

**Update of Various Model Laws**

LHATF discussed whether to delete, retain or amend various NAIC model laws and regulations. The group spent most of the time on the Variable Annuity Regulation (VA) and the Modified Guaranteed Annuity Regulation (MGA).

VA and MGA must be modified because of the adoption of the new Standard Nonforfeiture Law for Individual Deferred Annuities and because of recommendations from the Interstate Compact Standards Work Group. LHATF worked from drafts of both models that it had exposed on July 27.

LHATF changed the MGA draft for some minor clarifying language and then voted unanimously to re-expose it for comments.

VA provoked more discussion. NY recommended that variable annuitization benefits not be allowed to change because of variations in mortality experience or expenses incurred. NY law does not permit such variations. Other LHATF members did not object, but wanted to continue discussion at the December meeting. NY will draft the necessary changes to implement its recommendation.

LHATF also considered four models that (A) Committee requested be reviewed. LHATF agreed that all four should be retained but might have to be amended once a principles-based approach reaches its final stages. The four models include the Standard Valuation Law, the Model Rule for Recognizing a New Annuity Mortality Table, the Actuarial Opinion and Memorandum Regulation and the Valuation of Life Insurance Policies Regulation.

I noticed that on this and the last few calls that a few law firms (eg, Sidley Austin; LaBoeuf, Lamb) are among the interested parties. They haven't made any comments or say who they represent.

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