

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>10/23/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON:	<u>Roberto Perez</u>	Agenda Item #	<u>2025-21BWG</u>
TELEPHONE:	<u>787-239-5842</u>	Year	<u>2026</u>
EMAIL ADDRESS:	<u>rperez1@naic.org</u>	Changes to Existing Reporting	[X]
ON BEHALF OF:	_____	New Reporting Requirement	[]
NAME:	<u>Miriam Fisk</u>	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
TITLE:	<u>Chair</u>	No Impact	[X]
AFFILIATION:	<u>Actuarial Opinion (C) Working Group</u>	Modifies Required Disclosure	[]
ADDRESS:	<u>miriam.fisk@tdi.texas.gov</u>	Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? [No]	
	_____	***If Yes, complete question below***	
	_____	DISPOSITION	
	_____	[]	Rejected For Public Comment
	_____	[]	Referred To Another NAIC Group
	_____	[]	Received For Public Comment
	_____	[X]	Adopted Date <u>3/5/2026</u>
	_____	[]	Rejected Date _____
	_____	[]	Deferred Date _____
	_____	[]	Other (Specify) _____

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT | <input type="checkbox"/> INSTRUCTIONS | <input type="checkbox"/> CROSSCHECKS |
| <input type="checkbox"/> QUARTERLY STATEMENT | <input type="checkbox"/> BLANK | |
| <input type="checkbox"/> Life, Accident & Health/Fraternal | <input type="checkbox"/> Separate Accounts | <input type="checkbox"/> Title |
| <input checked="" type="checkbox"/> Property/Casualty | <input type="checkbox"/> Protected Cell | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Health | <input type="checkbox"/> Health (Life Supplement) | <input type="checkbox"/> Life (Health Supplement) |

Anticipated Effective Date: Annual 2026

IDENTIFICATION OF ITEM(S) TO CHANGE

Revise the definition of Accepted Actuarial Designation based on the Actuarial Opinion Working Group’s assessment of the educational materials of the Society of Actuaries (SOA) and Casualty Actuarial Society (CAS), completed in 2025.

Specified that the reserve for Direct and Assumed Unearned Premiums for P&C Long Duration Contracts and the reserve for Net Unearned Premiums for P&C Long Duration Contracts should be disclosed in Exhibit A regardless of whether the amounts are material. Clarified that comments should be included if those amounts are non-zero but immaterial.

Clarified the instructions on the reconciliation of data used by the Appointed Actuary to Schedule P.

Clarified requirements for the Actuarial Report when the Appointed Actuary has made use of an analysis or opinion produced by another person not under the Appointed Actuary’s direction for a material portion of the reserves.

Removed the following disclosure item from exhibit B: “The net reserves for losses and loss adjustment expenses for the Company’s share of voluntary and involuntary underwriting pools’ and associations’ unpaid losses and loss adjustment expenses that are included in reserves shown on the Liabilities, Surplus and Other Funds page, Losses and Loss Adjustment Expenses lines”

Revised the label of an Exhibit B disclosure item from “The total claims made extended loss and loss adjustment expense, and unearned premium reserves” to “Extended reporting endorsement policy reserve associated with claims-made contracts” and added clarifying instructions related to this item.

REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE**

The proposed changes to the definition of Accepted Actuarial Designation were prompted by changes to the FSA educational pathway effective in fall 2025 and the Working Group’s routine assessment of the SOA and CAS’s educational materials in 2024-2025. The assessment, last performed in 2019, determined under what conditions specific actuarial designations meet the NAIC’s Minimum Actuarial Educational Standards for a P/C Appointed Actuary.

In response to concerns raised by regulators, the proposal provides more detailed instructions on the reconciliation of data used by the Appointed Actuary to Schedule P.

In light of changes recently made to Actuarial Standard of Practice No. 36, the proposal adjusts the requirements for the Actuarial Report when the Appointed Actuary has made use of an analysis or opinion not produced under the Appointed Actuary’s direction for a material portion of the reserves.

The other proposed changes are made in response to concerns that these items have been interpreted by Appointed Actuaries in a variety of ways, leading to inconsistencies in the disclosed amounts. Reserves for Unearned Premiums for P&C Long Duration Contracts have been inconsistently reported in Exhibit A when the amount is not zero but the Appointed Actuary deems the amount immaterial, so proposed changes include clarification. The Exhibit B disclosure for “The net reserves for losses and loss adjustment expenses for the Company’s share of voluntary and involuntary underwriting pools’ and associations’ unpaid losses and loss adjustment expenses...” has been reported inconsistently but is also of limited utility to regulators, so the proposal removes this item. The Exhibit B disclosure for “The total claims made extended loss and loss adjustment expense, and unearned premium reserves” has been reported inconsistently, so the proposal renames the item and adds clarifying guidance that aligns with SSAP No. 65.

*****IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL*****

NAIC STAFF COMMENTS

Comment on Effective Reporting Date: _____

Other Comments:

** This section must be completed on all forms.

Revised 11/17/2022

ANNUAL STATEMENT INSTRUCTIONS –PROPERTY

ACTUARIAL OPINION

1. There is to be included with or attached to Page 1 of the Annual Statement the statement of the Appointed Actuary, entitled “Statement of Actuarial Opinion” (Actuarial Opinion), setting forth his or her opinion relating to reserves specified in the SCOPE paragraph. The Actuarial Opinion, both the narrative and required Exhibits, shall be in the format of and contain the information required by this section of the *Annual Statement Instructions – Property and Casualty*.

Upon initial engagement, the Appointed Actuary must be appointed by the Board of Directors by Dec. 31 of the calendar year for which the opinion is rendered. The Company shall notify the domiciliary commissioner within five business days of the initial appointment with the following information:

- a. Name and title (and, in the case of a consulting actuary, the name of the firm).
- b. Manner of appointment of the Appointed Actuary (e.g., who made the appointment and when).
- c. A statement that the person meets the requirements of a Qualified Actuary (or was approved by the domiciliary commissioner) and that documentation was provided to the Board of Directors.

Once this notification is furnished, no further notice is required with respect to this person unless the Board of Directors takes action to no longer appoint or retain the actuary or the actuary no longer meets the requirements of a Qualified Actuary.

If subject to the *U.S. Qualification Standards*, the Appointed Actuary shall annually attest to having met the continuing education requirements under Section 3 of the *U.S. Qualification Standards* for issuing Actuarial Opinions. As agreed with the actuarial organizations, the Casualty Actuarial Society (CAS) and Society of Actuaries (SOA) will determine the process for receiving the attestations for their respective members and make available the attestations to the public. An Appointed Actuary subject to the *U.S. Qualification Standards* and not a member of the CAS or SOA shall select one of the above organizations to submit their attestation.

The Appointed Actuary shall provide to the Board of Directors qualification documentation on occasion of their initial appointment directly or through company management. The documentation should include brief biographical information and a description of how the definition of “Qualified Actuary” is met or expected to be met (in the case of continuing education) for that year. The documentation should describe the Appointed Actuary’s responsible experience relevant to the subject of the Actuarial Opinion. The Board of Directors shall document their review of those materials and any other information they may deem relevant, including information that may be requested directly from the Appointed Actuary. It is generally expected that the review of the Appointed Actuary’s qualification documentation should take place at the level within a holding company structure that is responsible for overseeing insurance operations. If a statutory entity is a subsidiary or a non-lead pool member with an Appointed Actuary whose qualifications were reviewed by the pool lead or principal’s Board, the statutory entity’s Board can satisfy the review requirement by acknowledging the parent Board’s review. This can be done by noting in the meeting minutes the name of the principal or lead entity and the date the parent Board reviewed the qualification documentation, or by attaching a copy of the parent Board’s meeting minutes reflecting their review of the qualification documentation. The qualification documentation shall be considered workpapers and be available for inspection upon regulator request or during a financial examination.



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1A. Definitions

“Appointed Actuary” is a Qualified Actuary (or individual otherwise approved by the domiciliary commissioner) appointed by the Board of Directors in accordance with Section 1 of these instructions.

“Board of Directors” can include the designated Board of Directors, its equivalent or an appropriate committee directly reporting to the Board of Directors.

“Qualified Actuary” is a person who:

- (i) Meets 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 *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States (U.S. Qualifications Standards)*, promulgated by the American Academy of Actuaries (Academy);
- (ii) Has obtained and maintains an Accepted Actuarial Designation; and
- (iii) Is a member of a professional actuarial association that requires adherence to the same *Code of Professional Conduct* promulgated by the Academy, requires adherence to the *U.S. Qualification Standards*, and participates in the Actuarial Board for Counseling and Discipline when its members are practicing in the U.S.

An exception to parts (i) and (ii) of this definition would be an actuary evaluated by the Academy’s Casualty Practice Council and determined to be a Qualified Actuary for particular lines of business and business activities.

“Accepted Actuarial Designation” in item (ii) of the definition of a Qualified Actuary, is an actuarial designation accepted as meeting or exceeding the NAIC’s Minimum Property/Casualty (P/C) Actuarial Educational Standards for a P/C Appointed Actuary (published on the NAIC website). The following actuarial designations, with any noted conditions, are accepted as meeting or exceeding basic education minimum standards:

- (i) Fellow of the CAS (FCAS) – Condition: basic education must include Exam 6 – Regulation and Financial Reporting (United States);
- (ii) Associate of the CAS (ACAS) – Conditions: basic education must include Exam 6 – Regulation and Financial Reporting (United States) and Exam 7 – Advanced Estimation of Policy Claims Liabilities, Insurance Company Valuation, and Enterprise Risk Management;
- (iii) Fellow of the SOA (FSA) – Conditions: basic education must include completion of the following courses: GI 101 Ratemaking and Reserving; GI 201 Operational, Financial, Regulatory, and Legal; GI 301 Further Topics in General Insurance; and GI 302 General Insurance in the U.S. general insurance track, including the following optional exams: the United States’ version of the Financial and Regulatory Environment Exam and the Advanced Topics in General Insurance Exam.

The table below provides some allowable exam substitutions for (i), (ii), and (iii) in the definition of “Accepted Actuarial Designation:” Noting that since CAS and SOA exams have changed over time, exceptions are granted for exams completed under earlier syllabi for (i) and (ii) provide for FCAS/ACAS designations achieved before an exam was created (e.g., CAS Exam 6-US) or with an earlier version of an exam or exam topic (e.g., 2010 CAS Exam 6 instead of the current CAS Exam 7 Section A). FCAS/ACAS qualified under the 2018 and prior Statement of Actuarial Opinion instructions can use the noted substitution rules to achieve qualification under the new instructions by demonstrating basic and/or continuing education of the required topics including material in CAS Exam 6 (US) and section A of CAS Exam 7 (in the May 2019 CAS syllabus). Exceptions for (iii) for an FSA are also included in the table. The SOA exams completed in the general insurance track in 2019 and prior should be supplemented with continuing education and experience to meet basic education requirements in the *U.S. Qualification Standards*. For purpose of these instructions only, the table also includes specific exams from other organizations that are accepted as substitutes.

Exception for (i), (ii), or (iii)	Exam:	Exam Substitution Allowed*
(i) and (ii)	CAS Exam 6 (US)	<ol style="list-style-type: none"> Any CAS version of a U.S. P/C statutory accounting and regulation exam administered prior to creation of the CAS Exam 6 (US) in 2011. An FCAS or ACAS earned prior to 2021 who did not pass CAS Exam 6 (US) or an allowable exam substitution, may substitute experience and/or continuing education for CAS Exam 6 (US) provided the Appointed Actuary explains in his/her qualification documentation how knowledge of U.S. financial reporting and regulation was obtained. <p>SOA FREU (US) Exam</p>
(ii)	CAS Exam 7	<ol style="list-style-type: none"> Any CAS version of an exam including advanced P/C reserving administered prior to creation of Exam 7 in 2011. Any version of CAS Exam 7 administered since 2011. An ACAS earned prior to 2021 who did not pass CAS Exam 7 or an allowable exam substitution, may substitute experience and/or continuing education for CAS Exam 7 provided the Appointed Actuary explains in his/her qualification documentation how knowledge of the additional reserving topics in CAS Exam 7 (Section A) in the May 2019 syllabus was obtained. <p>SOA Advanced Topics Exam (Note: The ERM portion of Exam 7 is not needed to meet NAIC educational standards, therefore SOA ERM Exam is not needed for the substitution for this purpose.)</p>
(iii)	<u>SOA GI 101</u>	<u>SOA General Insurance Ratemaking and Reserving Exam administered after 2019</u>
(iii)	<u>SOA GI 201</u>	<u>SOA Introduction to General Insurance Exam administered after 2019 and SOA Financial Economics, Regulation and Law Module completed prior to 2026</u>
(iii)	<u>SOA GI 301</u>	<ol style="list-style-type: none"> <u>SOA Advanced Topics in General Insurance Exam administered after 2019 and SOA General Insurance Applications Module completed prior to 2026</u> <u>CAS Exam 7 and SOA General Insurance Applications Module completed prior to 2026.</u>
(iii)	<u>SOA GI 301302</u>	<ol style="list-style-type: none"> <u>United States' version of the SOA Financial and Regulatory Environment Exam administered after 2019.</u> <u>CAS Exam 6 (US)</u>
(iii)	SOA FREU (US) Exam	<ol style="list-style-type: none"> CAS Exam 6 (US) Any CAS version of a U.S. statutory accounting and regulation exam administered prior to creation of the CAS Exam 6 in 2011.
(iii)	SOA Advanced Topics Exam	<ol style="list-style-type: none"> CAS Exam 7 Any CAS version of an exam containing the advanced techniques to estimate policy liabilities (i.e., advanced reserving).
*Note: These exam substitutions only apply to these instructions and are not applicable for CAS or SOA exam waivers.		

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4. The SCOPE paragraph should contain a sentence such as the following:

“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 December 31, 20__, and reviewed information provided to me through XXX date.”

Exhibit A should list those items and amounts with respect to which the Appointed Actuary is expressing an opinion.

As required by SSAP No. 65, Exhibit A should also include the reserve for Direct and Assumed Unearned Premiums for P&C Long Duration Contracts and the reserve for Net Unearned Premiums for P&C Long Duration Contracts, regardless of whether the amounts are material.

The Appointed Actuary should state that the items in the SCOPE, on which he or she is expressing an opinion, reflect Disclosure items 8 through ~~13~~12.2 in Exhibit B.

The SCOPE paragraph should include a paragraph such as the following regarding the data used by the Appointed Actuary in forming the opinion:

“In forming my opinion on the loss and loss adjustment expense reserves, I relied upon data prepared by _____ (~~officer~~ individual’s name and title at the Company). I evaluated that data for reasonableness and consistency. I also reconciled ~~that~~ the data used in my analysis to Schedule P, Part 1 of the Company’s current Annual Statement. In other respects, my examination included such review of the actuarial assumptions and methods used and such tests of the calculations as I considered necessary.”

5. The OPINION paragraph should include a sentence that at least covers the points listed in the following illustration: “In my opinion, the amounts carried in Exhibit A on account of the items identified:
- A. Meet the requirements of the insurance laws of (state of domicile).
 - B. Are computed in accordance with accepted actuarial standards.
 - C. Make a reasonable provision for all unpaid loss and loss adjustment expense obligations of the Company under the terms of its contracts and agreements.”

If the Scope includes material Unearned Premium Reserves for P&C Long Duration Contracts, ~~or~~ Other Loss Reserve items, or Other Premium Reserve items on which the Appointed Actuary is expressing an opinion, the Actuarial Opinion should contain language such as the following:

- D. Make a reasonable provision for the unearned premium reserves for P&C Long Duration Contracts and/or <insert Other ~~Loss~~-Reserve item on which the Appointed Actuary is expressing an Opinion> of the Company under the terms of its contracts and agreements.

If the Unearned Premium Reserves for P&C Long Duration Contracts reported on lines 7 or 8 of Exhibit A are non-zero 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.

If there is any aggregation or combination of items in Exhibit A, the opinion language should clearly identify the combined items.

Insurance laws and regulations shall at all times take precedence over the actuarial standards.

If the Appointed Actuary has ~~made use of the analysis of~~ another actuary’s analysis that was not produced under ~~not within~~ the Appointed Actuary’s control/direction (such as for pools and associations, for a subsidiary or for special lines of business) for a material portion of the reserves, the other actuary must be identified by name, credential, and affiliation within the OPINION paragraph. If the Appointed Actuary has ~~made use of~~ the work of a non-actuary (such as for modeling) for a material portion of the reserves, that individual must be identified by name and affiliation and a description of the type of analysis performed must be provided.



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6. The Appointed Actuary must provide RELEVANT COMMENT paragraphs to address the following topics of regulatory importance.

A. Company-Specific Risk Factors

The Appointed Actuary should include an explanatory paragraph to describe the major factors, combination of factors or particular conditions underlying the risks and uncertainties the Appointed Actuary considers relevant. The explanatory paragraph should not include general, broad statements about risks and uncertainties due to economic changes, judicial decisions, regulatory actions, political or social forces, etc., nor is the Appointed Actuary required to include an exhaustive list of all potential sources of risks and uncertainties.

B. Risk of Material Adverse Deviation

The Appointed Actuary must provide specific RELEVANT COMMENT paragraphs to address the risk of material adverse deviation. The Appointed Actuary must identify the materiality standard and the basis for establishing this standard. The materiality standard must also be disclosed in U.S. dollars in Exhibit B: Disclosures. The Appointed Actuary should explicitly state whether or not he or she reasonably believes that there are significant risks and uncertainties that could result in material adverse deviation. This determination is also to be disclosed in Exhibit B.

C. Other Disclosures in Exhibit B

RELEVANT COMMENT paragraphs should describe the significance of each of the remaining Disclosure items (8 through 14) in Exhibit B. The Appointed Actuary should address the items individually and in combination when commenting on a material impact.

Disclosure item 11 in Exhibit B requests amounts for the extended reporting endorsement policy reserve associated with claims-made contracts. This policy reserve is required by SSAP No. 65 if a claims-made policy provides extended reporting coverage at no additional charge in the event of death, disability, or retirement of a natural person insured. In such instance, the company must accrue a policy reserve before the triggering event (the death, disability, or retirement of the insured) to assure that premiums are not earned prematurely. The amount of the reserve should be adequate to pay for all future claims arising from these coverage features after recognition of future premiums to be paid by current insureds for these benefits. SSAP No. 65 states that this reserve shall be classified as a component part of the unearned premium reserve, but some companies instead report the reserves as part of the loss and loss adjustment expense reserves. The reserve amount reported on Exhibit B, item 11 should be greater than or equal to the amount reported in Item 1.2 of the Schedule P Interrogatories. The Schedule P Interrogatory only asks for the policy reserve associated with medical professional liability policies, but item 11 on Exhibit B should include policy reserves for all P&C lines of business, not just medical professional liability; this extended reporting coverage is also available for other lines, such as legal professional liability, architect professional liability, etc.



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7. The Actuarial Opinion must include assurance that an Actuarial Report and underlying actuarial workpapers supporting the Actuarial Opinion will be maintained at the Company and available for regulatory examination for seven (7) years. The Actuarial Report contains significant proprietary information. It is expected that the Actuarial Report be held confidential and not be intended for public inspection. The Actuarial Report must be available by May 1 of the year following the year-end for which the Actuarial Opinion was rendered or within two (2) weeks after a request from an individual state commissioner.

The Actuarial Report should be consistent with the documentation and disclosure requirements of ASOP No. 41, Actuarial Communications. The Actuarial Report must contain both narrative and technical components. The narrative component should provide 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. The technical component should provide sufficient documentation and disclosure for another actuary practicing in the same field to evaluate the work. This technical component must show the analysis from the basic data (e.g., loss triangles) to the conclusions.

Actuarial Guideline LI—The Application of Asset Adequacy Testing to Long-Term Care Insurance Reserves (AG 51) in the NAIC *Accounting Practices and Procedures Manual* requires a company with over 10,000 in force lives covered by long-term care (LTC) insurance contracts as of the valuation date to perform a stand-alone asset adequacy analysis for its in force long-term care (LTC) contracts. The Actuarial Report and workpapers summarizing the results, assumptions and testing procedures for the asset adequacy testing of LTC business must be in compliance with AG 51 requirements. When referring to AG 51, the term “Actuarial Memorandum” is synonymous with Actuarial Report and workpapers.

The Actuarial Report should contain disclosure of all reserve amounts associated with A&H Long Duration Contracts reported by the Company; the reserve amounts in the Actuarial Report should tie to the Annual Statement.

The Actuarial Report must also include:

- A. A 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.
- B. 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.
- C. 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 Appointed Actuary’s analysis, to the Annual Statement Schedule P line of business reporting. An explanation should be provided for any material differences.
 - i. The reconciliation should compare the data used by the Appointed Actuary in the analysis to Schedule P. It is not sufficient to reconcile the data provided by the Company to the Appointed Actuary to Schedule P. It is important for the Appointed Actuary to demonstrate that in the process of performing the actuarial analysis, data was neither created nor destroyed. This is commonly accomplished by showing a clear mapping from the Appointed Actuary’s analysis exhibits to the actuarial data shown in the Schedule P reconciliation.
 - ii. If the reconciliation was not produced under the Appointed Actuary’s direction, the Appointed Actuary should identify who performed the reconciliation and confirm that the Appointed Actuary reviewed the reconciliation for reasonableness.
- D. 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. The exhibit or appendix should illustrate the changes on a net basis but should also include the changes on a gross basis, if relevant. If the Appointed Actuary is newly appointed and does not review the work of the prior Appointed Actuary, then the Appointed Actuary should disclose this.
- E. Extended comments on trends that indicate the presence or absence of risks and uncertainties that could result in material adverse deviation.
- F. Extended comments on factors that led to unusual IRIS ratios for One-Year Reserve Development to Policyholders’ Surplus, Two-Year Reserve Development to Policyholders’ Surplus or Estimated Current Reserve Deficiency to Policyholders’ Surplus, and how these factors were addressed in prior and current analyses.

G. 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:

i. 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.

ii. 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.

iii. If the Appointed Actuary reviewed the other's underlying analysis, the Appointed Actuary's conclusions from the review.



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Exhibit B: DISCLOSURES

DATA TO BE FILED IN BOTH PRINT AND DATA CAPTURE FORMATS

NOTE: Exhibit B should be completed for Net dollar amounts included in the SCOPE. If an answer would be different for Direct and Assumed amounts, identify and discuss the difference within RELEVANT COMMENTS.

- | | Last | First | Mid |
|---|----------|-------|-----------------------------------|
| 1. Name of the Appointed Actuary | _____ | _____ | _____ |
| 2. The Appointed Actuary's relationship to the Company
Enter E or C based upon the following:
E if an Employee of the Company or Group
C if a Consultant | | _____ | |
| 3. The Appointed Actuary's Accepted Actuarial Designation
(indicated by the letter code):
F if a Fellow of the Casualty Actuarial Society (FCAS)
A if an Associate of the Casualty Actuarial Society (ACAS)
S if a Fellow of the Society of Actuaries (FSA) through the General Insurance track
M if the actuary does not have an Accepted Actuarial Designation but is approved by the Academy's Casualty Practice Council.
O for Other | | _____ | |
| 4. Type of Opinion, as identified in the OPINION paragraph.
Enter R, I, E, Q, or N based upon the following:
R if Reasonable
I if Inadequate or Deficient Provision
E if Excessive or Redundant Provision
Q if Qualified. Use Q when part of the OPINION is Qualified.
N if No Opinion | | _____ | |
| 5. Materiality Standard expressed in U.S. dollars (used to Answer Question #6) | \$ _____ | | |
| 6. Are there significant risks that could result in Material Adverse Deviation? | | | Yes [] No [] Not Applicable [] |

- 7. Statutory Surplus (Liabilities, Surplus, and Other Funds page, Col 1, Line 37) \$ _____
- 8. Anticipated net salvage and subrogation included as a reduction to loss reserves as reported in Schedule P (should equal Part 1 Summary, Col 23, Line 12 * 1000) \$ _____
- 9. Discount included as a reduction to loss reserves and loss adjustment expense reserves as reported in Schedule P
 - 9.1 Nontabular Discount [Notes, Line 32B23, (Amounts 1, 2, 3 & 4)], Electronic Filing Cols 1, 2, 3, & 4 \$ _____
 - 9.2 Tabular Discount [Notes, Line 32A23, (Amounts 1 & 2)], Electronic Filing Col 1 & 2 \$ _____

~~10. The net reserves for losses and loss adjustment expenses for the Company's share of voluntary and involuntary underwriting pools' and associations' unpaid losses and loss adjustment expenses that are included in reserves shown on the Liabilities, Surplus, and Other Funds page, Losses and Loss Adjustment Expenses lines~~ \$ _____

~~11.10. The net reserves for losses and loss adjustment expenses that the Company carries for the following liabilities included on the Liabilities, Surplus, and Other Funds page, Losses and Loss Adjustment Expenses lines *~~

~~11.10.1 Asbestos, as disclosed in the Notes to Financial Statements (Notes, Line 33A03D, ending net asbestos reserves for current year) Electronic Filing Col 5~~ \$ _____

~~11.10.2 Environmental, as disclosed in the Notes to Financial Statements (Notes, Line 33D03D, ending net environmental reserves for current year), Electronic Filing Col 5~~ \$ _____

~~12.11. Extended reporting endorsement policy reserve associated with claims-made contracts. The total claims made extended loss and loss adjustment expense, and unearned premium reserves (Greater than or equal to Schedule P Interrogatories, Line 1.2)~~

~~12.11.1 Amount reported as loss and loss adjustment expense reserves~~ \$ _____

~~12.11.2 Amount reported as unearned premium reserves~~ \$ _____

~~13.12. The net reserves for the A&H Long Duration Contracts that the Company carries on the following lines on the Liabilities, Surplus, and Other Funds page:~~

~~13.12.1 Losses~~ \$ _____

~~13.12.2 Loss Adjustment Expenses~~ \$ _____

~~13.12.3 Unearned Premium~~ \$ _____

~~13.12.4 Write-In (list separately, adding additional lines as needed, and identify (e.g., "Premium Deficiency Reserves", "Contract Reserves other than Premium Deficiency Reserves" or "AG 51 Reserves"))~~ \$ _____

| ~~14~~13. Other items on which the Appointed Actuary is providing relevant comment (list separately, adding additional lines as needed) \$ _____

| * The reserves disclosed in item ~~11~~10 above, should exclude amounts relating to contracts specifically written to cover asbestos and environmental exposures. Contracts specifically written to cover these exposures include Environmental Impairment Liability (post 1986), Asbestos Abatement, Pollution Legal Liability, Contractor's Pollution Liability, Consultant's Environmental Liability, and Pollution and Remediation Legal Liability.

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