

**Title of Exposure Draft: ASOP No. 30**

**Comment Deadline: November 1, 2024**

Instructions: Please review the exposure draft, and give the ASB the benefit of your recommendations by completing this comment template. Please fill out the tables within the section below, adding rows as necessary. Sample for completing the template provided at the following link: <http://www.actuarialstandardsboard.org/email/2020/ASB-Comment-Template-Sample.docx>

Each completed comment template received by the comment deadline will receive consideration by the drafting committee and the ASB. The ASB accepts comments by email. Please send to [comments@actuary.org](mailto:comments@actuary.org) and include the phrase 'ASB COMMENTS' in the subject line. Please note: Any email not containing this exact phrase in the subject line will be deleted by our system's spam filter.

The ASB posts all signed comments received to its website to encourage transparency and dialogue. Comments received after the deadline may not be considered. Anonymous comments will not be considered by the ASB nor posted to the website. Comments will be posted in the order that they are received. The ASB disclaims any responsibility for the content of the comments, which are solely the responsibility of those who submit them.

**I. Identification:**

Name of Commentator / Company
Nicholas Baron, ACAS / Zurich American Insurance Company, comments based on a group review of the ASOP

**II. ASB Questions (If Any). Responses to any transmittal memorandum questions should be entered below.**

Question No.	Commentator Response

**III. Specific Recommendations:**

Section # (e.g. 3.2.a)	Commentator Recommendation (Please provide recommended wording for any suggested changes)	Commentator Rationale (Support for the recommendation)
2.2, 2.6	Are the Contingency Provisions (2.2) and Risk Margins (2.6) supposed to be mutually exclusive?	It is unclear to us if overlap is expected between the Contingency Provision and the Risk Margin or if they are supposed to be mutually exclusive.  For example, during our discussion we felt that the uncertainty of cash flows in the Risk Margin would also be a part of the difference between modeled expected losses and actual expected losses in the Contingency Provision.
2.2, 2.5, 2.6	Could an example(s) to be included in the definitions of these terms?	Examples could help clarify the distinction or overlap of these terms.  For example, it is unclear to us if "cash flows" in the definition of Risk Margin refers to only premium cash flows or all cash flows including losses and expenses.

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**IV. General Recommendations (If Any):**

Commentator Recommendation (Identify relevant sections when possible)	Commentator Rationale (Support for the recommendation)
Will this exposure draft result in changes to the typical loss cost multiplier form used in a state rate filing? If so, how?	

**V. Signature:**

Commentator Signature	Date
Nicholas Baron, ACAS	10/2/2024