

Comment #2 – 10/20/14 – 4:21 p.m.

I thought that generally, the September 2014 Exposure Draft on Property/Casualty Ratemaking was well-written.

I do have a couple of comments.

There was no specific mention of income taxes. That might be a good idea. At times, I have had regulators object to the inclusion of this cost. I am of the opinion it should be included as a cost.

Similarly, there was no mention of investment income. This is more complicated I fear. Should we consider investment income on

The capital used to support the line of business?
The positive cash flows generated until claims are closed?
Something else?

Sorry I do not have much time to comment further, but thought these might prove useful.

Best Regards,

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