

Memorandum

Date: 30 March 2023

To: Executive Committee (EC)

From: Andrew Chamberlain, Chair, Actuarial Standards Committee (ASC)

Re: ISAP 7 – “Current Estimates” and Other Matters in Relation to the IAIS Insurance Capital Standard

Cc: Peter Withey, Chair, Professionalism Committee

Our objective is to obtain Council approval for ISAP 7 at the May 2023 Council meeting in Sydney. The ASC unanimously approved the proposed final ISAP 7 along with the associated documents referred to below (approved by e-mail vote concluded on 15 March 2023). In accordance with Due Process, we seek your approval for submission of our proposed final ISAP 7 and the updated Glossary to Council.

Due Process also requires advice from the Professionalism Committee (PC) that the production of the ISAP has conformed with Due Process. We have been keeping the PC informed along the way, and I understand that PC Chair, Peter Withey, will address that issue.

As you are aware, in keeping with the requirements of the Due Process we have conducted a final review consultation involving all IAA member associations and commenters on the Exposure Draft to enable them (a) to draw attention to any unintended consequences in the final draft’s wording, and (b) to determine whether their comments have been appropriately considered in the preparation of the proposed final draft.

We received seven responses to the consultation which are posted on the [IAA website](#).

The ASC and its ISAP 7 TF have carefully reviewed the comments received and made a few non-substantial changes to the proposed final ISAP 7 following the final review consultation. ASC’s responses to the comments received are detailed in the final review consultation report.

We have prepared this memo for discussion and approval at the EC meeting on 13 April 2023. It comes with the following attachments:

1. Proposed Final ISAP 7 - for approval to be placed on the 30-day Council Agenda
2. Updated Glossary – for approval to be placed on the 30-day Council Agenda. Please note that no new terms were added to the glossary on account of ISAP 7; the only updates are references to the ISAP for the defined terms used in ISAP 7.
3. Report on final review consultation on ISAP 7 and Glossary - for information and discussion.
4. Markup on the final review consultation version of the Proposed Final ISAP 7 - for information only

The ASC is very grateful to Nick Dexter and the ISAP 7 TF for the excellent work they have done.

I am at your disposal if you have any questions.