May 27, 2020

Fred Andersen  
Acting Deputy Commissioner of Insurance  
Minnesota Department of Commerce  
85 7th Place East, Suite 280  
St. Paul, MN 55101

Dear Fred,

Securian Financial presents these comments in response to the NAIC IUL Illustrations (A) Subcommittee request for comments on the exposed draft of the ACLI recommended changes to AG49.

Securian believes the ACLI’s exposed revisions to AG49 accomplishes the main tasks set forth by the Subcommittee:

- That products with charged for multipliers and/or buy-up accounts illustrate substantially similar to those products without the additional charges.

- That within an illustration there is consistent treatment of policy features such as multipliers, index bonuses, participating loan crediting, and non-benchmark indices across the industry.

We would like to commend the ACLI for the job they have done in facilitating the drafting sessions and allowing interested parties to comment on the proposed language. We believe the ACLI has appropriately brought together the previous exposed recommendations to AG49, including new language to address the majority of the concerns raised during the drafting sessions.

We recommend the Subcommittee adopt Option #2 of the ACLI comment letter in regard to the applicability of loan leverage. We believe that the impact of participating loans is unique to the IUL product and that in and of itself gives IUL products certain advantages over other product types in the industry. Thus, it is important that illustrations be inclusive of all types of credits in the loan leverage calculation and not over emphasize the impact participating loans can have on the illustrated values of IUL products.

Securian urges the Subcommittee to bring forward the ACLI proposal for vote and ultimate adoption. The ACLI recommendation is a meaningful step forward in the consistent illustration of IUL products. Additionally, Securian looks forward to working with LATF and the industry on new illustrated practices and disclosures as part of the continued evolution towards transparency and furthering consumer understanding of IUL products.

Respectfully,

Seth Detert, Securian Financial

Securian Financial is the marketing name for Securian Financial Group, Inc. and its affiliates. Insurance products are issued by its affiliated insurance companies. Securities and investment advisory services offered through Securian Financial Services, Inc., registered investment advisor, member FINRA/SIPC.