**Life Actuarial (A) Task Force/ Health Actuarial (B) Task Force**

**Amendment Proposal Form**

1. Identify yourself, your affiliation and a very brief description (title) of the issue.

This APF was jointly prepared by the Staff of Office of Principle-Based Reserving, California Department of Insurance and NAIC Support Staff.

This APF addresses recommendation #1 from VAWG’s 10/24/2018 memo regarding PBR Recommendations and Referrals to LATF.

1. Identify the document, including the date if the document is “released for comment,” and the location in the document where the amendment is proposed:

Valuation Manual (January 1, 2019 edition), new VM-31 Section 3.B.3.g

1. Show what changes are needed by providing a red-line version of the original verbiage with deletions and identify the verbiage to be deleted, inserted or changed by providing a red-line (turn on “track changes” in Word®) version of the verbiage. (You may do this through an attachment.)

Please see Appendix attached.

1. State the reason for the proposed amendment? (You may do this through an attachment.)

Please see attached Appendix.

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NAIC Staff Comments:

|  |  |  |  |
| --- | --- | --- | --- |
| **Dates:** Received | Reviewed by Staff | Distributed | Considered |
| 12/3/18 |  |  |  |
| **Notes:** VM APF 2018-60 (CA OPBR/NAIC CG) | | | |

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# Appendix

#### ISSUE:

#### Regulators need assurance that appropriate governance processes are in place.

#### SECTIONS:

VM-31, (new) Section 3.B.3.g

#### REDLINE:

**VM-31, Section 3.B.3**

g. Governance – A statement indicating that governance documentation, including that required by VM-G Section 2.A.5, Section 3.A.6, and Section 4.A.3, is readily available upon request.

#### REASONING:

Provide greater assurance that necessary governance measures are in place.

Note: VAWG suggested this change for Section 2.D, but we felt that Section 3 was more appropriate since it provides specific PBR Actuarial Report requirements in the order in which they must be provided.