Reserving Risk: Actual losses or other contractual payments reflected in reported reserves or other liabilities will be greater than estimated.

Analysis Documentation: The Statement of Actuarial Opinion Worksheet is intended to provide procedures for reviewing the Statement of Actuarial Opinion, Actuarial Opinion Summary, and Actuarial Report for compliance and assessment of risks. Results of the reserving risk analysis should be documented in Section III: Risk Assessment of the insurer.

Note that reserving risks also are included in the Reserving Risk Assessment.

Actuarial Opinion - General

1. Determine whether the insurer is exempt from filing the Actuarial Opinion.

	Comments
a. Actuarial Opinion filed	
b. Exemption granted	
i. Exemption ~~attached to~~filed with Annual ~~Financial~~ Statement	
ii. Reason for exemption: • Small company • Under supervision or conservatorship • Nature of business • Financial hardship • Other	

Actuarial Opinion - Identification

2. Determine whether the Actuarial Opinion was prepared by a qualified actuary who was appointed by the insurer's board of directors prior to Dec. 31 of the calendar year for which the opinion was rendered.

	Comments
a. Appointed Actuary:	
i. Name	
ii. Relationship to ~~insurer~~company: • E~~Office/e~~mployee of ~~insurer~~ company or group (E) • Consultant (C)	
iii. Qualification (List the same qualification as listed in the Actuarial Opinion): • Fellow of the Casualty Actuarial Society (F) • Associate of the Casualty Actuarial Society (A) • Fellow of the Society of Actuaries ~~through the General Insurance track~~ (S) (P/C only) • ~~Member of the~~Approved by ~~American Academy of Actuaries~~Academy's ~~approved by the~~ Casualty Practice Council (M) • Other (O)	

Commented [JL1]: Changed "Annual Financial Statement" to "Annual Statement" throughout this worksheet. The document is called the "Annual Statement."

Commented [JL2]: Exhibit A uses the term "company."

Commented [JL3]: Edited this in accordance with changes to the 2026 instructions.

Commented [JL4]: The P/C instructions don't say that the person has to be an MAAA (though we suspect that the Casualty Practice Council would not review someone who's not an MAAA).

iv. Appointed by the board of directors by Dec. 31 of the calendar year for which the opinion was rendered	
v. Same actuary who was appointed for the previous Actuarial Opinion (“yes” or “no”)	
If “no”: • The insurer notified the insurance department of the state of domicile ~~domiciliary state insurance regulator~~ within five days of the replacement. • Within 10 days of above notification, the insurer ~~provided~~ provided the domiciliary commissioner a separate ~~n additional~~ letter stating whether there were any disagreements with the former A~~a~~ppointed A~~a~~ctuary and also in writing requested the former A~~a~~ppointed A~~a~~ctuary ~~provide~~ provide a letter ~~of agreement~~stating whether the former Appointed Actuary agrees with the statements in the insurer’s letter. • The insurer ~~furnished~~ provided the former A~~a~~ppointed A~~a~~ctuary’s letter to the domiciliary commissioner ~~of agreement~~.	
vi. IDENTIFICATION paragraph indicates the Appointed Actuary’s relationship to the company, qualifications for acting as Appointed Actuary and date of appointment and specifies that the appointment was made by the Board of Directors.	

Commented [JL5]: General clean-up in this section to bring the text into closer alignment with the instructions.

One note: I’m not sure we always use the word “furnish” correctly in the instructions (i.e., “request such former Appointed Actuary to furnish a letter addressed to the Insurer” and “the Insurer shall furnish such responsive letter from the former Appointed Actuary to the domiciliary commissioner”) and so changed “furnish” to “provide” here where it seemed to be warranted. I believe the common usage is “furnish [someone] with [something].”

Commented [JL6]: This requirement seems to have been missing from the worksheet. The current worksheet does not specify what needs to be in the IDENTIFICATION paragraph.

3. Determine whether the appointed actuary made the required disclosures if the insurer is a member of an intercompany pooling arrangement. (P/C only)

	Comments
a. Member of intercompany pooling arrangement (“yes” or “no”) (The analyst should refer to Annual ~~Financial~~ Statement, Notes to Financial Statements, Note #26 to verify.)	
i. If “yes,” the Actuarial Opinion includes: • Description of pool • Pool lead company identification • List of pool members, states of domicile and pooling percentages	
ii. Exhibits A and B represent company’s share of pool and reconcile to company’s financial statement	
iii. If company has 0% share: • The Actuarial Opinion reads similar to that provided for the lead company • Responses to Exhibit B, items #5 and #6 are $0 and “not applicable,” respectively • Lead company’s Exhibits A and B are attached	

Actuarial Opinion - Scope

4. Determine whether the Appointed Actuary included the appropriate loss reserves, loss adjustment expense (LAE) reserves, and (if appropriate) other loss and premium reserves within the scope of the opinion as required by the *Annual Statement Instructions Property/Casualty (P/C)* and *Annual Statement Instructions Title (Title)* and whether the reserve amounts included in Exhibit A and Exhibit B of the Actuarial Opinion agree with the amounts reported in the Annual Statement.

	Comments
a. SCOPE paragraph contains a sentence such as: • "I have examined the actuarial assumptions and methods used in determining reserves listed in Exhibit A, as shown in the Annual Statement of the Company as prepared for filing with state regulatory officials, as of Dec. 31, 20xx, and reviewed information provided to me through xxx date." • "I have examined the reserves listed in Exhibit A, as shown in the Annual Statement of the Company as prepared for filing with state regulatory officials, as of Dec. 31, 20xx and reviewed information provided to me through xxx date." • Other or none (provide comments).	
b. Exhibit A:	
i. Attached to or made part of the Actuarial Opinion	
ii. Lists items and amounts with respect to which the Appointed Actuary is expressing an opinion, including: • Reserve for net unpaid losses • Reserve for net unpaid LAE • Reserve for direct and assumed unpaid losses • Reserve for direct and assumed unpaid LAE	
iii. Shows amounts that reconcile to corresponding Annual ~~Financial~~ Statement references. If amounts do not reconcile, the analyst should discuss any differences and concerns.	
iv. Lists other items on which the Appointed Actuary is expressing an opinion ~~(P/C only)~~, including: • Reserve for retroactive reinsurance assumed (page 3 write-in item) (P/C only) • Other loss reserve items • Reserve for direct and assumed unearned premiums for P&C long duration contracts (should be shown on Exhibit A regardless of whether the amounts are material) (P/C only) • Reserve for net unearned premiums for P&C long duration contracts (should be shown on Exhibit A regardless of whether the amounts are material) (P/C only) • Other premium reserve items such as premium deficiency reserves	

Commented [JL7]: This is italicized later in the document and it seemed right to have consistency.

Formatted: Font: Italic

Formatted: Font: Italic

Commented [JL8]: The title Exhibit A has a line item for "other items on which the Appointed Actuary is expressing an Opinion."

Commented [JL9]: Added to 2026 instructions

Commented [JL10]: Added to 2026 instructions

~~v. Cite any concerns with amounts or unusual findings with other items~~	
~~vi.~~v. ~~Statement~~ Appointed Actuary states that items in Exhibit A reflect the disclosure items #8 through #12.2~~4~~ (#8 through #13 for Title) in Exhibit B	

5. **Determine whether the Appointed Actuary relied on an ~~officer of~~individual at the company for data preparation and whether the data used in forming the Appointed Actuary's opinion were reconciled to Annual ~~Financial~~ Statement, Schedule P – Part 1 (P/C) or Schedule P – Parts 1 and 2 (Title).**

	Comments
a. SCOPE paragraph:	
i. Gives the name and title of the individual at the company that the Appointed Actuary relied on for data preparation.	
ii. States that the Appointed Actuary evaluated that data for reasonableness and consistency.	
iii. States that the Appointed Actuary reconciled ~~or reviewed the reconciliation of~~ th~~at~~e data used in the analysis to Annual ~~Financial~~ Statement, Schedule P – Part 1 (P/C) or Schedule P – Parts 1 and 2 (Title).	
iv. If the data was not reconciled, the analyst should document any reasons provided by the Appointed Actuary as to why the reconciliation was not performed. Further, if the reconciliation was performed but the data did not reconcile, the analyst should document any reasons provided by the Appointed Actuary as to why the data did not reconcile.	
v. States that the Appointed Actuary's examination included a review of the actuarial assumptions and methods used and tests of the calculations as considered necessary.	

Actuarial Opinion - Opinion

6. **Determine whether the Actuarial Opinion states that reserves meet the requirements of the insurance laws of the state of domicile, are computed in accordance with accepted ~~loss reserving~~actuarial standards ~~and principles~~, and make a reasonable provision for all unpaid loss and LAE obligations of the insurer under the terms of its ~~policies~~ contracts and agreements~~, and whether all portions of the insurer's reserves are covered by the Actuarial Opinion~~.**

	Comments
a. OPINION paragraph states that the:	
i. Amounts shown in Exhibit A meet the requirements of the insurance laws of the state of domicile.	
ii. Amounts shown in Exhibit A are computed in accordance with accepted actuarial standards ~~and principles~~ or similar language, such as "consistent with reserves computed in accordance with …".	

Commented [JL11]: This seems to be covered in iii. above.

Commented [JL12]: Needed updating due to removal of pool disclosure in Exhibit B and associated changes in numbering.

Commented [JL13]: P/C instructions for 2026 no longer specify that the person has to be an officer.

Commented [JL14]: This is not in paragraph 4 of the instructions. The instructions provide information in paragraph 7 to guide disclosures in the report if the AA reviewed a reconciliation performed by others.

Commented [JL15]: This is not in the instructions.

Commented [JL16]: Added for 2026 instructions

Commented [JL17]: The term used in the instructions is "actuarial standards," not "loss reserving standards."

Commented [JL18]: We removed this from the instructions because the CAS reserving principles have been rescinded.

Commented [JL19]: Instructions use the term "contracts."

Commented [JL20]: The actuarial opinion does not have to cover "all portions of the insurer's reserves," e.g., the actuary does not need to opine on UEPR for short duration contracts.

Commented [JL21]: We removed this from the instructions because the CAS reserving principles have been rescinded.

iii. Amounts shown in Exhibit A make a reasonable provision (carried reserve is within the Appointed Actuary's range of reasonable reserve estimates) for all unpaid loss and LAE obligations of the ~~insurer~~ company under the terms of its contracts and agreements.	
• ~~If "no," the type of opinion is:~~ ○ ~~Deficient or Inadequate. (Carried reserve is less than the minimum amount that the Appointed Actuary believes is reasonable.)~~ ○ ~~Redundant or Excessive. (Carried reserve is greater than the maximum amount that the Appointed Actuary believes is reasonable.)~~ ○ ~~Qualified. (Carried reserves for a certain item or items are in question because they cannot be reasonably estimated or the Appointed Actuary is unable to render an opinion on those items.)~~ ○ ~~No Opinion. (The Appointed Actuary cannot reach a conclusion due to deficiencies or limitations in the data, analysis, assumptions, or related information.)~~	
b. If the SCOPE includes material unearned premium reserves for P&C long duration contracts, the OPINION paragraph states that the amounts shown in Exhibit A make a reasonable provision for the unearned premium reserves for P&C long duration contracts. (P/C only) • If the Unearned Premium Reserves for P&C Long Duration Contracts reported on lines 7 or 8 of Exhibit A are nonzero but the Appointed Actuary deems the amounts immaterial and is not issuing an opinion on these amounts, the Appointed Actuary should include clarifying comments in the SCOPE, OPINION, and/or RELEVANT COMMENTS sections of the opinion.	
~~b.~~c. If the SCOPE includes other material loss or premium reserve items on which the Appointed Actuary is expressing an opinion, the OPINION paragraph states that the amounts shown in Exhibit A make a reasonable provision for the other loss or premium reserve items.	
• If amounts on Exhibit A do not meet the requirements of the insurance laws of the state of domicile, are not computed in accordance with accepted actuarial standards and principles, or do not make a reasonable provision, the type of opinion is: ○ Deficient or Inadequate. (Carried reserve is less than the minimum amount that the Appointed Actuary believes is reasonable.)	

Commented [JL22]: I moved this section below the sections on long duration UEPR and other premium or loss reserve items, because if reserves for these items are not deemed reasonable and the amounts are material, the entire opinion may be of a type other than "reasonable."

Commented [JL23]: Added to 2026 instructions

Commented [JL24]: 2026 instructions say, "If the Scope includes material Unearned Premium Reserves for P&C Long Duration Contracts, Other Loss Reserve items, or Other Premium Reserve items on which the Appointed Actuary is expressing an opinion…" I think the word "material" is understood to go with "other loss reserve items" and "other premium reserve items."

o Redundant or Excessive. (Carried reserve is greater than the maximum amount that the Appointed Actuary believes is reasonable.) o Qualified. (Carried reserves for a certain item or items are in question because they cannot be reasonably estimated or the Appointed Actuary is unable to render an opinion on those items.) o No Opinion. (The Appointed Actuary cannot reach a conclusion due to deficiencies or limitations in the data, analyses, assumptions, or related information.)	
~~c.~~ If the Appointed Actuary ~~made~~ used another actuary's analysis that was not produced under the Appointed Actuary's direction ~~of the analysis of another actuary not within the Appointed Actuary's control~~ for a material portion of the reserves, t~~:~~ ~~d.~~ ~~T~~he other actuary is identified by name, credential and affiliation. ~~e.~~d. ~~The Appointed Actuary discloses whether he or she reviewed the other actuary's underlying analysis. If a review was conducted, the Appointed Actuary should disclose the extent of the review including items such as the methods and assumptions used and the underlying arithmetic calculations.~~	
~~f.~~e. If the Appointed Actuary ~~made use of~~used the work of a non-actuary ~~not within the Appointed Actuary's control~~ for a material portion of the reserves: i. The individual is identified by name and affiliation. ii. The Appointed Actuary describes the type of analysis the non-actuary performed.	
~~g. If the Appointed Actuary made use of the work of another not within the Appointed Actuary's control for a material portion of the reserves, what percentage of the total reserves was based on the work of others?~~	

Commented [JL25]: We removed the "made use of" and "control" language from the instructions.

Commented [JL26]: This is a requirement for the report, not the opinion.

Commented [JL27]: We removed the "made use of" and "control" language from the instructions.

Commented [JL28]: The AA is not required to disclose this in the opinion. In the 2026 instructions, the report requires disclosure of "The dollar amount of the reserves covered by the other's analysis or opinion and the percentage of the total reserves subject to the Appointed Actuary's opinion that these other reserves represent."

7. If applicable, identify the reasons why the Actuarial Opinion states the reserves do not make a reasonable provision for unpaid loss and LAE obligations.

	Comments
a. If the Appointed Actuary issues a Qualified Opinion, the Appointed Actuary: i. Discloses the item(s) to which the qualification relates, the reason(s) for the qualification and the amounts ~~of~~ for such items. ii. States whether the carried reserves make a reasonable provision for the liabilities, except for the item(s) to which the qualification relates.	

b. If the Appointed Actuary issues a statement of No Opinion, the Appointed Actuary includes a description of the reasons why no opinion could be given.	
c. Review and assess, as applicable: i. If the type of opinion is Deficient or Redundant, the differences between the Appointed Actuary's indicated reserves (or range of reasonable reserves) and those carried by the insurer, and the impact of the differences on the insurer's policyholders' surplus. ii. The reasons why a Qualified Opinion or No Opinion was given. iii. The need to perform additional analysis and procedures on the items or risks affected.	

Actuarial Opinion – Relevant Comments and Exhibit B Disclosures

8. Determine whether the Appointed Actuary commented on various topics and issues reflected in Exhibit B of the Actuarial Opinion as required by the *Annual Statement Instructions Property/Casualty and Title ~~Insurers~~*.

	Comments
a. Risk of Material Adverse Deviation:	
i. Description of company-specific risk factors	
ii. Identification of materiality standard and the basis for establishing this standard	
iii. Risk of material adverse deviation ("yes" or "no")	
iv. Bright Line Indicator triggered (If "yes," comments from the Appointed Actuary should be pursued if the Appointed Actuary does not believe a risk of material adverse deviation exists.) (P/C only)	
b. Other disclosures in Exhibit B:	
i. The following amounts in Exhibit B match the corresponding Annual ~~Financial~~ Statement references. ~~The Appointed Actuary may include~~ RELEVANT COMMENT paragraphs should describ~~eing~~ the significance of the items. P/C • ~~Statutory surplus~~ • Anticipated net salvage and subrogation • Nontabular discount • Tabular discount • ~~Net reserves for the company's share of voluntary and involuntary pools' and associations' reserves~~ • Net asbestos reserves • Net environmental reserves	

Commented [JL29]: The requirement is a "should," not a "may."

Commented [JL30]: Surplus is item 7 on Exhibit B. The AA is only asked to comment on the significance of the amounts in items 8 through 13.

Commented [JL31]: Deleted from 2026 instructions

• Extended reporting endorsement policy reserve associated with claims-made contracts reported as loss and LAE reserves~~claims made loss reserves~~ • Extended reporting endorsement policy reserve associated with claims-made contracts reported as • ~~Extended claims made~~ unearned premium reserves • Net reserves for A&H Long Duration Contracts • Other items on which the Appointed Actuary is providing relevant comment Title • Known claims reserve • Statutory premium reserve • Aggregate of other reserves required by law • Supplemental reserve • Anticipated net salvage and subrogation • Discount included as a reduction to reserves • Other items on which the Appointed Actuary is providing relevant comment If the amounts do not match the Annual Statement references, discuss the differences and any concerns.	
c. Reinsurance:	
i. Discussion of retroactive reinsurance	
ii. Discussion of financial reinsurance	
iii. Discussion of reinsurance collectability: • No discussion • Discussion with little comment • The Appointed Actuary solicited information from management on actual collectability problems • The Appointed Actuary reviewed ratings of reinsurers • The Appointed Actuary reviewed Schedule F of the Annual ~~Financial~~ Statement for indications of regulatory action or reinsurance recoverable on paid losses over ninety (90) days past due	
d. Exceptional values for one or more reserve-related IRIS ratios (P/C only): • None • One-year reserve development to PY PHS (#11) • Two-year reserve development to 2nd PY PHS (#12) • Estimated current reserve deficiency to PHS (#13) The Appointed Actuary must include relevant comment on the factors that led to the unusual value(s) if IRIS tests #11, #12, or #13 have exceptional values.	
e. ~~Comment~~ The Appointed Actuary must include relevant comment on the factors that led to the exceptional reserve development if reserves cause the ratio of one-year or two-year known claims	

Commented [JL32]: We adjusted the wording of this item in Exhibit B for the 2026 instructions.

Commented [JL33]: This was added to Exhibit B several years ago.

Commented [JL34]: This is in the instructions and might be helpful to put here so that the analyst knows why the AA is instructed to review Schedule F.

Commented [JL35]: It seems like this requirement might be important to explicitly include so that analysts know to look for the explanation if warranted.

reserve development or one-year or two-year reserve development to the respective prior year's policyholders' surplus to be greater than 20% (Title only).	
f. Significant change in the actuarial assumptions or methods from those previously employed	
g. Comments on any additional topics (e.g., lack of historical data, etc.)	

Commented [JL36]: We added this requirement years ago.

Actuarial Opinion – Assurance That an Actuarial Report Has Been Prepared, Signature, Requirements for Actuarial Report

9. Determine whether the Appointed Actuary indicates that an Actuarial Report has been prepared that supports the findings expressed in the Actuarial Opinion. Determine whether the Actuarial Opinion has been signed according to the Instructions. If the Actuarial Report is requested, determine if the report contains the required elements.

	Comments
a. The Appointed Actuary indicates that an Actuarial Report and underlying actuarial work papers supporting the Actuarial Opinion will be maintained at the company and available for regulatory examination for seven years.	
b. The Actuarial Opinion concludes with the signature, the printed name, the employer's name, the address, the telephone number and the email address of the Appointed Actuary, as well as the date the Actuarial Opinion was rendered.	
c. Copy of the Actuarial Report requested.	
d. Requirements of the Actuarial Report (to be verified by analyst if report is requested):	
i. The Actuarial Report is signed and dated by the Appointed Actuary.	
ii. The Actuarial Report is consistent with Actuarial Standard of Practice (ASOP) No. 41, *Actuarial Communications* and includes:	
• Narrative component that provides sufficient detail to clearly explain to company management, the board of directors, the regulator, or other authority the findings, recommendations and conclusions, as well as their significance.	
• Technical component that provides sufficient documentation and disclosures for another actuary practicing in the same field to evaluate the work and shows the analysis from the basic data (e.g., loss triangles) to the conclusions.	
iii. Actuarial report includes required elements from the Instructions:	
• Description of the Appointed Actuary's relationship to the company with clear presentation of the Appointed	

Actuary's role in advising the board of directors and/or management regarding the carried reserves. The actuarial report should identify how and when the Appointed Actuary presents the analysis to the board of directors and, where applicable, to the officer(s) of the Company responsible for determining the carried reserves.	
• An exhibit that ties to the Annual Statement and compares the Appointed Actuary's conclusions to the carried amounts consistent with the segmentation of exposure or liability groupings used in the analysis. The Appointed Actuary's conclusions include the Appointed Actuary's point estimate(s), range(s) of reasonable estimates or both.	
• An exhibit that reconciles and maps the data used by the Appointed Actuary, consistent with the segmentation of exposure or liability groupings used in the analysis, to the Annual ~~Financial~~ Statement, Schedule P line of business reporting. An explanation should be provided for any material differences.	
• An exhibit or appendix showing the change in the Appointed Actuary's estimates from the prior Actuarial Report, including extended discussion of factors underlying any material changes. If the Appointed Actuary is newly appointed and does not review the work of the prior Appointed Actuary, the Appointed Actuary should disclose this.	
• Extended comments on trends that indicate the presence or absence of risks and uncertainties that could result in material adverse deviation.	
• Extended comments on factors that led to unusual IRIS ratios for One-Year Reserve Development to Surplus (#11), Two-Year Reserve Development to Surplus (#12) or Estimated Current Reserve Deficiency to Surplus (#13), and how these factors were addressed in current and prior year analyses. (P/C only)	
• Extended comments on factors that led to exceptional reserve development and how these factors were addressed in prior and current analyses. (Title only)	
• If the Appointed Actuary has used an analysis or opinion not produced under the Appointed Actuary's direction for a material portion of the reserves: ▪ The dollar amount of the reserves covered by the other's analysis or opinion and the percentage of the total reserves subject to the Appointed Actuary's opinion that these other reserves represent. ▪ Whether and to what extent the Appointed Actuary reviewed the other's underlying analysis, including	

items such as methods and assumptions used and underlying arithmetic calculations. ▪ If the Appointed Actuary reviewed the other's underlying analysis, the Appointed Actuary's conclusions from the review.	
• Disclosure of all reserve amounts associated with A&H long duration contracts. (P/C only)	

Commented [JL37]: Added to 2026 P/C instructions

Actuarial Opinion Summary (P/C only)

10. Determine whether the Actuarial Opinion Summary (AOS) was prepared according to regulatory requirements.

	Comments
a. Domiciliary state insurance regulator requires a confidential AOS. i. Required AOS was submitted by March 15 or by a later date specified by the domiciliary state. ii. AOS was signed and dated by the same Appointed Actuary who signed the Actuarial Opinion.	

11. If the insurer is a member of an intercompany pooling arrangement, verify that the AOS discloses pooling information. ~~(P/C only)~~

Commented [JL38]: Moved "P/C only" to the top of the section because title insurers do not file the AOS.

	Comments
a. Member of intercompany pooling arrangement:	
i. Percentage of company's share of pool is disclosed.	
ii. Numbers for non-0% companies reflect the company's share of the pool. Numbers for 0% pool participants are those of the lead company.	

12. Determine whether the AOS contains the required comparisons and whether the amounts in the AOS reconcile with those in the Actuarial Opinion, Actuarial Report and Annual ~~Financial~~ Statement.

	Comments
a. The AOS includes:	
i. The Appointed Actuary's range of reasonable estimates for loss and LAE reserves, net and gross of reinsurance, when calculated. ii. The Appointed Actuary's point estimates for loss and LAE reserves, net and gross of reinsurance, when calculated. iii. The company's carried loss and loss adjustment expense reserves, net and gross of reinsurance. iv. The difference between the company's carried reserves and the Appointed Actuary's estimates calculated in i. and ii. above, net and gross of reinsurance.	

b. Net and gross reserve amounts reported by the Appointed Actuary in the AOS reconcile to the corresponding values reported in the insurer's Annual Statement, the Appointed Actuary's Actuarial Opinion and the Actuarial Report. If not, the Appointed Actuary provides an explanation of the difference.	
c. If the company's carried reserves are below the Appointed Actuary's point estimate or below the midpoint of the Appointed Actuary's range, how material is the difference? • As a percent of surplus • As a percent of carried reserves • In relation to the company's risk-based capital (RBC) position ~~(P/C only)~~ • Is the difference greater or less than the materiality standard	

13. Determine whether the Appointed Actuary's opinion implied by the comparisons in the AOS is consistent with the type of opinion rendered in the Actuarial Opinion.

	Comments
a. The AOS is consistent with the Appointed Actuary's conclusion that the amounts shown in Exhibit A are Reasonable, Deficient, or Redundant; the Opinion is Qualified; or No Opinion can be given. i. Opinion type is "Reasonable": Carried reserves are at or near the Appointed Actuary's point estimate and/or within the Appointed Actuary's range. ii. Opinion type is "Deficient": Carried reserves are materially below the Appointed Actuary's point estimate and/or below the low end of the Appointed Actuary's range. iii. Opinion type is "Redundant": Carried reserves are materially above the Appointed Actuary's point estimate and/or above the high end of the Appointed Actuary's range. iv. Opinion type is Qualified or No Opinion: The Appointed Actuary's choice of presentation in AOS will vary.	

14. Determine whether the AOS is compliant with reporting requirements regarding persistent adverse development. ~~(P/C only)~~

	Comments
a. The company has experienced one-year adverse development in excess of 5% of prior year's surplus, as measured by the Annual ~~Financial~~ Statement, Schedule P – Part 2 – Summary, in three or more of the past five calendar years.	
i. If "yes," the Appointed Actuary includes an explicit description of the reserve elements or management decisions that were the major contributors.	