

**IAIS ComFrame Concept Paper - American Academy of Actuaries Comments - General Questions**

Question #	Question	Proposed Comments to IAIS
GQ1	Do the Modules and Elements represent a comprehensive framework for the supervision of IAIGs?	
GQ2	Are all the potential material sources of risk for IAIGs addressed?	It is never possible to address all potential material sources of risk. What should be addressed is the process for identifying and managing risk, not a list of potential risks.
GQ3	Are all the supervisory tools conducive to effective and efficient supervision of IAIGs included in the Concept Paper?	
GQ4	Are the supervisory processes included in the Concept Paper sufficiently streamlined?	
GQ5	Is ComFrame sufficiently structured and articulated to serve as a foundation which can be adopted by supervisors of IAIGs globally?	

**IAIS ComFrame Concept Paper - American Academy of Actuaries Comments - Module 1**

Question #	Question	Proposed Comments to IAIS
1	Are the right criteria and combinations of criteria applied to identify IAIGs?	
2	Are the tentative size thresholds for the criteria to identify IAIGs at the right level, or are there other proposals for the thresholds?	
3	What thresholds for the international activity criteria would be appropriate to identify IAIGs?	
4	Is the application of constrained discretion to allow groups to be included or excluded from ComFrame appropriate? No matt whether you believe this is appropriate, please answer the following questions as if constrained discretion would apply:	
4a	For decisions to exclude from ComFrame groups that meet the ComFrame Criterida, how should the discretion exercised by supervisors be constrained?	
4b	For decisions to include groups within ComFrame that do not meet the ComFrame Criteria, how should the discretion exercised by supervisors be constrained?	
5	Are there justifiable examples of groups which do not meet the ComFrame Criteria that should be included in ComFrame and are there any justifiable examples of groups which meet the ComFrame Criteria that should be excluded from ComFrame?	
6	While awaiting further development of the Join Forum Principles on the Supervision of Financial Comglomerates, does Element 4 adequately set out a framework for dealing with an IAIG that is a financial conglomerat or is part of a financial conglomerate?	
	Please comment on M1E1-1 along with the parameters and specifications (a Priority A Element)	M1E1-1-1-2. Why use local national standards (on a consolidated basis) if international standards exist? Non-host regulators would be at a disadvantage, likely not being expert in other nations' accounting practices.
	Please comment on M1E2-1 along with the parameters and specifications (a Priority A Element)	
	Please comment on M1E2-2 along with the parameters and specifications (a Priority A Element)	
	Please comment on Module 1, Element 3 (a Priority B Element)	
	Please comment on Module 1, Element 4 (a Priority B Element)	
	General Comments	

IAIS ComFrame Concept Paper - American Academy of Actuaries Comments - Module 4

Question #	Question	Proposed Comments to IAIS
52	Should the possibility of setting up core colleges be further discussed in ComFrame?	
53	Are there situations in which it would be conceivable that there are two group-wide supervisors?	We think that there will be more control, management, coordination and responsibility if there is a single leader. It is likely that any supervisor will not be an expert in some of the businesses or environments in which an IAIG writes. The supervisor will have to rely on the knowledge of other supervisors.
54	M4E8-3-3 indicates that the resolution plan of an IAIG should be developed by the IAIG concerned. Is this to be of general nature or to be related to particular areas of concern such as intra-group transactions and their interrelation with policyholder funds?	
55	Should the IAIG Annual Supervisory Reporting Package be based on the calendar year-end or the reporting year-end that the IAIG uses for its general purpose financial reports? Should the quarterly reporting align with this reporting year-end (i.e. if an October year end the quarters would end on 31 January, 30 April and 31 July)?	Since the insurer should be solvent each and every day of the year, it should make no difference as to what the "as of" date is as long as the report is filed annually. The "as of" date can be selected by each IAIG so that it capitalizes on work already being done... or correlates with the best time of year that resources are available.
56	What would be a reasonable period of time, from the relevant reporting year end, in which an IAIG could prepare the IAIG Annual Supervisory Reporting Package?	Five to six months to allow for proper calculation, aggregation and review of the required results and assembly of the report.
57	Should M4E9-2 (IAIG Quarterly Supervisory Reporting Package) allow for a default to the quarterly general purpose financial reporting without prudential adjustments if that quarterly public financial reporting is required of an IAIG in its jurisdiction?	
58	How much detail is it reasonable to have in the IAIG Quarterly Supervisory Reporting Package compared to the IAIG Annual Supervisory Reporting Package?	
59	Where the head of an IAIG is not listed, should the public disclosures required be the same as for those IAIGs where the head is a listed company and must comply with securities law with regard to disclosure of a public company?	

60	ICP 20 covers insurance legal entities and groups of all sizes and complexity based on their nature, scale and complexity. Should the specifications begin with the guidance in ICP 20 effectively made compulsory for IAIGs to follow? What additional disclosure obligations should be applied to IAIGs?	
	Please comment on Module 4, Element 1 (a Priority B Element)	
	Please comment on Module 4, Element 2 (a Priority B Element)	
	Please comment on Module 4, Element 3 (a Priority B Element)	
	Please comment on Module 4, Element 4 (a Priority B Element)	
	Please comment on Module 4, Element 5 (a Priority B Element)	
	Please comment on Module 4, Element 6 (a Priority B Element)	
	Please comment on Module 4, Element 7 (a Priority B Element)	
	Please comment on Module 4, Element 8 (a Priority B Element)	
	Please comment on Module 4, Element 9 (a Priority B Element)	
	Please comment on Module 4, Element 10 (a Priority B Element)	
	General Comments	This is a massive commitment by the regulator. Any regulator will know its own country's companies and issues; it takes some time to get on top of situations in other jurisdictions. Experienced regulators will be needed. Continuity will be important. Being the lead regulator could be an intensive, multi-month commitment. Face-to-Face meeting with all the IAIGs regulators would be very valuable.

**IAIS ComFrame Concept Paper - American Academy of Actuaries Comments - Module 5**

Question #	Question	Proposed Comments to IAIS
61	Are the ComFrame Prerequisites comprehensive enough for all IAIS Members to be prepared to apply ComFrame?	No comments
62	Are the Increased ComFrame Prerequisites comprehensive enough for the IAIS Members acting as group-wide supervisors to assume their rold adequately?	
	Please comment on M5E1-1 along with parameters and specifications (a Priority A Element)	
	Please comment on M5E1-2 along with parameters and specifications (a Priority A Element)	
	Please comment on M5E1-3 along with parameters and specifications (a Priority A Element)	
	General Comments	