

September 29, 2026

Interstate Insurance Product Regulation Commission
1101 K Street, NW
Suite 650
Washington, DC 20001

RE: Draft Additional Standards for Bonus Benefits (for Individual Adjustable Life Insurance Policies)

Members of the Product Standards Committee:

The American Council of Life Insurers (ACLI) appreciates this opportunity to provide additional feedback on the Product Standards Committee's draft *Additional Standards for Bonus Benefits (for Individual Adjustable Life Insurance Policies)*. At this time, rather than submitting comments on specific provisions, we would like to offer broader feedback regarding the scope and intended application of the draft standards.

Our central concern at this time is that while the Title and Scope section appear to limit the draft standards to guaranteed bonus benefits, certain operative provisions seem to contemplate or assume nonguaranteed elements. For example, Sections 2.B.(1)(a) and 3.B.(2) include language that is difficult to reconcile with a standard limited to guaranteed bonus benefits.

In addition, several terms used throughout the draft standards are not defined, which makes it difficult to understand the intent and intended application of certain provisions. Terms such as "value" and "elements" would benefit from definition or further clarification. Without that clarity, it is challenging to provide meaningful or specific feedback on the draft standards.

We also note that the explanation provided by the Compact regarding Section 3.B.(2) appears to differ significantly from the text of the proposed provision. Your email from September 3 states the following:

"(2) applies when there is an element of a bonus that has a minimum or maximum guarantee. The provision means the company may change the value applied to new issues within the guaranteed range at its discretion and within the standards. This

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permits companies to adjust a guaranteed element of a bonus for new issues without refiling if the new value for the element falls within the approved range, for example.”

The current draft language of Section 3.B.(2) reads as follows:

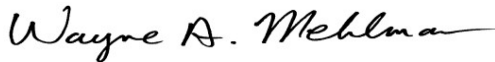
The bonus benefit form shall indicate which elements are guaranteed and which may be changed at the discretion of the company. The bonus benefit form shall also indicate that the right to change any of these elements is subject to any guarantees with respect to the element and that any change shall be based on future anticipated experience.

If the intended meaning of Section 3.B.(2) is as described by the Compact, we respectfully request that the provision be revised to more closely align with that explanation or, alternatively, that a Drafting Note be added to memorialize the intended interpretation of this provision.

We are hopeful that the Compact will provide definitions and additional clarity to the draft standards so we can provide more specific feedback. Alternatively, we would appreciate having a dialogue with the Compact about our questions before any final decisions are made.

Thanks again for this opportunity to comment. If you have any questions, please feel free to contact me.

Respectfully submitted,



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The American Council of Life Insurers is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI's 275 member companies represent 93 percent of industry assets in the United States.