

Comment #1 – 2/8/17 – 7:06 p.m.

Regarding the captioned exposure draft my comments are as follows:

Under Background it states that the scope does not include preparation of rate filings and issues related to the interaction between ratemaking, pricing and rate regulation. I think this entire issue needs to be clarified and currently is not clear enough. I believe the proposed ASOP would apply to rate filings to the extent that activity included estimation of risk transfer costs. Maybe just state that the ASOP does not apply to the determination of prices as opposed to rates. Somewhere you'd have to indicate a distinction between price and rate.

Under section 2 definitions , I would suggest the exposure base definition somewhere indicate that this is used to measure the "quantity" of risk transfer or risk funding cost. I believe somewhere in that definition the word "quantity" needs to be added.

These comments represent solely my own thoughts.

Best Regards
Steve Visner, FCAS,MAAA