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Rachel Hemphill

Chair, NAIC Life Actuarial (A) Task Force (LATF)

Re: APF 2024-04 (Term-to-100 lapse study)

Dear Chair Hemphill:

The American Council of Life Insurers (ACLI) appreciates the opportunity to provide feedback on APF 2024-04 which was exposed for public comment on March 28th and aims to update VM-20 Section 9.D.5 to reference the most recent Canadian Institute of Actuaries (CIA) *Lapse Experience Under Term-to-100 Insurance Policies* study.

While ACLI is generally supportive of this proposal, we did have one clarifying question and another potential approach to this issue that we hope regulators will consider.

First, in Section 5.1 (Joint Type) of the CIA study, the language suggests that the table referenced in that section only applies to single-life policies. Are there any clarifications regulators can provide to companies regarding what to do with joint-lives policies?

Further, ACLI would like to encourage the NAIC to start thinking about the possibility of looking to relevant US experience for future updates. We see that the SOA and LIMRA did a Universal Life Lapse Study (included as a separate attachment from this letter), although it does look like you have to pay to get more information than the public highlights document. Perhaps a way to proceed is to inquire whether the US lapse experience is significantly different than the CIA lapse experience.

Thank you once again for your consideration of our feedback and we look forward to continued discussion on this topic at a future session of LATF.

Sincerely,

 Colin Masterson

cc: Scott O'Neal, NAIC