Brian Bayerle  
Senior Actuary  

October 15, 2020  

Mr. Mike Boerner  
Chair, NAIC Life Actuarial Task Force (LATF)  

Re: APF 2020-02  

Dear Mr. Boerner:  

The American Council of Life Insurers (ACLI) appreciates the opportunity to submit the following comments on APF 2020-02.  

ACLI remains concerned about the need for this amendment. ACLI agrees there should not be inappropriate simplifications, approximations, and modeling efficiency techniques (“simplifying approaches”). At the same time, we question the need for demonstrations where the simplifying approach on its face is reasonable. For example, an immaterial block using a conservative reserving method under VM-A and VM-C should be considered a reasonable simplifying approach without the need for a deterministic reserve demonstration. If a regulator has a concern, it would be appropriate to have a discussion with the company who can explain the rationale behind the simplifying approach. We believe these concerns would be better addressed through discussions with individual companies rather than additional Valuation Manual requirements.  

We appreciate the consideration of our comments, and look forward to discussing on a future LATF call. Thank you.  

Sincerely,  

[Signature]  

cc: Reggie Mazyck, NAIC