Response to the ASB’s exposure of a revision of ASOP 22
“Statements of Actuarial Opinion Based on Asset Adequacy Analysis for Life or Health Liabilities”
Collection of comments from MetLife
6/01/19

<table>
<thead>
<tr>
<th>Section 2. Definitions</th>
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<tr>
<td><strong>Definition 2.11.</strong> Moderately Adverse Deviation – A change made to one or more assumptions in order to perform asset adequacy analysis under moderately adverse conditions.</td>
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<th>Section 3. Analysis of Issues and Recommended Practices</th>
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<td><strong>Paragraph 3.1.2.</strong> “Discount Rates - The actuary should reflect the expected yield on the current block of assets, as well as the anticipated yields on any assets to be purchased or divested in the future, in the discount rates used in the analysis.”</td>
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<td><strong>Paragraphs 3.1.5.</strong> “Aggregation During Testing - When performing an asset adequacy analysis, the actuary should not use assets or cash flows from one block of business to discharge the reserves and other liabilities of another block of business if those assets or cash flows cannot be used for that purpose. For example, separate account assets are generally not available during the testing period to discharge general account reserves and other liabilities.”</td>
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