

November 4, 2011

**Motion to Establish a Joint Working Group of the Life Insurance and Annuities (A) Committee and Financial Condition (E) Committee to Address Issues Surrounding Statutory Reserve Requirements for Insurers Offering ULSG Products.**

Whereas, the Executive Committee acknowledges the diligent efforts of the Life Actuarial Task Force regarding Actuarial Guideline 38; however, the Executive Committee believes further work is necessary to address the issues surrounding statutory reserve requirements for companies offering ULSG products.

Now, therefore, the Executive Committee, after consultation with the Chairs of the Life Insurance and Annuities (A) Committee and the Financial Condition (E) Committee, directs these two Committees to form a joint working group comprised of Alaska, California, Florida, Iowa, New Jersey, New York, Tennessee, Texas and Virginia to address the issues surrounding statutory reserve requirements for insurers offering ULSG products in accordance with the charge below.

*Charge of the joint working group:* The joint working group shall work expeditiously to determine whether it is prudent and necessary to develop interim guidelines and/or tools to be utilized by regulators in evaluating reserves for these products and, if so, to promptly develop such interim guidelines and/or tools. As part of this effort, the working group shall make recommendations regarding whether these interim guidelines and/or tools should be applied to in force and/or prospective ULSG products until such time as the final Valuation Manual is adopted. The working group shall use as guidance the work completed by the Life Actuarial Task Force with respect to this issue. Finally, the working group may engage resources as necessary to assist with analysis and preparation of necessary guidelines and/or regulatory tools.