

**STATE OF CALIFORNIA  
DEPARTMENT OF INSURANCE  
300 South Spring Street  
Los Angeles, California 90013**

**Bulletin No. 2016-6  
October 14, 2016**

**TO: All Grants and Annuities Societies Operating in the State of California and Other Interested Persons**

**SUBJECT: Reserve Basis for Grants and Annuities**

Effective January 1, 2017, the minimum reserve basis for life annuities issued on or after this date by Grants and Annuities Societies shall be the 2012 Individual Annuity Reserve Table at 4% interest. For annuities issued between January 1, 2005 and December 31, 2016, the minimum reserve basis will continue to be the Annuity 2000 Mortality Table at 4½% interest. For annuities issued between January 1, 1992 and December 31, 2004, the minimum reserve basis is the a-1983 Table at 6% interest. For issues prior to January 1, 1992, the minimum reserve basis is the 1937 Standard Annuity Table at 2½%.

Section 11521 of the California Insurance Code authorizes the commissioner to prescribe mortality tables and interest rates from time to time.

Single Life and Joint & Last Survivor minimum reserve factors on the new basis have been posted on the Department's website and can be accessed by the following link:

<http://www.insurance.ca.gov/0250-insurers/0300-insurers/0200-bulletins/bulletin-notices-commiss-opinion/upload/2012-IAR-GA-Bulletin.xlsm>

Minimum reserve factors can be obtained by inputting genders & ages on the worksheets posted. Deferred annuity minimum reserve factors will continue to be available upon request to the Department of Insurance, Financial Analysis Division - phone number: (213) 346-6444.

DAVE JONES  
Insurance Commissioner

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