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Dear Mr. Schirripa and Ms. Cook,

This letter is submitted on behalf of ACLI’s Contingent Deferred Annuity (CDA) Subgroup, which is comprised of ACLI member companies interested in assisting the NAIC’s Contingent Annuity (A) Working Group (CAWG) in its review of the issues identified in the Life Actuarial Task Force referral concerning contingent annuities. At this time we would like to respond to the threshold question before the CAWG, which is whether a CDA is an annuity or a financial guaranty product.

The strong consensus of Subgroup members, with one dissenting member, is that CDAs are annuities, not financial guaranty insurance. CDAs have an appropriate place in the insurance marketplace to help address growing consumer demand for guaranteed lifetime income solutions and should continue to be regulated as annuities.

ACLI appreciates this opportunity to comment and thanks you for the chance to provide further input to the CAWG as it continues to work through these issues.

Sincerely,

Kelly Ireland