**Section 1406.40 Policies to Be Illustrated**

a) Each insurer marketing policies pursuant to this Part shall notify the Director whether a policy form is to be marketed with or without an illustration. For all policy forms being actively marketed on June 1, 1998, the insurer shall give written notice to the Director identifying which policy forms it was marketing on June 1, 1998, and the insurer must also indicate whether or not an illustration is used in marketing each policy identified. This written notice must be filed with the Life/Accident and Health Compliance Unit of the Department of Insurance by June 1, 1998, and must include the policy form number and filing number. For policy forms filed after June 1, 1998, the identification shall be made at the time of filing. Written notice must also be given to the Director if an insurer changes the usage of an illustration when marketing a previously identified policy form. Such notice must be filed with the Life/Accident and Health Compliance Unit of the Department of Insurance within 60 days after such change.

b) If the insurer identifies a policy form as one to be marketed without an illustration, any use of an illustration for any policy using that form prior to the first policy anniversary is prohibited.

c) If a policy form is identified by the insurer as one to be marketed with an illustration, a basic illustration prepared and delivered in accordance with this Part is required, except that a basic illustration need not be provided to individual members of a group or to individuals insured under multiple lives coverage issued to a single applicant unless the coverage is marketed to these individuals. The illustration furnished an applicant for a group life insurance policy or policies issued to a single applicant on multiple lives may be either an individual or composite illustration representative of the coverage on the lives of members of the group or the multiple lives covered.

d) Potential enrollees of non-term group life subject to this Part shall be furnished a quotation with the enrollment materials. The quotation shall show potential policy values for sample ages and policy years on a guaranteed and non-guaranteed basis appropriate to the group and the coverage. This quotation shall not be considered an illustration for purposes of this Part, but all information provided shall be consistent with the illustrated scale. A basic illustration shall be provided at delivery of the certificate to enrollees for non-term group life who enroll for more than the minimum premium necessary to provide pure death benefit protection. In addition, the insurer shall make a basic illustration available to any non-term group life enrollee who requests it.