



July 5, 2022

Submitted electronically to rmazyck@naic.org

NAIC Index-Linked Variable Annuity Subgroup
Peter Weber, Chair & Tomasz Serbinowski, Vice-Chair

Re: *Actuarial Guideline ILVA: Nonforfeiture Requirements for Index Linked Variable Annuity Products Supported by Non-Unitized Accounts* (“Third Exposure”)

Dear Mr. Weber and Mr. Serbinowski:

On behalf of our members, the Insured Retirement Institute, Inc. (“IRI”)¹ appreciates the opportunity to comment on the Third Exposure put forth by the Index-Linked Variable Annuity Subgroup (“Subgroup”). We appreciate the work of the Subgroup and believe that this Exposure has been significantly improved upon in moving towards a more principles-based approach; however, we are recommending some final changes to ensure that the Third Exposure is workable for our members.

IRI received and reviewed the comments on the Exposure by the American Council of Life Insurers (“ACLI”) and the Committee of Annuity Insurers (“CAI”), dated July 1, 2022. With ACLI and CAI’s permission, IRI shared this letter with our membership.

Following review by our members, IRI supports ACLI and CAI’s comments with respect to its requests and recommendations regarding the Third Exposure, including the mark-up of the Third Exposure that is being put forth for consideration.

Overall, our members support the allowance of different approaches to determining values as this leads to product innovation and supports consumer choice when selecting a product that best achieves their financial goals. We appreciate that this third draft of the Actuarial Guideline takes this into account by being more principles-based, but we do support the final changes and recommendations put forth by ACLI and CAI in their mark-up of the Exposure. As such, we respectfully request that the Subgroup consider the recommendations put forth in ACLI’s and CAI’s comment letter.

On behalf of IRI and our members, thank you again for the opportunity to provide these comments. We would be happy to discuss further with you and look forward to continued collaboration and partnership with the Subgroup.

¹ IRI is the leading association for the entire supply chain of insured retirement strategies, including life insurers, asset managers, and distributors such as broker-dealers, banks, and marketing organizations. IRI members account for more than 95 percent of annuity assets in the U.S., the top 10 distributors of annuities ranked by assets under management and are represented by financial professionals serving millions of Americans. IRI champions retirement security for all through leadership in advocacy, awareness, research, and the advancement of digital solutions within a collaborative industry community.

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Sincerely,

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