

**CHAPTER 84b. ACTUARIAL OPINION AND  
MEMORANDUM**

- Sec.  
84b.1. Purpose.  
84b.2. Applicability.  
84b.3. Scope.  
84b.4. Definitions.  
84b.5. General requirements.  
84b.6. [Reserved].  
84b.7. [Reserved].  
84b.8. Statement of actuarial opinion based on an asset adequacy analysis.  
84b.9. Description of actuarial memorandum including an asset adequacy analysis and regulatory asset adequacy issues summary.  
84b.10. [Reserved].  
84b.11. Insurance company disciplinary action.

**Authority**

The provisions of this Chapter 84b issued under sections 206, 506, 1501 and 1502 of The Administrative Code of 1929 (71 P. S. §§ 66, 186, 411 and 412); and section 301(f) of The Insurance Department Act of 1921 (40 P. S. § 71(f)), unless otherwise noted.

**Source**

The provisions of this Chapter 84b adopted December 9, 1994, effective December 10, 1994, 24 Pa.B. 6139, unless otherwise noted.

**Cross References**

This chapter cited in 31 Pa. Code § 84d.3 (relating to 2001 CSO Mortality Table); and 31 Pa. Code § 84d.3a (relating to 2001 CSO Preferred Class Structure Mortality Table).

**§ 84b.1. Purpose.**

The purpose of this chapter is to promulgate requirements for statements of actuarial opinions and for supporting memoranda as required by section 301(g) of the act (40 P. S. § 71(g)) and to provide guidance on the meaning of adequacy of reserves.

**Source**

The provisions of this § 84b.1 amended October 24, 2008, effective January 1, 2009, 38 Pa.B. 5855. Immediately preceding text appears at serial page (323709).

**§ 84b.2. Applicability.**

This chapter applies to life insurance companies and fraternal benefit societies doing business in this Commonwealth. This chapter shall be applied in a manner that allows the appointed actuary to utilize professional judgment in performing the asset adequacy analysis and developing the actuarial opinion and supporting memoranda, consistent with relevant actuarial standards of practice. However, the Commissioner will have the authority to require specific methods of actuarial analysis and actuarial assumptions when, in the Commissioner's judgment, these specifications are necessary for an acceptable opinion to be rendered relative to the adequacy of reserves and related items.

84b-1

**Source**

The provisions of this § 84b.2 amended October 24, 2008, effective January 1, 2009, 38 Pa.B. 5855. Immediately preceding text appears at serial page (323709).

**§ 84b.3. Scope.**

A statement of opinion on the adequacy of the reserves and related actuarial items based on an asset adequacy analysis in accordance with § 84b.8 (relating to statement of actuarial opinion based on asset adequacy analysis), and a memorandum in support thereof in accordance with § 84b.9 (relating to description of actuarial memorandum including an asset adequacy analysis and regulatory asset adequacy issues summary) shall be required each year.

**Source**

The provisions of this § 84b.3 amended October 24, 2008, effective January 1, 2009, 38 Pa.B. 5855. Immediately preceding text appears at serial pages (323709) to (323710).

**§ 84b.4. Definitions.**

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

*Act*—The Insurance Department Act of 1921 (40 P. S. §§ 1—297.4).

*Actuarial opinion*— The opinion of an appointed actuary regarding the adequacy of the reserves and related actuarial items based on an asset adequacy analysis in accordance with § 84b.8 (relating to statement of actuarial opinion based on an asset adequacy analysis) and with applicable actuarial standards.

*Actuarial Standards Board*—The board established by the American Academy of Actuaries, or a successor thereto, to develop and promulgate standards of actuarial practice.

*Annual statement*—The statement required by section 320 of the Insurance Company Law of 1921 (40 P. S. § 443) to be filed by a life insurance company with the Commissioner annually and the statement required by section 602 of The Fraternal Benefit Societies Code (40 P. S. § 1142-602) to be filed by a fraternal benefit society with the Commissioner annually.

*Appointed actuary*—A qualified actuary who is appointed or retained either directly by the board of directors or by the authority of the board of directors through an executive officer of the company, provided that the executive officer is not the qualified actuary of the company, to prepare the statement of actuarial opinion and supporting memorandum as required by 301(g) of the act (40 P. S. § 71(g)).

*Asset adequacy analysis*—An analysis that meets the standards and other requirements referred to in § 84b.5(d) (relating to general requirements).

*Commissioner*—The Insurance Commissioner of the Commonwealth.

*Company*—A life insurance company or fraternal benefit society subject to this chapter.

*Department*—The Insurance Department of the Commonwealth.

*NAIC*—National Association of Insurance Commissioners, or a successor thereto.

*Policy*—When used with respect to a fraternal benefit society, a certificate.

*Qualified actuary*—An individual who meets the requirements in § 84b.5(b).

#### Source

The provisions of this § 84b.4 amended October 24, 2008, effective January 1, 2009, 38 Pa.B. 5855. Immediately preceding text appears at serial pages (323710) and (266389).

#### Cross References

This section cited in 31 Pa. Code § 84c.3 (relating to definitions).

### § 84b.5. General requirements.

#### (a) *Submission of statement of actuarial opinion.*

(1) A company shall include on or attach to Page 1 of the annual statement for each year, the statement of an appointed actuary, entitled “Statement of Actuarial Opinion,” setting forth an opinion relating to reserves and related actuarial items held in support of policies and contracts, in accordance with § 84b.8 (relating to statement of actuarial opinion based on asset adequacy analysis).

(2) Upon written request by the company, the Commissioner may grant an extension of the date for submission of the statement of actuarial opinion.

(b) *Qualified actuary requirements.* A “qualified actuary” is an individual who:

- (1) Is a member in good standing of the American Academy of Actuaries.
- (2) Is qualified to sign statements of actuarial opinion for life and health insurance company annual statements in accordance with the American Academy of Actuaries qualification standards for actuaries signing these statements.
- (3) Is familiar with the valuation requirements applicable to life and health insurance companies.
- (4) Has not been found by the Commissioner (or if so found has subsequently been reinstated as a qualified actuary), following appropriate notice and hearing, to have done one or more of the following:
  - (i) Violated any provision of, or any obligation imposed by, the insurance laws or other law in the course of the individual’s dealings as a qualified actuary.
  - (ii) Been found guilty of fraudulent or dishonest practices.
  - (iii) Demonstrated incompetency, lack of cooperation or untrustworthiness to act as a qualified actuary.
  - (iv) Submitted to the Commissioner during the past 5 years, under this chapter, an actuarial opinion or memorandum that the Commissioner rejected because it did not meet the provisions of this chapter including standards set by the Actuarial Standards Board.

(v) Resigned or been removed as an actuary within the past 5 years as a result of acts or omissions indicated in an adverse report on examination or as a result of failure to adhere to generally acceptable actuarial standards.

(5) Has not failed to notify the Commissioner of any action taken by the insurance regulatory authority of another state similar to that under paragraph (4).

(c) *Appointed actuary notification.* The company shall give the Commissioner written notice of the name, title—and, in the case of a consulting actuary, the name of the firm—and the manner of appointment or retention of each person appointed or retained by the company as an appointed actuary and shall state in the notice that the person meets the requirements in subsection (b). Once notice is furnished, no further notice is required with respect to this person, but the company shall give the Commissioner written notice if the actuary ceases to be appointed or retained as an appointed actuary or to meet the requirements in subsection (b). The notice of the appointment or termination of the appointment shall be provided to the Commissioner by the date of the appointment or termination of the appointment. The notice of termination must disclose the reasons for termination. Additionally, the terminated actuary shall furnish to the Commissioner and to the company a description of valuation reserve issues that the actuary considered as material at the time of termination or a statement that no material issues exist. The description must include issues concerning valuation requirements, reserve adequacy, asset adequacy analysis assumptions or methodology and internal controls on the valuation system.

(d) *Standards for asset adequacy analysis.* The asset adequacy analysis required by this chapter must:

(1) Conform to the Standards of Practice as promulgated from time to time by the Actuarial Standards Board and to additional standards under this chapter, which standards are to form the basis of the statement of actuarial opinion in accordance with § 84b.8.

(2) Be based on methods of analysis deemed appropriate for these purposes by the Actuarial Standards Board.

(e) *Liabilities to be covered.*

(1) Under the authority of section 301(g)(5)(B) of the act (40 P. S. § 71(g)(5)(B)), the statement of actuarial opinion must apply to reserves and related actuarial items associated with all in force business on the statement date, whether directly issued or assumed, regardless of when or where issued (for example, aggregate reserve for insurance and annuity contracts, liability for deposit-type contracts, liability for contract claims and equivalent items in the separate account statement or statements).

(2) If the appointed actuary determines as the result of asset adequacy analysis that a reserve should be held in addition to the aggregate reserve held by the company and calculated in accordance with methods in sections 301(b), (c) and (e), 301.1(a) and 303 of the act (40 P. S. §§ 71(b), (c), (e), 71.1(a) and 73), the company shall establish such additional reserve.

(3) Additional reserves established under paragraph (2) and deemed not necessary in subsequent years may be released. Amounts released shall be dis-

closed in the actuarial opinion for the applicable year. The rationale for the release of reserves shall be described in the memorandum. The release of these reserves would not be deemed an adoption of a lower standard of valuation.

**Source**

The provisions of this § 84b.5 amended October 24, 2008, effective January 1, 2009, 38 Pa.B. 5855. Immediately preceding text appears at serial pages (266389) to (266390) and (229447).

**Cross References**

This section cited in 31 Pa. Code § 84b.4 (relating to definitions); and 31 Pa. Code § 84b.9 (relating to description of actuarial memorandum including an asset adequacy analysis).

**§ 84b.6. [Reserved].**

**Source**

The provisions of this § 84b.6 reserved October 24, 2008, effective January 1, 2009, 38 Pa.B. 5855. Immediately preceding text appears at serial pages (229447) to (229450).

**§ 84b.7. [Reserved].**

**Source**

The provisions of this § 84b.7 reserved October 24, 2008, effective January 1, 2009, 38 Pa.B. 5855. Immediately preceding text appears at serial pages (229450) to (229454).

**§ 84b.8. Statement of actuarial opinion based on an asset adequacy analysis.**

*General description.* The statement of actuarial opinion required under § 84b.5 (relating to general requirements) must consist of the following:

- (1) An opening paragraph that meets the following requirements:
  - (i) Identifies the actuary's name and title.
  - (ii) Identifies the insurance company employing the actuary, or if a consulting actuary, the name of the firm with which the actuary is associated.
  - (iii) States that the actuary is a member of the American Academy of Actuaries (Academy) and that the actuary meets the Academy qualification standards for rendering the opinion.
  - (iv) States that the actuary was appointed by, or by the authority of, the board of directors of the insurer to render the opinion and is familiar with the valuation requirements applicable to life and health insurance companies.
  - (v) States the date of the notification letter sent to the Commissioner with respect to the appointment.
- (2) A scope paragraph that meets the following requirements:
  - (i) Describes the extent of the appointed actuary's work.
  - (ii) Includes a tabulation that meets the following requirements:
    - (A) Reconciles the reserves and related actuarial items that are covered by the opinion to the annual statement of the company.
    - (B) Identifies the reserves and related actuarial items that have been analyzed for asset adequacy and the method of analysis.
    - (C) Identifies the reserves and related actuarial items that have not been analyzed for asset adequacy.
    - (D) Indicates, for each applicable annual statement item the formula reserves, additional actuarial reserves, analysis method, other amount, and

total amount in a format consistent with the “Reserves and Liabilities” Table as adopted by the NAIC in the Actuarial Opinion and Memorandum Model Regulation No. 822.

(iii) Includes a statement that the actuary has examined the actuarial assumptions and actuarial methods used in determining reserves and related actuarial items that are included in the tabulation and reported in the annual statement of the company, as prepared for filing with state regulatory officials, as of December 31 of the relevant year.

(3) A reliance paragraph that meets the following requirements:

(i) Documents the appointed actuary’s reliance on other experts to develop certain portions of the analysis in accordance with subsection (c) and states that the actuary has reviewed the information relied upon for reasonableness.

(ii) If the appointed actuary has examined the underlying asset and liability records, includes the following statements:

(A) The examination included a review of the actuarial assumptions and actuarial methods and of the underlying basic asset and liability records and tests of the actuarial calculations, as considered necessary by the actuary.

(B) The actuary reconciled the underlying basic asset and liability records to the applicable exhibits and schedules of the company’s current annual statement.

(iii) If the appointed actuary has not examined the underlying records, but has relied upon data (for example, listings and summaries of policies in force or asset records) prepared by the company, includes the following:

(A) Documentation of the reliance in accordance with subsection (c).

(B) A statement that, in forming the opinion on specified types of reserves, the actuary relied upon data prepared by a company officer certifying in force records or other data.

(C) The name and title of the company officer certifying in force records or other data.

(D) A statement confirming that the actuary evaluated that data for reasonableness and consistency and reconciled that data to the applicable exhibits and schedules of the company’s current annual statement.

(E) A statement confirming that the actuary’s examination included review of the actuarial assumptions and actuarial methods used and tests of calculations, as considered necessary by the actuary.

(4) An opinion paragraph that meets the following requirements:

(i) States that the reserves and related actuarial items identified in the tabulation:

(A) Are computed in accordance with presently accepted actuarial standards consistently applied and are fairly stated, in accordance with sound actuarial principles.

(B) Are based on actuarial assumptions that produce reserves at least as great as those called for in any contract provision as to reserve basis and method, and are in accordance with other contract provisions.

(C) Meet the requirements of the valuation law and regulations of the state of [state of domicile].

(D) Are computed on the basis of assumptions consistent with those used in computing the corresponding items in the annual statement of the preceding year-end, with any changes in actuarial assumptions noted as exceptions in a separate paragraph. The adoption for new issues or new claims or other new liabilities of an actuarial assumption that differs from a corresponding assumption used for prior new issues or new claims or other new liabilities is not a change in actuarial assumption within the meaning of this clause.

(E) Provide for all reserves and related actuarial items that ought to be established.

(ii) Includes a statement substantially similar to the following, except that the statement may be omitted, at the discretion of the Commissioner, for an opinion filed on behalf of a company doing business only in this Commonwealth:

“The reserves and related actuarial items, when considered in light of the assets held by the company with respect to such reserves and related actuarial items including, but not limited to, the investment earnings on such assets, and the considerations anticipated to be received and retained under such policies and contracts, make adequate provision, according to presently accepted actuarial standards of practice, for the anticipated cash flows required by the contractual obligations and related expenses of the company.”

(iii) States that the actuarial methods, considerations and analyses used in forming the actuary’s opinion conform to the appropriate Standards of Practice as promulgated by the Actuarial Standards Board, which standards form the basis of this statement of opinion.

(iv) Includes one of the following items, as applicable:

(A) A statement that the opinion is updated annually as required by statute, and to the best of the actuary’s knowledge, there have been no material changes from the applicable date of the annual statement to the date of the rendering of the opinion that should be considered in reviewing the opinion.

(B) A description of the material changes that occurred between the date of the statement for which the opinion is applicable and the date of the opinion that should be considered in reviewing the opinion.

(v) States that the impact of unanticipated events subsequent to the date of the opinion is beyond the scope of the opinion.

(vi) States that the asset adequacy portion of the opinion should be viewed recognizing that the company’s future experience may not follow all the assumptions used in the analysis.

(vii) Includes the date and signature, address and telephone number of the appointed actuary.

(5) One or more paragraphs addressing the following items to the extent applicable:

- (i) Disclosure of any qualification of the opinion.
- (ii) Disclosure of any inconsistency in the method of asset allocation used at the prior opinion date with that used for the opinion.
- (iii) Disclosure of any inconsistency in the method of analysis used at the prior opinion date with that used for the opinion.
- (iv) Identification of the existence and extent of additional actuarial reserves released subsequent to the prior opinion date.
- (v) At the option of the appointed actuary, assumptions forming the basis for the actuarial opinion.

(b) *Adverse opinions.* If the appointed actuary is unable to form an opinion, the appointed actuary shall refuse to issue a statement of actuarial opinion. If the appointed actuary's opinion is adverse or qualified, the appointed actuary shall issue an adverse or qualified actuarial opinion explicitly stating the reason for the opinion. This statement should follow the scope paragraph and precede the opinion paragraph.

(c) *Reliance on information furnished by other persons.* If the appointed actuary relies upon other persons regarding the accuracy or completeness of any data underlying the actuarial opinion or appropriateness of any other information used by the appointed actuary in forming the actuarial opinion, the actuarial opinion must:

- (1) Precisely identify the items subject to reliance and the persons relied upon.
- (2) Include a signed, dated certification from each person upon whom the actuary is relying that includes the following:
  - (i) The name, title, company, address and telephone number of the person upon whom the actuary is relying.
  - (ii) The items on which the person is providing information.
  - (iii) A statement as to the accuracy, completeness or reasonableness, as applicable, of the items.

#### Source

The provisions of this § 84b.8 amended October 24, 2008, effective January 1, 2009. Immediately preceding text appears at serial pages (229454) to (229460) and (266391) to (266392).

#### Cross References

This section cited in 31 Pa. Code § 84b.3 (relating to scope); 31 Pa. Code § 84b.4 (relating to definitions); and 31 Pa. Code § 84c.5 (relating to general requirements for basic reserves and premium deficiency reserves).

### **§ 84b.9. Description of actuarial memorandum including an asset adequacy analysis and regulatory asset adequacy issues summary.**

(a) *General.*

(1) In accordance with section 301(g) of the act (40 P. S. § 71(g)), the appointed actuary shall prepare a memorandum to the company describing the analysis done in support of the opinion regarding the reserves. The memorandum shall be made available for examination by the Commissioner upon the Commissioner's request but will be returned to the company after examination



and will not be considered a record of the Department or subject to automatic filing with the Commissioner.

(2) In preparing the memorandum, the appointed actuary may rely on, and include as a part of the memorandum, memoranda prepared and signed by other actuaries who are qualified within the meaning of § 84b.5(b) (relating to general requirements), with respect to the areas covered in the memoranda, and so state in their memoranda.

(3) If the Commissioner requests a memorandum and no memorandum exists or if the Commissioner finds that the analysis described in the memorandum fails to meet the standards of the Actuarial Standards Board or the standards and requirements of this chapter, the Commissioner may designate a qualified actuary to review the opinion and prepare supporting memorandum as is required for review. The reasonable and necessary expense of the independent review shall be paid by the company but will be directed and controlled by the Commissioner. The reviewing actuary shall have the same status as an examiner for purposes of obtaining data from the company. The work papers and documentation of the reviewing actuary shall be retained by the Commissioner. Information provided by the company to the reviewing actuary and included in the work papers shall be considered as material provided by the company to the Commissioner and will be kept confidential to the same extent as is prescribed by law with respect to other material provided by the company to the Commissioner under the act. The reviewing actuary may not be an employe of a consulting firm involved with the preparation of a prior memorandum or opinion for the insurer under this chapter for any one of the current year or the preceding 3 years.

(4) In accordance with section 301(g) of the act, the appointed actuary shall prepare a regulatory asset adequacy issues summary, the contents of which are specified in this section. The regulatory asset adequacy issues summary shall be submitted by March 15 of the year following the year for which a statement of actuarial opinion based on asset adequacy is required. The regulatory asset adequacy issues summary shall be kept confidential to the same extent and under the same conditions as the actuarial memorandum.

(b) *Details of the memorandum section documenting asset adequacy analysis.* When an actuarial opinion is provided, the memorandum must demonstrate that the analysis has been done in accordance with the standards for asset adequacy referred to in § 84b.5(d) and additional standards under this chapter. It must specify the following:

- (1) For reserves:
  - (i) Product descriptions, including market description, underwriting and other aspects of a risk profile and the specific risks the appointed actuary deems significant.
  - (ii) Source of liability in force.
  - (iii) Reserve method and basis.
  - (iv) Investment reserves.
  - (v) Reinsurance arrangements.

(vi) Identification of any explicit or implied guarantees made by the general account in support of benefits provided through a separate account or under a separate account policy or contract and the methods used by the appointed actuary to provide for the guarantees in the asset adequacy analysis.

(vii) Documentation of assumptions, so that an actuary reviewing the actuarial memorandum could form a conclusion as to reasonableness, established for of the following:

- (A) Lapse rates (both base and excess).
- (B) Interest crediting rate strategy.
- (C) Mortality.
- (D) Policyholder dividend strategy.
- (E) Competitor or market interest rate.
- (F) Annuitization rates.
- (G) Commissions and expenses.
- (H) Morbidity.

(2) For assets:

(i) Portfolio descriptions, including a risk profile disclosing the quality, distribution and types of assets.

(ii) Investment and disinvestment assumptions.

(iii) Source of asset data.

(iv) Asset valuation bases.

(v) Method of asset allocation.

(vi) Documentation of assumptions, so that an actuary reviewing the actuarial memorandum could form a conclusion as to reasonableness, established for the following:

(A) Default costs.

(B) Bond call function.

(C) Mortgage prepayment function.

(D) Determining market value for assets sold due to disinvestments strategy.

(E) Determining yield on assets acquired through the investment strategy.

(3) For the analysis basis:

(i) Methodology.

(ii) Rationale for an inconsistency in the method of asset allocation used at the prior opinion date with that used for this opinion and the extent of the inconsistency.

(iii) Rationale for an inconsistency in the method of analysis used at the prior opinion date with that used for this opinion.

(iv) Rationale for inclusion/exclusion of different blocks of business and how pertinent risks were analyzed.

(v) Rationale for degree of rigor in analyzing different blocks of business including the level of materiality that was used in determining how rigorously to analyze different blocks of business.

(vi) Criteria for determining asset adequacy including the precise basis for determining if assets are adequate to cover reserves under moderately adverse conditions or other conditions as specified in relevant actuarial standards of practice.

(vii) Whether the impact of Federal Income Taxes was considered and the method of treating reinsurance in the asset adequacy analysis.

(4) Summary of material changes in methods, procedures or assumptions from prior year's asset adequacy analysis.

(5) Summary of results.

(6) Conclusions.

(c) *Details of the regulatory asset adequacy issues summary*

(1) The regulatory asset adequacy issues summary must include the following:

(i) Descriptions of the scenarios tested, including whether those scenarios are stochastic or deterministic, and the sensitivity testing done relative to those scenarios. If negative ending surplus results under certain tests in the aggregate, the actuary should describe those tests and the amount of additional reserve as of the valuation date which, if held, would eliminate the negative aggregate surplus values. Ending surplus values shall be determined by either extending the projection period until the in force and associated assets and liabilities at the end of the projection period are immaterial or by adjusting the surplus amount at the end of the projection period by an amount that appropriately estimates the value that can be reasonably be expected to arise from the assets and liabilities remaining in force.

(ii) The extent to which the appointed actuary uses assumptions in the asset adequacy analysis that are materially different than the assumptions used in the previous asset adequacy analysis.

(iii) The amount of reserves and the identity of the product lines that had been subjected to asset adequacy analysis in the prior opinion but were not subject to analysis for the current opinion.

(iv) Comments on any interim results that may be of significant concern to the appointed actuary (for example, the impact of the insufficiency of assets to support the payment of benefits and expenses and the establishment of statutory reserves during one or more interim periods).

(v) The methods used by the actuary to recognize the impact of reinsurance on the company's cash flows, including both assets and liabilities, under each of the scenarios tested.

(vi) Whether the actuary has been satisfied that all options whether explicit or embedded, in any asset or liability, including but not limited to those affecting cash flows embedded in fixed income securities, and equity-like features in any investments have been appropriately considered in the asset adequacy analysis.

(2) The regulatory asset adequacy issues summary must contain the name of the company for which the regulatory asset adequacy issues summary is being supplied and shall be signed and dated by the appointed actuary rendering the actuarial opinion.

(d) *Conformity to standards of practice.* The memorandum must include a statement substantially similar to the following:

“Actuarial methods, considerations and analyses used in the preparation of this memorandum conform to the appropriate Standards of Practice as promulgated by the Actuarial Standards Board, which standards form the basis for this memorandum.”

(e) *Use of assets supporting the interest maintenance reserve and the asset valuation reserve.* An appropriate allocation of assets in the amount of the Interest Maintenance Reserve (IMR), whether positive or negative, shall be used in an asset adequacy analysis. Analysis of risks regarding asset default may include an appropriate allocation of assets supporting the Asset Valuation Reserve (AVR); these AVR assets may not be applied for other risks with respect to reserve adequacy. Analysis of these and other risks may include assets supporting other mandatory or voluntary reserves available to the extent not used for risk analysis and reserve support. The amount of the assets supporting the IMR, AVR and other mandatory or voluntary reserves used in the analysis shall be disclosed in the table of reserves and liabilities of the opinion. The method used for selecting particular assets or allocated portions of assets shall be disclosed in the memorandum.

(f) *Documentation.* The appointed actuary shall retain on file, for at least 7 years, sufficient documentation so that it will be possible to determine the procedures followed, the analyses performed, the bases for assumptions and the results obtained.

#### Source

The provisions of this § 84b.9 amended October 24, 2008, effective January 1, 2009, 38 Pa.B. 5855; amended January 28, 2011, effective March 30, 2011, 41 Pa.B. 599. Immediately preceding text appears at serial pages (339324) to (339328).

#### Cross References

This section cited in 31 Pa. Code § 84b.3 (relating to scope).

### § 84b.10. [Reserved].

#### Source

The provisions of this § 84b.10 reserved October 24, 2008, effective January 1, 2009, 38 Pa.B. 5855. Immediately preceding text appears at serial pages (229464) and (266393) to (266394).

### § 84b.11. Insurance company disciplinary action.

A company willfully making a false filing of an actuarial opinion or supporting memorandum with the Commissioner or failing to demonstrate a good faith effort to comply with this chapter or section 301(g) of the act (40 P. S. § 71(g)) may be subject to a civil penalty not to exceed \$50,000, following notice and a hearing.

#### Source

The provisions of this § 84b.11 amended October 24, 2008, effective January 1, 2009. Immediately preceding text appears at serial page (266394).

[Next page is 84c-1.]