**III.B.8.a.i. Statement of Actuarial Opinion Worksheet – P/C Annual**

Actuarial Opinion - Identification

1. 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.

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| --- | --- |
|  | *Comments* |
| 1. Appointed Actuary: |  |
| * 1. Name |  |
| * 1. Relationship to insurer:   • Office/employee of insurer or group (E)  • Consultant (C) |  |
| * 1. 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)   • Member of the American Academy of Actuaries approved by the Casualty Practice Council (M)  • Other (O) |  |
| * 1. Appointed by the board of directors by Dec. 31 of the calendar year for which the opinion was rendered |  |
| * 1. Same actuary who was appointed for the previous Actuarial Opinion (“yes” or “no”) |  |
| If “no”:   * The insurer notified the domiciliary state insurance regulator within five days of the replacement. * Within 10 days of above notification, the insurer provided an additional letter stating whether there were any disagreements with the former appointed actuary and also in writing requested the former appointed actuary provide a letter of agreement. * The insurer furnished the former appointed actuary’s letter of agreement. |  |

**III.B.8.a.ii. Reserving Risk Repository – P/C Analyst Reference Guide**

Overview of Actuarial Opinion & Actuarial Opinion Summary

A. Actuarial Opinion

Annual Statement Instructions – Actuarial Opinion

Section 1 of the *Annual Statement Instructions* (Instructions) identifies the insurer’s responsibilities regarding appointment of a qualified actuary, notification to regulators, regulatory requirements for a change in actuary, requesting an exemption from filing the Actuarial Opinion, and reporting requirements for insurers that participate in an intercompany pooling arrangement. Most of this is straightforward; therefore, the following is a summary of what is included within each section.

To be considered a “Qualified Actuary” as defined in the NAIC Statement of Actuarial Opinion Instructions, an actuary must:

(i) Meet the basic education, experience and continuing education requirements of the Specific Qualification Standard for Statements of Actuarial Opinion, NAIC Property and Casualty Annual Statement, as set forth in the Academy’s *U.S. Qualification Standards*;

(ii) Have obtained and maintain an Accepted Actuarial Designation; and

(iii) Be a member of a professional actuarial association that requires adherence to the same *Code of Professional Conduct* promulgated by the Academy.

The Actuarial Opinion Instructions define an “Accepted Actuarial Designation.” Regardless of whether the actuary is a Fellow of the Casualty Actuarial Society, Associate of the Casualty Actuarial Society, or Fellow of the Society of Actuaries, the actuary’s basic education must either include the specific exams named in the Actuarial Opinion Instructions or the exam substitutions allowed in the Actuarial Opinion Instructions.

The Actuarial Opinion Instructions require the Appointed Actuary to provide “qualification documentation” to the Board of Directors on occasion of their appointment and on an annual basis thereafter. The documentation should include:

(i) Brief biographical information;

(ii) A description of how the definition of “Qualified Actuary” is met; and

(iii) A description of the Appointed Actuary’s responsible experience relevant to the subject of the Actuarial Opinion.

With respect to filing exemptions, it should be noted that a commissioner is not obligated to grant an exemption merely due to the presence of one or more conditions. Consideration of an exemption request should include the size and uncertainty in the reserves, both the direct and assumed as well as the net.

**Actuarial Opinion – General and Identification**

***Procedures #1, #2 and #3*** assist analysts in determining whether: 1) the insurer is exempt from filing the Actuarial Opinion; 2) if not, 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; and 3) the Appointed Actuary made the required disclosures if the insurer is a member of an intercompany pooling arrangement. Pool members’ financial results may need to be evaluated differently than those of insurers that operate independently.