**Here are IUL Illustration questions for consideration:**

1.  How should products with different attributes be illustrated to demonstrate the differences in product features, potential returns, and downside risk?

2.  Should a higher risk / higher reward IUL product be illustrated with higher credited rates than a vanilla IUL product would be?

2a.  If “yes”, how should the downside of the product be communicated with applicants?  One example is a side-by-side alternate scale showing lower returns for the higher risk product than would be shown for a “regular” IUL product.  Another example is a separate demonstration of how returns could develop in an adverse scenario (potentially impacted by the sequence of returns).

3.  In 2015, there was a decision by the Subgroup to not have a hard ceiling on the credited rate, e.g., no rate above 6.75%.  Should that decision be revisited?

4.  Is the interaction of the loan charges and loan credits being illustrated as expected?

5.  Are there known concerns regarding illustration of volatility-controlled funds?

6.  Is there a concern that extreme variations of the index credit multiplier could lead to a risk-return profile similar to that of variable life even though return-of-premium (net charges and withdrawals) remains a floor?  If so, is that something our subgroup, focused on illustrations, would address?

7.  Should it be recommended that LATF address the issue of whether assumptions underlying IUL illustrations should be consistent with assumptions underlying PBR and asset-adequacy testing?

8.  Are there issues relevant to IUL that are part of a broader concern related to non-IUL life illustrations, where engagement with A Committee may be necessary?