



The role of the Statutory Actuary in Life Insurance

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The Business of Change: 2010 and Beyond



Role of the Statutory Actuary

Shareholders

Policyholders



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Long-term Insurance Act

Financial soundness

- Product design & pricing
- Valuation of liabilities
- Capital requirements
- Bonus declarations
- Dividend declarations
- Kind & spread of assets
- Policy changes

Treating customers fairly

- Policy distinctions justified
- Reasonable expectations
- PPFM

PGN 106

Sound financial position

Reasonable benefit expectations

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SH interests = PH interests

Profitability

Financial soundness

New business growth

Market share

Policyholder security

Competitive pricing

Value for money

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Potential conflicts of interest

- Policyholder fund asset allocation
- Bonus declarations
- Management actions in adverse circumstances
- New business pricing

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Separate SH & PH Roles

Shareholders



Policyholders



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Separate SH & PH Roles

Shareholder role

- Financial soundness
- Valuation of liabilities
- Risk management
- Capital requirements
- Capital management
- Dividends
- New product design and pricing
- Bonuses
- PHF & SHF asset allocation

Policyholder role

- Treating customers fairly
- Compliance with PPFM
- PH communication
- Management action in adverse circumstances
- Value for money to PH
- Bonuses
- PHF asset allocation

