

22. (2.75 points)

A company domiciled in State X writes Private Passenger Auto (PPA) and Workers Compensation (WC) business. The Appointed Actuary developed a range of estimates for PPA reserves but was unable to analyze WC reserves due to material inconsistencies in the WC data. The following information is given (all figures are in millions of dollars):

	Carried Reserves	Appointed Actuary's Range of Reasonable Estimates	
		Low End	High End
Unpaid loss and LAE (direct and assumed) - PPA	100	88	98
Unpaid loss and LAE (net) - PPA	90	80	92
Unpaid loss and LAE (direct and assumed) - WC	60		
Unpaid loss and LAE (net) - WC	50		

a. (2.5 points)

Propose language for the OPINION section of the Statement of Actuarial Opinion (SAO).

b. (0.25 point)

Identify the opinion type to be recorded in Exhibit B of the SAO.