
FOR IMMEDIATE RELEASE

Milliman's first-ever Registered Index-Linked Annuity Experience Study shows behavior similarities with multi-year guaranteed annuity contract holders

Surrender rates skyrocket at the end of surrender charge period

SEATTLE – June 5, 2025 – [Milliman, Inc.](#), a premier global consulting and actuarial firm, today announced the results of its 2025 [Registered Index-Linked Annuity \(RILA\) Industry Experience Study](#).

This comprehensive study is the first of its kind for RILA and includes notable post-surrender charge period exposure. The results demonstrate that industry surrender rates remain extremely low during the surrender charge period, but rise drastically when outside of that period, with the highest increase in surrender rates observed in large-value contracts.

“Companies have speculated whether the expected shock-lapse rate for RILA would align more closely with comparable VA or FIA products,” said Ben Johnson, Milliman actuarial data scientist, Life and Annuity Predictive Analytics. “However, our recent models indicate a third possibility: a durational surrender trend resembling multi-year growth annuities.”

This latest research analyzes RILA policyholder behavior, including influencing factors such as the change in interest rates since issue, length and magnitude of the contract, methods of distribution, and tax implications. Milliman's RILA study covers surrender behavior for contracts without a withdrawal benefit (GLWB) rider.

Key Findings:

- **Distribution channels:** RILA contracts are predominantly distributed through independent broker-dealers. Contracts sold through banks tend to experience higher surrender rates during the immediate period post-surrender charge, whereas those sold through large, national brokerage firms exhibit lower surrender rates compared to independent broker-dealers.
- **Surrender charge period:** Surrenders during the surrender charge period are exceptionally low, demonstrating minimal sensitivity to fluctuating interest rates.
- **Beyond the surrender charge period,** however, we observed surrender rates increase for contracts that were in force during periods of rising interest rates (for instance, since early 2022, surrender rates have trended upward for in force contracts during the post-surrender charge period).



Milliman's Registered Index-Linked Annuity Experience Study introduces an advanced behavioral model that is integrated into Milliman's Recon® platform. This model, with a 100% actual-to-expected accuracy ratio, further empowers annuity writers to conduct their own experience studies, delve into industry data, and develop tailored models.

Access the Registered Index-Linked Annuity Industry Experience Study and additional experience studies [here](#) or reach out to Ben Johnson at (312) 577-2926.

About Milliman

Milliman leverages deep expertise, actuarial rigor, and advanced technology to develop solutions for a world at risk. We help clients in the public and private sectors navigate urgent, complex challenges—from extreme weather and market volatility to financial insecurity and rising health costs—so they can meet their business, financial, and social objectives. Our solutions encompass insurance, financial services, healthcare, life sciences, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe. Visit us at milliman.com.

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