



ACTUARIAL SOCIETY
of
H O N G K O N G
香 港 精 算 學 會

20 September 2016

Dear Members,

**The Actuarial Society of Hong Kong (“ASHK”) –
Consultation**

Actuarial Guidance Note 4: Outstanding Claims Liabilities and Premium Liabilities for General Insurance Business (“AGN 4”)

The ASHK Non-Life Committee has proposed the enclosed Exposure Draft on revisions to the existing AGN 4. The main reason for the revision is to align the AGN 4 with the Guidance Note 9 on "Actuarial Review of Insurance Liabilities in respect of Employees' Compensation and Motor Insurance Businesses" issued by the Office of the Commissioner of Insurance. In particular in this revision, discounting is not allowed in estimating both the claims liabilities and premium liabilities.

The Exposure Draft has been reviewed and approved by the Professional Matters Committee. Pursuant to the ASHK By-Law on the Due Process for the Development of Professional Standards and Guidance Notes, members of the ASHK are now given one month to provide written comments to Council on the Exposure Draft.

Subject to the comments received from the members, the Exposure Draft will be submitted to the ASHK Council for the final approval. Please address all feedback to Ms. Pat Kum (email: info@actuaries.org.hk) by close of business day on **19 October 2016**.

Thank you for your time and support.

Yours sincerely,

Queenie Hui
Immediate Past President
Chairperson of the Non-Life Committee
The Actuarial Society of Hong Kong

Encl.