

NON-VARIABLE ANNUITY PBR UPDATE

John R. Miller, MAAA, FSA, Co-Chairperson
Chris Olechowski, MAAA, FSA, Co-Chairperson
Annuity Reserves Work Group
American Academy of Actuaries



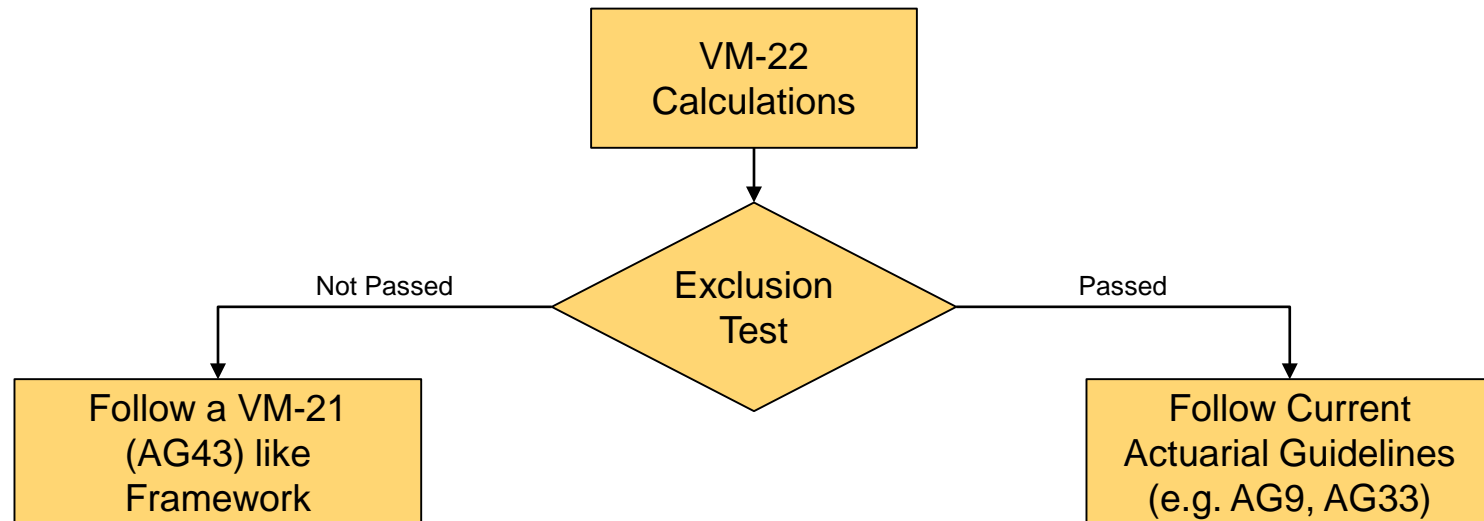
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Presentation to the NAIC's Life Actuarial Task Force – VM-22 Subgroup

VM-22 Approach



- An exclusion test will determine which set of calculations to follow
- The ARWG will focus on areas of VM-21 (AG43) that need to be modified for non-variable annuities



ARWG Focus Areas

- Exclusion Test (Risk-Based Criteria)
- Modeled Reserve/Standard Scenario Requirements for Non-Variable Annuities

Initial Focus

- Hedge Modeling
- Discount Rates
- Stochastic Scenarios
- CTE Calibration
- Aggregation
- Net Asset Yields
- Standard Scenario Policyholder Behavior

Secondary Focus

- Standard Scenario Expenses
- Reinsurance
- Tax Reserves
- Reporting
- Small Company Exemption
- Transition

