



PRESIDENT'S PAGE

An Industry Comes Together

By DAVID LEVENSON

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The past few weeks have been a period of unprecedented challenge — for our families, our companies, our industry, and our world. As the global pandemic continues and we see extreme changes in the financial markets, it's clear that our member needs have pivoted; and, therefore, so have our priorities.

At LL Global, we continue to think about how we can best serve our members in this time of crisis. Our primary focus right now is helping the industry come together to combat challenges such as the low-interest-rate environment, formulating and sharing company best practices, and providing resources to keep you informed and connected in this new normal.

At the beginning of the year, when 10-year Treasury yields were at 1.92 percent, we brought together current and past Board members to form a task force to address the possibility of rates going even lower for a longer period than expected. We reached out to the consulting group, Oliver Wyman, and they graciously agreed to assist with this initiative. With the dramatic reduction in yields resulting from a COVID-19 flight-to-safety — and unprecedented actions from the Federal Reserve — we were forced to accelerate our deliverables from October to April 30 for Phase I. We also decided to combine our resources with those of the ACLI to help the industry from a united perspective.

The task force is comprised of a steering committee of 12 executives and nearly 100 senior executives participating from across the industry. Phase I is focused on advocacy support where regulatory relief is required and on company best practices. Our best practice work focuses on six core areas: variable annuity/fixed-index annuity hedging, new business and products, asset liability management, cash flow testing, COVID-19 mortality, and social distancing and distribution. All of our research and content, developed by the industry for the

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industry, is available for our members to access at www.lowinterestratetaskforce.com. Please visit the site and share it with your colleagues.

Beyond the low-interest-rate work, we are focused on connecting our senior leaders. In the last month, we brought together many of our 120 working committees to give members a forum to discuss current events and immediate and longer-term concerns. These forums have included calls with Chief Investment Officers, Chief Risk Officers/Chief Actuaries, Chief Human Resource Officers, Chief Distribution Officers, Chief Compliance Officers, Chief Information Officers, and senior operational leaders. All executive calls are open to everyone serving in these roles at their companies.

Finally, we have created new web pages to keep you up-to-date with the latest COVID-19 trends and the impact on our industry, as well as “Industry Strong” resources to keep you informed and connected as we operate in this new world. Please visit www.limra.com/covid-19 for updates.

As always, we welcome any suggestions regarding where our team can have the greatest impact for our member companies.

Please stay safe. 🌐