

ACTUARIAL STUDY OUTLINE

The Actuarial Study should include:

- The derivation of the expected loss values
- The derivation of adverse loss values corresponding to at least a 90th percentile confidence level over the five-year projection period
- An estimate of an appropriate premium amount to include a reasonable margin for risk of variation from the expected loss amount

The actuarial study should meet documentation and disclosure standards with narrative and exhibits.

With regard to the pro forma financial statement projections, the application should also include the following items either in the actuarial study or separately in support of the pro forma financials:

- Support for the 5 year projected expected loss values in reference to the actuarial estimate
- Support for the 5 year projected adverse loss values in reference to the actuarial estimate
- Support for the 5 year planned premium amounts