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June 24, 2010

Robert A. Stein, President  
Uniform Law Commission  
111 N. Wabash Ave., Suite 1010  
Chicago, IL 60602

RE: Uniform Trust Code Amendment re Insurable Interest

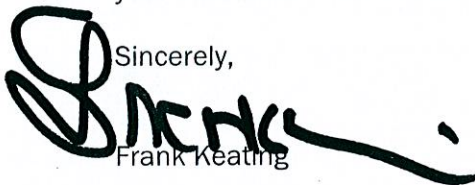
Dear President Stein,

Congratulations to you and the Uniform Law Commission (ULC) for accomplishing an important amendment to the Uniform Trust Code regarding the scope of trustee insurable interest. The ULC project was initiated at the request of estate and trust bar members concerned with the 2005 federal district court opinion in *Chawla v. Transamerica Occidental Life Insurance Company*. The ULC invited the full participation of the American Council of Life Insurers in the work effort from its beginning. We were able to impress upon the ULC drafting committee the implications of its work on the problem of "stranger-originated life insurance" (STOLI) that has roiled insurance markets and state and federal authorities for five years. While the ULC drafting committee worked, 29 states enacted laws addressing the misuse of trusts in the origination of insurance policies for investors lacking insurable interest. Two states codified insurable interest in efforts directly related to the subject matter and activities of the ULC project. Even today STOLI is headline news.

ULC Drafting Committee Chairman Roger Henderson deserves tremendous credit for negotiating the sophisticated and influential interests at the drafting table. He kept everyone focused on achieving the precise ULC goal charged to the drafting committee. He cautioned us all to do no harm to the business of insurance or the profession of estate and trust planning – a business and profession symbiotically related in providing social benefits to many for more than a century. The ancient precepts of insurable interest were honored while the scope of trustee powers was modernized. Professor Henderson's leadership was a bravo performance and another laurel to his credit.

Thank you and all the members of the drafting and executive committees for the energies expended in this matter. The 238 members of the American Council of Life Insurers are grateful for the fair and deliberate processes exercised by your organization and look forward to the opportunity to contribute to your successes in other matters of our mutual concern in the years ahead.

Sincerely,



Frank Keating

CC: Executive Committee  
Uniform Law Commission  
John A. Sebert  
Executive Director  
Uniform Law Commission

Thank you very much!