Variable Annuity Capital and Reserve (E/A) Subgroup Report

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VM-21 Standard Projection Amount (SPA) Assumptions

• Require monitor and update
• VA Framework Recommendation 14:
  • Refresh prescribed actuarial assumptions to align with experience
• VM-21 section 6.C.2:
  • *Guidance Note: The framework adopted by the Variable Annuities Issues (E) Working Group includes the review and possible update of these assumptions every three to five years.*
SPA Assumptions to be Considered for Update

• Mortality
  • Based on SOA Report
• Expense
  • To Reflect Historic Inflation
• Policy Holder Behavior
  • Based on LATF Survey
Next Steps

• VACR SG will schedule a meeting in late March or early April
• Develop and Expose an APF
• Goal is Implementation for the 2025 VM