REPEAL OF
ACTUARIAL STANDARD
OF PRACTICE
NO. 14

WHEN TO DO CASH FLOW TESTING
FOR LIFE AND HEALTH
INSURANCE COMPANIES

Developed by the
Life Committee of the
Actuarial Standards Board

Repealed by the
Actuarial Standards Board
September 2001

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TO: Members of Actuarial Organizations Governed by the Standards of Practice of the Actuarial Standards Board and Other Persons Interested in Cash Flow Testing for Life and Health Insurance Companies

FROM: Actuarial Standards Board (ASB)

SUBJ: Repeal of Actuarial Standard of Practice (ASOP) No. 14

This booklet notes the repeal of ASOP No. 14, *When to Do Cash Flow Testing for Life and Health Insurance Companies.*

**Background**

To guide actuaries who needed to perform cash flow testing, the Actuarial Standards Board adopted ASOP No. 7, then titled *Performing Cash Flow Testing for Insurers*, in October 1988 (revised July 1991 and September 2001). In addition, in July 1990 the ASB adopted ASOP No. 14, *When to Do Cash Flow Testing for Life and Health Insurance Companies*, to provide guidance in determining whether or not to do cash flow testing in forming a professional opinion or recommendation.

As part of the project to look at all cash flow testing standards of practice, a task force of the ASB’s Life Committee reviewed ASOP No. 7 (titled, as of September 2001, *Analysis of Life, Health, or Property/Casualty Insurer Cash Flows*), ASOP No. 14 (*When to do Cash Flow Testing for Life and Health Insurance Companies*), and ASOP No. 22 (titled, as of September 2001, *Statements of Opinion Based on Asset Adequacy Analysis by Actuaries for Life or Health Insurers*). Relevant portions of ASOP No. 14 were incorporated within the 2001 revisions of ASOP No. 7 and ASOP No. 22.

At its September 2001 meeting, the ASB voted to adopt the revised ASOP No. 7 and ASOP No. 22 and to repeal ASOP No. 14.

ASOP No. 14 is repealed for any work performed on or after April 15, 2002.