

SVL-II

This week colleague Tim Gaynor alerted you to the confusion surrounding the call on AG 39 and what LHATF thought the outcome was. For the first twenty minutes of today's call LHATF revisited that subject to clear the air once and for all. LHATF ended up re-voting and passing unanimously what Tim told you – the ACLI version with accumulation of charges, a release mechanism and a sunset date of January 1, 2009.

Then LHATF got back to the original purpose of the call and in the time remaining managed to reject a proposal from the ACLI to define “moderately adverse conditions” (that reserves are expected to cover) because it minimized tail risks.

The scheduled time expired before LHATF could discuss the rest of the comments from the ACLI and the comments from NY.

Since LHATF has no more calls scheduled on SVL-II, this topic will resume at the December meeting.

For those of you thinking about attending that meeting, the bulk of which will be devoted to the review of all PBR documents, Randall Stevenson of NAIC staff remarked that LHATF will have 20 hours to cover 200 pages. If that doesn't make you cancel your plans, then I can't help you.

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