



Deadline: 28 February 2018

Please use this template to comment on the [Exposure Draft of ISAP 6 on on Enterprise Risk Management Programs and IAIS Insurance Core Principles](#), and the proposed revisions to the [Glossary for ISAP 6](#).

The IAA invites comments on this Exposure Draft, particularly on the questions set out below. Comments are most helpful if they:

- (a) Comment on the questions as stated;
- (b) Indicate the specific paragraph or group of paragraphs to which they relate;
- (c) Contain a clear rationale; and
- (d) Include any alternative that the IAA should consider, if applicable within the scope of the [Statement of Intent for ISAP 6](#).

	<b>Identification and instructions</b>	
Name of Individual:	Please indicate if your comments are personal, or represent your organization:	<b>Sanchit Maini representing organization</b>
Name of organization		<b>Institute of Actuaries of India</b>
Disclosure of comments:	Please indicate if your comments should be treated as confidential, and if so why:	<b>No need for comments to be treated as confidential</b>
Instructions for filling in and sending the template	<p>Please follow the following instructions for filling in the template:</p> <ul style="list-style-type: none"> <li>⇒ Do <b>not</b> write in the yellow shaded cells</li> <li>⇒ Write in the white cells</li> <li>⇒ When commenting on a specific paragraph: <ul style="list-style-type: none"> <li>○ Please use a separate row for each paragraph, sub paragraph, or bullet.</li> <li>○ Please include the full reference in the first column such as “Introduction 3<sup>rd</sup> paragraph 2<sup>nd</sup> bullet” or “2.6.1.b.ii”</li> <li>○ Please insert/append extra rows as needed.</li> </ul> </li> </ul> <p><b>Please send the completed template, renamed with the organization’s or individual’s name, attached in <u>Word Format</u>, to <a href="mailto:ISAP6.comments@actuaries.org">ISAP6.comments@actuaries.org</a></b></p>	



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	Specific Questions asked by the ASC	Response
Q1.	Is the guidance clear and unambiguous? If not, how should it be changed?	Yes
Q2.	Is the guidance sufficient and appropriate? If not, how should it be changed?	Yes
Q3.	Is the guidance at the right level of detail? If not, what text should be omitted because it is too detailed? In what areas do actuaries need more detailed guidance?	Yes
Q4.	Are there other matters that should be included in this standard? Are there some included here that should not be?	No

	General Comments on the ISAP 6 Exposure Draft	

Comments on specific paragraphs of the ISAP 6 Exposure Draft		
Full paragraph reference	Change proposed to the paragraph (markup preferred)	Reason the change is needed (can be kept very brief or left blank if obvious from the change)
2.3.1	Add an additional sub-bullet (suggest between g and h): The interaction of risks should be taken into account;	
2.3.1 (i)	To amend as: The impact that an insurer's culture, <u>governance structure</u> and remuneration	



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	systems may have on the ability and willingness of the management and staff to identify and manage risks, and whether culture, <u>governance structure</u> or remuneration generates <del>or</del> , magnifies <u>or mitigates</u> risks.	
2.3.3 (f)	<b>To amend as:</b>  The culture within the insurer to commit to, and implement, risk mitigation actions when needed, <u>having regard to past practices or commitments made in policies</u> ;	
2.4.1 (a)	<b>To amend as:</b>  a. The financial strength, risk profile, business management, <u>governance structure</u> and risk environment of the insurer;	
2.4.1 (b)	<b>To amend as:</b>  Whether the risk management processes are suitably aligned with the insurer's objectives and strategy, regarding aggregate risk taking and regarding each major risk category, as reflected by the risk appetite, risk tolerance, <del>and</del> risk limits <u>and any other relevant policies</u> ;	<b>It would be suitable for the actuary to take account of any other relevant policies that might bear relevance eg ALM policy, underwriting policy etc</b>
2.5.1 (f)	To amend as:	



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	<p>Assumptions regarding future management actions, <u>including the appropriateness of such management actions having regard to any relevant past practices or commitments made in policies</u>, and access to new capital in times of financial stress as well as prior experiences in the industry with similar actions;</p>	
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**Comments on specific definitions in the Exposure Draft of the updated Glossary**

**Note that only the proposed revisions are open for comment**

<b>Defined Term</b>	<b>Change proposed to the definition (markup preferred)</b>	<b>Reason the change is needed (can be kept very brief or left blank if obvious from the change)</b>