



AMERICAN ACADEMY *of* ACTUARIES

To: Elise Liebers, Chair, NAIC P&C RBC Working Group
From: Ralph Blanchard, Chair, AAA P&C RBC Committee
Date: November 10, 1999
Subject: RBC Treatment of Protected Cells

Attached is our committee's evaluation of this issue, as requested at the October 1999 NAIC meeting. In the interest of simplifying comparisons between our recommendations and Mr. Mike Moriarty's earlier recommendations (in his June 7, 1999 letter to your working group), we followed the same format as found in his earlier letter. For each question posed in his June 7th letter we quoted his analysis, followed by a statement of our agreement or disagreement, with any disagreement explained further.

We are available, via phone or email, to answer any questions your work group might have on the attached. In addition, I will also be attending the December NAIC meeting, and can address your questions or comments in person at that time.

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