Group Health - Disability Income/H11G.002 Short Term

Product Name:

Group Voluntary Disability Income

Project Name/Number:

Group Voluntary Disability Income /M-4026

<b>Bypassed - Item:</b>	Actuarial Memorandum and Certifications
<b>Bypass Reason:</b>	Not applicable.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Unified Rate Review Template
<b>Bypass Reason:</b>	Not applicable.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

FIDELITY SECURITY LIFE INSURANCE COMPANY

ACTUARIAL MEMORANDUM

Group Short Term Disability Income Insurance Policy

Policy Forms: M-4026, C-4026, S-4026 et. al.

- 1. Scope and Purpose:** The purpose of this memorandum is to justify the rates to be charged, as required by applicable state law. This filing is for a new product using new policy forms. This rate filing is not intended to be used for any other purpose.
- 2. Benefit Description:** Monthly disability benefits are payable for total or partial disability due to injury or sickness (including pregnancy). The policy includes a 12/12 pre-existing condition limitation. Benefit amounts are fixed at time of issue. They are not offset by payments received from other commercial or governmental disability programs and are not reduced due to a decrease in income after coverage is issued. Available benefits are outlined below:

M-4026: **Total Disability Benefit.** Pays the Monthly Disability Benefit if the Insured becomes Totally Disabled and is disabled throughout the Elimination Period. After the Elimination Period and up to the Maximum Benefit Period, the Monthly Disability Benefit is paid for as long as coverage is in force and the Insured remains Totally Disabled. Total Disability or Totally Disabled means that as a result of Sickness or Injury, the Insured is:

1. Unable to perform the material and substantial duties of his/her occupation,
2. Not working in any other occupation, and
3. Under the regular and appropriate care of a Physician.

Available Monthly Benefit Amounts: \$200 - \$5,000 in \$100 increments

Available Elimination Periods (Injury/Sickness): 0/7, 0/14, 7/7, 14/14, 30/30, 60/60, 90/90, and 180/180 days.

Available Benefit Periods: 3, 6, 12, and 24 months.

**Partial Disability Benefit:** Pays 50% of the Monthly Disability Benefit if the Insured becomes Partially Disabled after the Elimination Period. The Partial Disability must directly follow a period where the Insured received benefits for Total Disability and must be a result of the same Injury or Sickness that caused the Total Disability. Partial disability benefits will be payable for a maximum of six months. The combined period of time for which benefits are payable for Total Disability and Partial Disability may not exceed the Maximum Benefit Period. Partial Disability or Partially Disabled means that as a result of Sickness or Injury, the Insured is:

1. Able to perform some but not all of the material and substantial duties of his/her occupation, or

2. Able to perform all of the material and substantial duties of his/her occupation but for no more than 75% of the standard number of hours worked prior to Disability,
3. Not working in any other occupation, and
4. Under the regular and appropriate care of a Physician.

**Waiver of Premium:** After 90 days of Total Disability, or after the Elimination Period if longer than 90 days, premiums are waived for as long as the Total Disability continues but not beyond the Maximum Benefit Period.

**Recurrent Disability:** If after the end of a Disability the Insured has a Recurrent Disability, it will be considered to be a continuing disability in order to determine the Elimination Period and the Maximum Benefit Period applied to it. Recurrent Disability means a Disability that occurs within six months after the end of a previous Disability and that is due to the same or related causes.

**Concurrent Disability:** Pays benefits for a Disability that is caused by more than one Injury and/or Sickness as if it was caused by only one Injury or Sickness.

**Accelerated Benefit for Terminal Condition:** Advances a lump sum payment to the Insured if the Insured is diagnosed with a Terminal Illness and is receiving a Monthly Disability Benefit due to Total Disability. The lump sum payment is equal to the lesser of:

1. The remaining months of the Monthly Disability Benefit; or
2. Twelve months of Monthly Disability Benefits

If twelve months of Monthly Disability Benefits were advanced to the Insured and the Insured survives and continues to be disabled beyond the twelve month period covered by the advance, the policy will begin paying the Monthly Disability Benefit at the end of the twelve months for as long as the Insured remains disabled until the Maximum Benefit Period is reached.

**Survivor Benefit:** If the Insured dies while Totally Disabled and is receiving benefits under this policy, Monthly Disability Benefit payments will be continued for three months beyond the date of the Insured's death. The Survivor Benefit will be paid to the Insured's beneficiary.

**Optional Occupational Disability Benefit:** Includes coverage for on-job disabilities, with a benefit amount equal to 50% of the base amount. If elected, the exclusion for work-related Injury or Sickness will be removed from the Policy.

**Optional Full Coverage for Mental/Nervous Disorders and Substance Abuse:** If elected the exclusion for these conditions will be removed from the Policy.

**FIDELITY SECURITY LIFE INSURANCE COMPANY**  
**Group Short Term Disability Income Insurance Policy**  
**Form Numbers: M-4026, C-4026, S-4026 et. al.**  
**Actuarial Memorandum**  
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- 3. Renewability:** Optionally renewable.
- 4. Morbidity:** The morbidity assumptions for the base policy consist of adjustments to the 1985 Commissioner’s Individual Disability Table (1985 CIDA), based on recent studies performed by the Society of Actuaries Individual Disability Experience Committee and on the anticipated impact of the policy provisions contained in the contracts being filed.
- 5. Persistency:** Persistency assumptions vary by issue age and duration of coverage and are based on industry experience for similar policy forms. They are identical for males and females and are shown below:

Policy Duration	Issue Age				
	25	35	45	55	65
1	0.35	0.35	0.35	0.35	0.25
2	0.30	0.30	0.30	0.30	0.25
3	0.25	0.25	0.25	0.25	0.25
4	0.20	0.20	0.20	0.20	0.25
5	0.18	0.18	0.18	0.18	0.25
6	0.15	0.15	0.15	0.15	0.25
7	0.15	0.15	0.15	0.17	0.25
8	0.15	0.15	0.15	0.19	0.25
9	0.15	0.15	0.15	0.21	0.25
10	0.15	0.15	0.15	0.23	0.25
11	0.15	0.15	0.15	0.25	0.25

- 6. Expenses:** Expense assumptions used in pricing are based on the Company’s expected costs for selling and administering this product. Expense loads will not exceed 50.0% of gross premium for any given group and are expected to be 50.0% of gross premium on average. The minimum pricing loss ratio for this policy is 50.0% with an anticipated loss ratio of 50.0%.
- 7. Marketing Method:** This product will be marketed by Company approved marketing organizations, through appropriately licensed independent brokers and agents.
- 8. Underwriting:** Coverage will be offered either through a simplified issue underwriting process or on a guaranteed standard issue basis, depending upon the parameters of the case.
- 9. Premium Classes:** Premiums vary by issue age, elimination period/benefit period combination, industry classification, and the inclusion of optional benefits. Premiums are level to attained age 70. At age 70, premiums will change to an attained age 70+ rate. Premiums were developed assuming participation rates would generally fall between 25% and 50%. The Company may use a participation rating factor for cases with significantly higher participation. Refer to the Rate Manual for detailed rates and all applicable factors.

**FIDELITY SECURITY LIFE INSURANCE COMPANY**  
**Group Short Term Disability Income Insurance Policy**  
**Form Numbers: M-4026, C-4026, S-4026 et. al.**  
**Actuarial Memorandum**

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- 10. Issue Age Range:** Coverage is available for ages 18+. There is no maximum issue age. This policy is intended for the actively-at-work population and the Insured must be actively at work 20+ hours per week to continue coverage beyond age 70.
- 11. Area Factors:** There is no rate variation based on area.
- 12. Average Annual Premium:** The average annual premium for base coverage is expected to be \$656 per certificate.
- 13. Contract Reserves and Claim Reserves:** Contract reserves for the base policy and riders are based on the 1985 Commissioner's Disability Table A (1985 CIDA), 2001 CSO mortality ALB, and two year full preliminary term method. Claim reserves will be based on the 1987 Commissioner's Group Disability Table (1987 CGDT). Valuation interest rates will be the maximum statutory rates for each issue year and claim incurral year.
- 14. Trend Assumptions:** There is no trend assumption used in pricing this product.
- 15. Proposed Effective Date:** January 1, 2014 or upon approval.
- 16. Reliance:** In preparing this memorandum, I have relied on information provided to me by Fidelity Security Life Insurance Company. I have not audited or independently verified this information, although I have reviewed it for reasonableness. To the extent that any of this information is incomplete or inaccurate, the contents of this memorandum may be materially affected.
- 17. Qualifications:** I, Daniel D. Skwire, am a principal and consulting actuary at Milliman, Inc. I have been retained by Fidelity Security Life Insurance Company ("FSL") to provide an actuarial memorandum in support of its rate filing for Group Short Term Disability Income Insurance. I am a member of the American Academy of Actuaries and I meet its qualification standards for rendering the actuarial opinion contained herein.



**18. Actuarial Certification:**

To the best of my knowledge and judgment:

- This Actuarial Memorandum and the entire rate filing are in compliance with the applicable laws of the State and with the rules of the Department of Insurance.
- The filing complies with all applicable Actuarial Standards of Practice, as adopted by the Actuarial Standards Board.
- The benefits provided are reasonable in relation to the proposed premiums.
- The premium schedule is not excessive, inadequate, nor unfairly discriminatory.



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Daniel D. Skwire, FSA, MAAA  
Principal and Consulting Actuary  
Milliman, Inc.  
November 7, 2013