Comment #5 – 4/23/19 – 10:00 a.m.

To: ASB
Re: Exposure Draft ASOP 22
Definitions section:
Would it be appropriate to have a definition of immaterial (or alternatively to have the actuary disclose in the report the working definition)
Testing sections:
Is there any guidance to be given as making certain that the assets for the non-CFT tested liabilities are appropriate for them? (For example a gross premium test, or conservatism or even non tested liabilities)
Is there any guidance given for testing/not testing ceded risks to a non-authorized reinsurer when the reinsurance is coinsurance funds withheld, especially if the reinsurer is offshore?
What about to an onshore captive reinsurer (unauthorized)?
Aggregation of results 3.2.4
Should (or shouldn’t) results from two lines of business with different testing methods be aggregated? Is it appropriate to aggregate results from a gross premium test (which does not directly use the assets backing that line) with cash flow testing results, which do directly use assets backing those lines?