

Comment #2 – 7/22/12 – 4:12 p.m.

Comment on Definition 2.21 Starting Assets:

As used in Section 7.D. of VM-20, the term “Starting Assets” refers to a selected asset portfolio such that the statement value of the selected assets equals the estimated value of the minimum reserve. The current definition of “Starting Assets” in 2.21 of the exposure draft refers to a “value” rather than to an asset portfolio.

For consistency with VM-20 please consider revising Definition 2.21 to refer to a portfolio of assets used to fund projected policy cash flows arising from the policies funded by those assets.

Thank you.

Sincerely,

Robert A. Potter