

Draft date: 11/17/24

2024 Fall National Meeting
Denver, Colorado

LIFE ACTUARIAL (A) TASK FORCE

Friday, November 15, 2024

8:00 a.m. – 4:30 p.m.

Saturday, November 16, 2024

8:00 – 10:00 a.m.

Meeting Summary Report

The Life Actuarial (A) Task Force met Nov. 15–16, 2024. During this meeting, the Task Force:

1. Adopted its Oct. 24, Oct. 10, Oct. 9, Sept. 12, Sept. 5, and Aug. 29 minutes. During these meetings, the Task Force took the following action:
 - A. Adopted the 2024 Valuation Manual (VM)-20, Requirements for Principle-Based Reserves for Life Products, historical mortality improvement (HMI) and future mortality improvement (FMI) recommendation.
 - B. Adopted its Summer National Meeting minutes.
 - C. Adopted the 2025 Generally Recognized Expense Tables (GRET) recommendation.
 - D. Adopted amendment proposal form (APF) 2024-11, which revises the life principle-based reserve (PBR) exemption to account for updates to the blanks.
 - E. Exposed APF 2024-13, which would clarify the treatment of negative interest maintenance reserves (IMRs).
 - F. Exposed APF 2024-14, which would require additional reporting for surrender charge waivers for variable annuities.
 - G. Discussed the asset adequacy testing (AAT) for reinsurance actuarial guideline draft.
 - H. Adopted its 2025 proposed charges.
2. Adopted the report of the Longevity Risk (E/A) Subgroup, which will resume meeting once the VM-22, Requirements for Principle-Based Reserves for Non-Variable Annuities, methodology is finalized to develop and recommend longevity risk factors.
3. Adopted the report of the Indexed Universal Life (IUL) Illustration (A) Subgroup, which is reviewing the impact of the most recent revisions to *Actuarial Guideline XLIX-A—The Application of the Life Illustrations Model Regulation to Policies with Index-Based Interest Sold On or After Dec. 14, 2020* (AG 49-A) on the market.
4. Adopted the report of the Variable Annuities Capital and Reserves (E/A) Subgroup, which met Oct. 18. During this meeting, the Subgroup took the following action:
 - A. Exposed draft additions to the Variable Annuities Supplement in the Annual Statement.

5. Adopted the report of the Experience Reporting (A) Subgroup, which is monitoring the NAIC's mortality experience data collection and considering a group annuity mortality experience data collection.
6. Adopted the report of the VM-22 (A) Subgroup, which met Nov. 6, Oct. 23, and Oct. 9. During these meetings, the Subgroup took the following actions:
 - A. Exposed longevity reinsurance reserve flooring methodologies for a 32-day public comment period ending Dec. 9.
 - B. Discussed comments received on the VM-22 standard projection amount (SPA) draft exposure.
 - C. Discussed questions received from companies during the VM-22 field test.
 - D. Adopted a proposal to exclude preneed annuities from the scope of VM-22.
 - E. Made edits to the VM-22 draft based on Subgroup discussions.
7. Heard a presentation on the VM-22 model office testing.
8. Adopted the report of the Generator of Economic Scenarios (GOES) (E/A) Subgroup, which met Oct. 16, Oct. 9, Oct. 2, and Sept. 25. During these meetings, the Subgroup took the following action:
 - A. Exposed the GOES model governance framework for a 58-day public comment period ending Nov. 22.
 - B. Discussed GOES field test participant feedback.
 - C. Exposed questions on VM-20 stochastic exclusion ratio test (SERT) scenarios; the VM-20 deterministic reserve (DR) scenario; and scenario statistics for a 30-day public comment period ending Nov. 14.
9. Discussed GOES equity calibration and interest rate flooring options.
10. Heard an update on HMI and FMI Factors.
11. Re-exposed APF 2024-13, which would clarify the reflection of negative IMR for a 14-day public comment period ending Dec. 2.
12. Adopted APF 2024-14, which adds reporting requirements on waiver of surrender charges for variable annuities.
13. Exposed APF 2024-15, which would make correction to VM-21, Requirements for Principle-Based Reserves for Variable Annuities, SPA mortality application, where there is little or no company experience, for a 21-day public comment period ending Dec. 6.
14. Discussed a universal life nonforfeiture product filing issue.
15. Heard an update on the Society of Actuaries' (SOA's) education redesign.
16. Heard an update on *Actuarial Guideline LIII—Application of the Valuation Manual for Testing the Adequacy of Life Insurer Reserves* (AG 53) reports.



17. Discussed comments received on the AAT for Reinsurance Actuarial Guideline Draft.
18. Heard an update from SOA Research and Education.
19. Heard an update from the American Academy of Actuaries (Academy) Council on Professionalism and Education.
20. Heard an update from the Academy Life Practice Council.
21. Exposed Academy Life Knowledge Statements for Appointed Actuaries and Qualified Actuaries for a 51-day public comment period ending Jan. 8, 2025.
22. Heard a presentation from the American Council on Gift Annuities (ACGA) on charitable gift annuities.
23. Disclosed that the Task Force met in regulator-only session jointly with the Health (B) Actuarial Task Force on Oct. 31 pursuant to paragraph 6 of the NAIC Policy Statement on Open Meetings: Consultations with NAIC staff members related to NAIC technical guidance. The Task Forces heard a confidential update regarding the SOA fellowship pathway.
24. Exposed considerations for Reinsurance Asset Adequacy Testing for a 58-day public comment period ending Jan. 15, 2025.