



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

25 November 2016

Dear Members,

**The Actuarial Society of Hong Kong (“ASHK”) –
Actuarial Guidance Note 4: Outstanding Claims Liabilities and Premium Liabilities for General
Insurance Business (“AGN 4”) Effective 1 January 2017**

The ASHK Non-Life Committee issued member consultation on the exposure draft for AGN 4 from 20 September to 19 October 2016. Following the consultation, the Committee noted there were members’ comments in relation to the diversification benefit between claims liabilities and premium liabilities. In this regard, the Committee decided to leave it to the judgement of the signing actuary and proposed a revised exposure draft to reflect the relevant change.

The revised exposure draft has been granted final approval from the ASHK Professional Matters Committee and the Council in November 2016 and is served as an updated AGN 4 as attached. The updated AGN 4 shall become effective for valuations prepared as at or after 1 January 2017.

We would like to thank members who participated in the consultation and provided us with their feedback.

Yours sincerely,

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

Encl.