*Call for Participation
and
Data Submission Instructions*

*2008 to 2013 Canadian Segregated Fund
Policyholder Behavior Experience Study*

INTRODUCTION

1. Purpose of Study

The Society of Actuaries ("SOA"), LIMRA and the Canadian Institute of Actuaries ("CIA") Segregated Fund Experience sub-committee are currently requesting data to perform a comprehensive study of policyholder behavior for Canadian segregated funds.

The study is particularly important to Canadian life insurance companies and actuaries since policyholder behavior is a key factor impacting the cost of guaranteed death, maturity and withdrawal benefits provided by segregated fund products. The study will initially focus on the following areas of policyholder behavior experience with a goal of increasing available industry data.

- Full surrender
- Withdrawals
- Premium deposits
- Reset elections (both maturity and death benefit elections where products allow for election death benefit resets)

2. Data Submission Description/Instructions:

This document describes the proposed procedures for collecting data for a study of segregated fund policyholder behavior experience. The study will initially analyze monthly data for the period December 2007 to December 2013. This experience period was chosen because it covers periods of both stronger and poorer market performance.

We are asking that data be submitted by **November 15, 2014.** LIMRA will handle the data collection, editing and validation and a confidentiality agreement between each of the participating companies and LIMRA will be signed before data is transferred.

To develop a meaningful analysis of industry experience, your participation is very important. The sections below describe the data to be collected and other requirements for the study.

Please indicate your company's interest and intent to participate in the study by completing the form at end of this document.

DATA TO BE COLLECTED

Note that data items described below should only be provided for Canadian business.

The data needed for this study falls into the following general categories:

1. Valuation extracts with in-force policy data by month

2. Movement/Transaction files by month for in-force policies

3. Product Information Forms with product information and descriptions (see Appendix A)

4. Proxy Fund Target Fund Descriptions (see Appendix B)

5. Transaction/Status Code definitions for the Movement/Transaction File extracts

The Valuation extracts and the Movement/Transaction file extracts will be collected for the 61 months from December 31, 2007 to December 31, 2013. Note that it is acceptable if companies cannot provide all data items or data for all months of the study due to system or data constraints. If this is the case, please note this when data is submitted.

Please use the following instructions in completing the extracts.

1. Valuation Extract - In-force Policy Data Fields

The valuation in-force extract information can be submitted at policy or deposit/guarantee layer level, but if at policy level, the GMMB and GMDB should be added up to be the value for the whole policy.

Field	Field Name	Field Description
A	Company Code	as provided to company
B	Product Code	Please assign a specific product code to each inforce record. Then fill out a Product Information Form for each product code used included in the in-force extract (see Appendix A for details regarding the Product Information Form).
C	Calendar Year and Month of Observation	yyyymm
D	Policy Number	Can be a policy identifier which is not the same as the actual policy number for privacy purposes. The purpose of the field is for a submitting company to

Field	Field Name	Field Description
		be able to tie each record submitted back to its inforce files for data verification and validation purposes.
E	Policyowner's Gender	M or F
F	Policyowner's Date of Birth	mm/dd/yyyy
G	Primary Policyholder's Gender (i.e., Primary Annuitant)	M or F
H	Primary Policyholder's Date of Birth	mm/dd/yyyy
I	Joint Policyholder's Gender (i.e., Joint Annuitant)	M or F
J	Joint Policyholder's Date of Birth	mm/dd/yyyy
K	Policy Issue Date	mm/dd/yyyy
L	Issue Date of the deposit/guarantee layer	mm/dd/yyyy
M	Maturity Date of the deposit/guarantee layer at the end of the month	mm/dd/yyyy
N	Registration Type	*a.* NRSP (i.e., Non-Registered) *b.* RRSP, *c.* RRIF (PRIF, LRIF, LIF,, etc), and *d.* OTHR (i.e., other registration types like RESP, TFSA)
O	AV at the end of the month (Note that if the extract is at policy level, the AV, GMMB, GMDB and GMWB Base Amount need to be summed up for the whole policy.)	
P	GMMB at the end of the month	
Q	GMDB at the end of the month	
R	GMWB Base Amount at the end of the month	
S	Policy level or deposit/guarantee level indicator	P for policy, D for deposit level
T	Guarantee Class (or guarantee %) for MB	
U	Guarantee Class (or guarantee %) for DB	
V	Percent of GMWB eligible amount to be paid	
W	GMWB indicator	R – rider and W – whole contract

Field	Field Name	Field Description
X	Distribution System	*a.* CAS - Career Agents *b.* MGA – MGA-Brokers *c.* DIR - Direct *d.* TPA - Third Party *e.* OTH - Other
Y, Z, AA, AB, AC, …	% of AV in each proxy fund at the end of the month. Use as many fields as necessary. For example, the % of AV in proxy fund 1 should be entered in field Y, the % of AV in proxy fund 2 should be entered in field Z, etc.	Complete a Fund Information Form (see Appendix B for details) for each proxy fund field identified (Fund 1, Fund 2, Fund 3, in fields Y, Z, AA, …), specifying target % invested in bond and % in equity.

Movement/Transaction File Extract

The movement extract should provide the gross surrender amount, death benefit, partial withdrawal, transfer of funds amount, premium deposit, reset election, and/or maturity for each transaction. There should be a separate record for each transaction type: surrender amounts, death benefits, partial withdrawals, transfer of funds, premium deposits, reset elections, and/or maturities should be recorded separately.

NOTE:
MER deductions are not withdrawals and should be excluded from the extracts or at least identified separately from true withdrawals so that the researcher can remove these records for purposes of the study. These could be shown as withdrawals in your company's administrative system, but are not considered withdrawals. MER charges should be excluded from this amount. Be sure to exclude or identify all those that are "optional guarantee MER deduction".

Field	Field Name	Field Description
A	Policy Number	This must match the policy number or policy identifier on the inforce extract.
B	Product Code	Please assign a specific product code to each movement record. This should match the product code for the policy number indicated on the inforce extract.
C	Movement Processing Date	mm/dd/yyyy
D	Movement Effective Date	mm/dd/yyyy
E	Transaction/Status Code (or Movement Code)	include a description of transaction/status codes

Field	Field Name	Field Description
F	Amount of Movement (partial withdrawal, surrender, death benefit, reset, additional deposit, transfer, or maturity)	
G	Proxy fund moved into	Enter Fund Identifier (see fund information form in detailed in Appendix B below) Leave blank for withdrawals or full surrenders.
G	Proxy fund moved out of	Enter Fund Identifier (see fund information form detailed in Appendix B below).
H	Indicator for Scheduled (systematic or annuitization) or Non Scheduled Withdrawal, if applicable	0 = Scheduled 1 = Non scheduled (client initiated)
I	Indicator for Scheduled (systematic or annuitization) or Non Scheduled Reset Election, if there is one	0 = Scheduled 1 = Non scheduled (client initiated)
J	Amount of Reset (if applicable)	

Product Descriptions

For each product your company includes in this study, whether or not the product is currently being sold, please complete the attached Product Information Form to provide information on the product features (so one Product Information Form should be submitted for each product code included on the policy in-force extract file(s).

Proxy Fund Information

For each proxy fund included in inforce extract by Fields Y, Z, AA,.. and so on, please complete a Proxy Fund Information Form describing the proxy fund and specifying target % invested in bond and % in equity.

Transaction/Status Code Information

Each company should include a description of the transaction/status codes used for their submission in Field D on the Movement Extract File(s).

DATA FORMAT

Data can be submitted in text file format, excel format, or MS Access database tables and most other formats can be accommodated. Please contact LIMRA for details.

PROCEDURE FOR SUBMITTING DATA

The preferred method to submit data is using Secure File Transfer Protocol such as SSH FTP. Please inform LIMRA when you are ready to submit data for the study and you will be provided an FTP address, user name, and password to upload data to the secure site.

Please contact LIMRA directly if you have any system or information technology questions on how to submit data or would prefer to use another submission method.

SUBMISSION DEADLINE

Companies are asked to submit data by **November 15, 2014**.

CONFIDENTIALITY OF DATA

All data received by LIMRA will be treated with complete confidentiality. Only aggregate results will be compiled in a summary report which will be available to LIMRA, SOA and CIA membership and may also be used in public forums such as conference presentations, press releases and articles in trade publications.

No information from individual participating companies will be identified, nor will the data be shown in a fashion whereby individual company results can be identified either in the summary report or the public forums listed above. A list of all participating companies will be included in the report.

Data received from study participants is collected via a secure File Transfer Protocol (FTP) site and is stored on a secure server with access to data files limited to LIMRA staff members directly working on the study.

Before data is stored on the protected server site, company data is masked by LIMRA's assignment of a unique company code. The mapping from company number back to the participating company name is kept in a separate location and only the lead researcher has access to that file.

All tables included in the final report will be reviewed and signed off by participating company representatives to assure participants that final industry results allow for complete confidentiality.

REVIEW PROCESS

Following the submission, the data will be reviewed for consistency and completeness. LIMRA will work directly with each company to modify or correct data as needed.

DATA ANALYSIS AND PREPARATION OF THE REPORT

LIMRA will provide preliminary individual company results for review to participating companies. Participating companies will provide sign off on results and LIMRA at that point will compile final results for publication.

Appendix A

Product Information Form

Product Code (Field B in Inforce Extract)	
Description of Surrender Charge Level and Amount	
Maturity Benefit Guarantee (% of principal covered)	
Death Benefit Guarantee (% of principal covered)	
Maturity Benefit Term – please describe	
Death Benefit	
Reset election interval for Death Benefit Guarantee – please describe	
Reset election interval for Maturity Benefit Guarantee – please describe	
Reset election interval for Guaranteed Withdrawal Base Amt – please describe	
Restriction on Investments - If yes, please describe.	
For GMWB, are withdrawals for lifetime (yes/no)?	
For GMWB withdrawals, please describe the waiting requirement (based on attained age, policy year or other basis) if any.	
Number of resets allowed per year	

Appendix B

Fund Information Form

Product Code (Field B in Inforce Extract)	For each proxy fund included on the inforce extract Fields Y, Z, AA, AB and so on, for this product code, complete a Fund Information Form.
Fund Identification (Field Z on inforce extracts)	**Name of Fund and brief description**
Target % Invested in Bonds	
Target % Invested In Equities	
Fund Identification (Field AA on inforce extracts)	**Name of Fund and brief description**
Target % Invested in Bonds	
Target % Invested In Equities	
Fund Identification (Field AB on inforce extracts)	**Name of Fund and brief description**
Target % Invested in Bonds	
Target % Invested In Equities	
Fund Identification (Field AC on inforce extracts)	**Name of Fund and brief description**
Target % Invested in Bonds	
Target % Invested In Equities	
Fund Identification (Field AD on inforce extracts)	**Name of Fund and brief description**
Target % Invested in Bonds	
Target % Invested In Equities	
*** Copy form for additional products (one Fund Information form should be submitted for each product form).	

PARTICIPATION FORM:
INTENT TO SUBMIT DATA

Please complete and return this page to:

Marianne Purushotham
LIMRA Member Benefits Research
Email: mpurushotham@limra.com
Phone: 860-298-3835

Our company, _____, intends to participate in the
Canadian Segregated Fund Policyholder Behavior Study. We will make our best efforts
to submit our data in the required format by the submission date, November 15, 2014,
and support the review process. We will contact LIMRA to resolve any issues or
concerns with the data requirements or process.

_____
Date

_____
Signature

_____
Printed Name

_____
Title

Contact Information:

_____
_____
_____
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