



MEMORANDUM

DATE: October 26, 2007

TO: Federally Regulated Property and Casualty Insurance Companies

FROM: Stuart Wason, Senior Director, Actuarial Division, Regulation Sector

SUBJECT: 2007 Memorandum for Actuarial Reports on Property and Casualty Business

COPY: Appointed Actuaries of Federally Registered Property and Casualty Insurance Companies

Every year, we update the Memorandum for Actuarial Reports on Property and Casualty Business pursuant to section 667 of the *Insurance Companies Act*. The Memorandum outlines the guidelines and requirements for the actuaries who are required to prepare reports to be filed with the P&C-1 and P&C-2 annual returns.

This Memorandum is the result of discussions between OSFI and other provincial regulators in an effort to harmonize the insurance regulators' actuarial requirements for companies. This Memorandum can be found on the OSFI website in English and French respectively at:

http://www.osfi-bsif.gc.ca/osfi/index_e.aspx?DetailID=210#memopc

http://www.osfi-bsif.gc.ca/osfi/index_f.aspx?ArticleID=210#memopc

Instructions that deserve special attention are highlighted in bold. Please note that the electronic filing of the Unpaid Claims and Loss Ratio Analysis Exhibit is due at the same time as the Annual Return. Electronic filing instructions for the exhibit are available separately from this Memorandum.

Although discounting of policy liabilities has been required for all federally regulated property and casualty insurance companies since January 1, 2003, the comparison of Actual Experience with Expected Experience must still be provided for the last five years on an **undiscounted basis**.



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Instructions for submitting the Appointed Actuary's Report to OSFI are shown in Section 6.3. Note that for security reasons, e-mail should not be used.

Should you have any questions, please do not hesitate to contact Patricia Hladun at 416-973-7010, patricia.hladun@osfi-bsif.gc.ca or David Oakden at 416-973-0613, david.oakden@osfi-bsif.gc.ca.

A hard copy of this Memorandum can be obtained upon request; please send your request to Eleanor Reubins at 416-973-3680, by fax to 416-952-0664 or at eleanor.reubins@osfi-bsif.gc.ca.

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