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April 4, 2018

Ms. Mary Mealer  
Chair, Life Insurance Buyer's Guide (A) Working Group  
National Association of Insurance Commissioners  
Via Email: Jennifer Cook ([JCook@naic.org](mailto:JCook@naic.org))

Re: Comments on the "3-19-18 Draft Buyer's Guide" exposure draft for the Life Insurance Buyers Guide

Dear Ms. Mealer,

The Non-Guaranteed Elements Work Group of the American Academy of Actuaries<sup>1</sup> appreciates the opportunity to comment on the "3-19-18 Draft Buyer's Guide" exposure draft. We support the Working Groups' efforts and appreciate the commitment to reflect the many comments provided.

We understand that others will be providing comments on the readability and language. As such, we are deferring comment on readability and offer the following comments for consideration:

Section #3: This section appears to us to suggest that if someone already has a life insurance policy and is considering a new policy, then they should be replacing the original policy. We recommend clarifying that adding additional coverage with a new policy should also be considered.

Section #4: We recommend clarifying, in the "Variable policies vs Non-Variable policies" paragraph, that "risk of loss" means risk of lower cash value or the need to pay additional premiums to keep the coverage in force.

Section #6: There is a reference in this section to "organizations" and then to "estate or trust". It may be more accurate to say a beneficiary is the "person(s) or legal entity(s), such as a charity or trust".

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<sup>1</sup> The American Academy of Actuaries is a 19,000-member professional association whose mission is to serve the public and the U.S. actuarial profession. For more than 50 years, the Academy has assisted public policymakers on all levels by providing leadership, objective expertise, and actuarial advice on risk and financial security issues. The Academy also sets qualification, practice, and professionalism standards for actuaries in the United States.

Section #10: We believe adding a question that prompts a review of nonguaranteed elements would be beneficial for the consumer, such as “Have the premiums or benefits changed since my policy was issued?”

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We look forward to continuing to support the NAIC Life Insurance Buyer’s Guide Working Group’s efforts. Please contact Ian Trepanier, the Academy’s life policy analyst (trepanier@actuary.org; 202-785-7880), if you have any questions.

Sincerely,

Gabe Schiminovich, MAAA, FSA  
Chairperson, Non-Guaranteed Elements Work Group  
American Academy of Actuaries