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**INDIVIDUAL LIFE INSURANCE AND ANNUITY
PRODUCT DEVELOPMENT SECTION
BUSINESS MEETING**

Moderator: RICHARD W. KLING. Panelists: MEMBERS OF THE INDIVIDUAL LIFE INSURANCE AND ANNUITY PRODUCT DEVELOPMENT SECTION COUNCIL. Recorder: D. ALAN LITTLE

MR. RICHARD W. KLING: This is a business meeting of the Product Development Section. I am the Section Chairman, and at the table with me are the Section Council members. If at any time you have comments to make, please use the microphone.

Election Results

We have three new Council members. The new members are Mr. Harold Ingraham, Mr. Randall Mire and Mr. John Palmer. Officers for the coming year are Mr. Donald Sondergeld, Chairman; Mr. William Carroll, Vice Chairman; Mr. Stephen Frankel, Secretary; and Mr. Howard Kayton who will continue as Treasurer.

Mr. Lorne Campbell will continue as our Canadian liaison representative.

Treasurer's Report

On 8/1/83 we had a balance of about \$9,900. We had income of \$37,600 for the year, primarily from the New York seminar. We had expenses of \$29,600. Our balance at 7/31/84 was \$17,900. Next year we will have a slight increase in dues to \$7.50.

Committees

We have two committees at this time. One is the Education Committee which Mr. Greg Carney will chair. We are getting a substantial numbers of requests to do more work in the area of education, particularly papers and study note preparation. There is annuity expertise on the committee. We are looking for people with life insurance expertise. If you are interested, please contact Mr. Carney.

The second committee is for our Newsletter. As you know Mr. Richard Robertson has been editor of the Newsletter. Mr. Robertson is now president-elect of the Society and we will not continue as editor. I will head the Newsletter Committee as "Managing Editor". Other council members will serve as assistant editors. Mr. Mire will have responsibility for getting input from the American Academy Financial Reporting Committee; Mr. Carney from the Greeley Advisory Committee to the NAIC; Mr. Ingraham from the ACLI Actuarial Committee; Mr. Campbell from the Canadian Institute and Canadian input in general; Mr. Palmer from the Academy's Life Insurance Committee and Mr. Carroll for the NAIC Actuarial Committee. We will want to get others involved to write articles and gather information for our Newsletter.

Activities of the Past Year

Last year was an extremely busy year. The annual report of the Section was in the last Newsletter and also appears in the committee reports that were recently distributed by the Society. Let me review these briefly. The task force that was appointed to review the annuity syllabus published their final report summarizing its recommendations. Mr. Robertson, our Newsletter editor, put out five editions of the Newsletter. The highlight of the year was the New York seminar which was extremely well received. A lot of work went into that; some very practical papers were prepared that have been highly praised and highly prized.

We are co-sponsoring a teaching seminar on investment strategies for interest-sensitive products. The first one was held early this month in Chicago. The next session is scheduled for New York later this month. The Dallas session has been cancelled. As Mr. Jay Jaffe indicated at lunch this noon, we have initiated a program for local actuarial clubs. We have made a video tape of the New York seminar available to the local clubs.

Today, we had an open workshop followed by a luncheon with Mr. John Cox as a guest speaker. The other item in the mill is our product development track for the San Francisco meeting. Mr. Sondergeld will comment.

MR. DONALD R. SONDERGELD: The San Francisco meeting is on the 1st and 2nd of April, 1985 and is being sponsored by a number of sections. The Health Section was supposed to be allocated about 50% of the time and we were given about 25% of the time. But I think we were allotted much more than 25% of the program. We have 17 workshops and panel discussions but because of the interest in some of the workshops we actually have 24 total sessions. For example, we have a workshop on variable life, and there will be three simultaneous sessions. By now, you should have seen the Society booklet showing the preliminary program.

Future Activities

MR. KLING: The next item is our planned activities for next year. The one item on the docket now is a variable universal life seminar. Mr. Linden Cole has asked us to co-sponsor a seminar sometime in the spring of 1985. We will need volunteers to teach at that seminar or to develop a program.

Survey Results

One of the survey items deals with continuing education and how people feel the Section responds to members needs. Regarding the product development section, there were 4,144 responses. 13% responded very favorable, 24% favorable, 44% neutral or no opinion, 2% unfavorable and 16% didn't answer that question. I'm not sure what that tells us - probably not a great deal other than only 2% have an unfavorable opinion right now, 37% are favorable which says not everybody hates what we are doing.

In terms of how we stacked up versus the other sections, generally I'd say a little bit better. I think the survey may tell us that we need to have more involvement from you folks. We need to have more ideas from you and would really like to know if we are doing the right things. We have a very hard-working group of people - just a superb group on the Section Council. I have the the feeling we haven't reached out to the membership enough to get people involved - we have asked but I guess we have to do more than ask.

Comments from Audience

- o Newsletter was very helpful. A member of the audience suggested a questionnaire to pick 10 topics for future articles. Mr. Sondergeld thought the idea of a questionnaire was a good one.
- o Mr. Robertson, retiring editor of the Newsletter indicated a need for more Canadian content.
- o Another speaker indicated that he liked the hot topics presented in the Newsletter and it was a good way of staying aware of what was happening.
- o Society does not react quickly enough to current topics and Newsletter has been a good source of information.

