**VM-22 (A) Subgroup**

**Wednesday, February 17, 2021**

**1:00 p.m. ET / 12:00 p.m. CT / 11:00 a.m. MT / 10:00 a.m. PT**

**Agenda**

1. Move longevity risk in exclusion testing and Deterministic Certification Option to Issues List.  Revisit during field testing.
2. **Potential official (not straw) vote to recommend to LATF whether to include in VM-22 the following language from VM20(6)(A)(1)(b).  Y or N**

“A company may not exclude a group of policies for which there is one or more clearly defined hedging strategies from stochastic reserve requirements, except in the case where all clearly defined hedging strategies are solely associated with product features that are determined to not be material under VM-20 Section 7.B.1 due to low utilization.”  Note:  There is a current APF that would broaden the scope of this language beyond CDHSs, which if adopted would presumably apply to VM-22 as well.

1. Reinvestment credit related guardrails (ARCWG Framework p. 11)
   1. ARCWG vision
   2. Texas, ACLI, and Equitable comment letters
   3. Options
      1. Average industry credit quality
      2. Higher credit quality for conservatism such as in current VM-20/21
      3. No tie to industry averages
   4. Data
      1. Data and analysis supporting current VM-22 credit quality (ARCWG)
      2. Should data be updated?
2. Scope (ARCWG Framework, p. 9)
   1. ARCWG
   2. ACLI comment letter

Future topics in planned order

Policy Allocation

Discount Rates and Starting Assets

Hedging

Reinsurance

Other Liability Elements

Other comments in 12/14/20 Texas letter