

ILA 201-U – Valuation and Advanced Product and Risk Management, U.S.

Nov 2025/Mar 2026/Jul 2026

Important Course Information:

Exam Registration	Candidates may register online or with an application.
Order Study Notes	Study notes are part of the required syllabus and are not available electronically but may be purchased through the online store.
Syllabus Resources	Resources listed in this syllabus may include study notes, online readings, textbooks, videos and module content. Candidates are responsible for all materials in their entirety, including sections such as Appendices, unless it is stated otherwise in the syllabus.
Topic Weight Ranges	These have been provided to indicate the relative emphasis on each topic. The ranges of weights shown are intended to apply broadly over multiple sittings; however, the weights of topics on any individual exam could fall outside the published range. Candidates should also recognize that some questions will cover multiple learning objectives.
Learning Outcomes	Each resource listed indicates the specific learning outcome(s) it aligns with under that particular topic. Resources are listed in the recommended order of study to best master the overall topic and learning objective. For additional guidance, please see the course strategy guide.
Introductory Study Note	The Introductory Study Note has a complete listing of all study notes as well as errata and other important information.
Case Study	A case study will not be provided for this examination.
Past Exams	Past Exams from Fall 2020-present are available on SOA website.
Updates	Candidates should be sure to check for updates on the course homepage periodically for additional corrections or notices to the current syllabus.

**ILA 201-U – Valuation and Advanced Product and Risk Management, U.S.
Nov 2025/Mar 2026/Jul 2026**

1. Topic: U.S. Financial Reporting Requirements (50% - 60%)	
Learning Objectives	
The candidate will understand and apply U.S. valuation principles and methods applicable to individual life insurance and annuity products issued by U.S. life insurance companies.	
Learning Outcomes	
The Candidate will be able to:	
<ul style="list-style-type: none"> a) Describe, apply and evaluate the appropriate valuation methods, requirements, and techniques and related under the US statutory framework, including the calculation of principles-based reserves and formulaic reserves b) Describe, apply and evaluate the appropriate valuation methods, requirements, and techniques and related under the US GAAP framework, including the calculation of reserves and related items (e.g., DAC) 	
Resources	Learning Outcomes
<p><i>Statutory Valuation of Individual Life and Annuity Contracts, Volumes I and II</i>, Claire, D., Lombardi, L. and Summers, S., 5th Edition, 2018</p> <ul style="list-style-type: none"> • Chapter 1: Overview of Valuation Concepts (excluding 1.1-1.9) • Chapter 2: Product Classifications (2.2 only) • Chapter 3: NAIC Annual Statement • Chapter 5: The Valuation Manual (excluding 5.4) • Chapter 10: Valuation Assumptions (excluding 10.1.3 & 10.3.8) • Chapter 11: Valuation Methodologies (excluding 11.3.9-11.3.11) • Chapter 12: Whole Life • Chapter 13: Term Life Insurance • Chapter 14: Universal Life (excluding 14.4.8, 14.4.9, 14.5 & 14.6.2-14.6.6) • Chapter 16: Indexed Universal Life (excluding 16.4.2-16.4.3) • Chapter 18: Fixed Deferred Annuities (excluding 18.7.4 & 18.8) • Chapter 20: Indexed Deferred Annuities • Chapter 21: Immediate Annuities • Chapter 23: VM-20: PBR for Life Products (excluding 23.1) • Chapter 24: VM 21: PBR for Variable Annuities • Chapter 25: Principle-Based Reserve Report 	1a
Interactive Principle-Based Reserves Model	1a
<p><i>US GAAP for Insurers</i>, Freedman, M., and Frasca, R., 3rd Edition, 2024</p> <ul style="list-style-type: none"> • Chapter 1: US GAAP Objectives and their Implications to Insurers 	1b

**ILA 201-U – Valuation and Advanced Product and Risk Management, U.S.
Nov 2025/Mar 2026/Jul 2026**

<ul style="list-style-type: none"> • Chapter 3: Product Classification and Measurement • Chapter 4: Expenses • Chapter 5: Nonparticipating Traditional Life Insurance • Chapter 7: Universal Life Insurance (only sections 1, 2, 5-7) • Chapter 11: Deferred Annuities • Chapter 12: Payout Annuities 	
<p>Implementation Considerations for VA Market Risk Benefits, Financial Reporter, Sep 2019</p>	<i>1b</i>
<p>Targeted Improvements Interactive Model</p>	<i>1b</i>

**ILA 201-U – Valuation and Advanced Product and Risk Management, U.S.
Nov 2025/Mar 2026/Jul 2026**

2. Topic: Capital Management (5% - 20%)	
Learning Objectives	
The candidate will understand how to explain and apply the methods, approaches and tools of financial capital management for life insurance company under a US regulatory framework.	
Learning Outcomes	
The Candidate will be able to: <ul style="list-style-type: none"> a) Explain and calculate required capital under a US regulatory framework b) Describe the purpose and application of economic capital c) Explain and evaluate the respective perspectives of regulators, investors, policyholders and insurance company management regarding the role and determination of capital d) Explain and apply methods in capital management 	
Resources	Learning Outcomes
<i>Statutory Valuation of Individual Life and Annuity Contracts, Volume II</i> , Claire, D., Lombardi, L. and Summers, S., 5 th Edition, 2018 <ul style="list-style-type: none"> • Ch. 29: Risk-Based Capital 	2a
Economic Capital for Life Insurance Companies , SOA Research Paper, Oct 2016 (Sections 2 & 6)	2b
A Multi-Stakeholder Approach to Capital Adequacy , Conning Research, Actuarial Practice Forum	2c
ILA201-800-25: Theory of Risk Capital in Financial Firms	2d

**ILA 201-U – Valuation and Advanced Product and Risk Management, U.S.
Nov 2025/Mar 2026/Jul 2026**

3. Topic: Management and Evaluation of Life Insurance Risks (5% - 20%)	
Learning Objectives	
The candidate will understand types of life insurance risks, the impacts of diversification, crediting rating agency frameworks, and the assessment of risk management.	
Learning Outcomes	
The Candidate will be able to:	
<ul style="list-style-type: none"> a) Analyze the impact of risk diversification, including considerations for modeling and offsets between mortality and longevity risk b) Understand the role and framework used by credit rating agencies for evaluating life insurance companies c) Explain and understand the use and application of the Own Risk Solvency Assessment (ORSA) report 	
Resources	Learning Outcomes
ILA201-801-25: Diversification of Longevity and Mortality Risk	3a
ILA201-100-25: Diversification: Consideration on Modelling Aspects & Related Fungibility and Transferability, CRO, Oct 2013, pp. 1-18	3a
Rating Agency Perspectives on Insurance Company Capital , SOA Research Institute, Aug 2023 (excluding Appendices)	3b
ILA201-802-25: NAIC Own Risk and Solvency Assessment (ORSA) Guidance Manual, National Association of Insurance Commissioners, Dec 2017	3c

**ILA 201-U – Valuation and Advanced Product and Risk Management, U.S.
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4. Topic: Advanced Product Management (15% - 25%)	
Learning Objectives	
The candidate will understand the fundamentals of value creation and inforce management techniques for life and annuity products.	
Learning Outcomes	
The Candidate will be able to: <ul style="list-style-type: none"> a) Describe and evaluate fundamental strategies for enhancing value and profitability through active in-force and operational management b) Recommend and justify changes to non-guaranteed elements and policyholder dividends c) Describe, evaluate, and apply the economic value creation framework d) Describe and apply the methods and principles of embedded value for an insurance enterprise e) Describe and calculate reserves under US Company Tax rules 	
Resources	Learning Outcomes
Evolving Strategies to Improve Inforce Post-Level Term Profitability , Product Matters, Feb 2015, pp. 23-28	4a
ILA201-101-25: Life in-force Management: Improving Consumer Value and Long-Term Profitability	4a
Mechanics of Dividends , SOA Research Institute, Mar 2022	4b
ILA201-102-25: Economics of Insurance: How Insurers Create Value for Shareholders, pp. 4-31	4c
Embedded Value: Practice and Theory , Actuarial Practice Forum, Mar 2009	4d
FAQ on Certain Insurance Reserves Held by Insurance Companies for the Purpose of Determining U.S. Taxable Income after the Passage of the Tax Cuts and Jobs Act of 2017 , AAA, Dec 2021	4e