

## CAS Course 6 - Reserving, Insurance Accounting Principles, and Reinsurance

Prior to commencing study for this four-hour examination, candidates should read the introduction to **Materials for Study**. Items marked with a bold SK or SKU constitute the 2004 CAS Exam 6 Study Kit that is available from the CAS Office for a cost of \$20. Items marked with a bold W are available at no charge under **Web Notes**.

Please check the **Admissions** section of the CAS Web Site for any changes to the *Syllabus*.

The CAS will test the candidate's knowledge of the material, but may decide not to include questions from every reading on a particular exam.

### A. Actuarial Reserves

*Range of weight for Section A: 45-60 percent*

This section introduces the various techniques used by the actuary in developing or reviewing actuarial reserves that may be established by an insurance entity or by a noninsurance entity that is retaining risk. The principles and standards of practice for reserving will be examined. This section also introduces the concepts of dynamic financial analysis to the candidate.

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
<p>1. Calculate reserves using each of the following reserving methods:</p> <ul style="list-style-type: none"> <li>• Age-to-age</li> <li>• B-F</li> <li>• Frequency/severity models</li> <li>• Unearned premium reserve methods</li> <li>• Loss expense reserve methods</li> <li>• Reserve discounting methods</li> </ul> <p><i>Range of weight: 18-22 percent</i></p>	<p>b. Standards of Practice, ASOP No. 9</p> <p>c. Statement of Principles, CAS</p> <p>d. Mechanics associated with each of the methods</p> <p>e. Loss and claims handling process</p> <p>f. Accounting basis of the data</p> <p>g. Application of credibility</p> <p>h. Terms: loss reserves, premium reserves, expense reserves, salvage and subrogation, GAAP reserves, SAP reserves, retrospective premium, IBNR, case reserves, gross and net of reinsurance exposure measures, ULAE, ALAE, DCC, AOE, pay-out pattern, reporting pattern</p>
READINGS	
<p>Adler and Kline            ASB 9            Berquist and Sherman            Berry            Bornhuetter and Ferguson            Brosius            CAS            Fisher and Lange            Hayne</p>	

Johnson Kittel Mack McKnight Pinto and Gogol Resony Siewert Teng and Perkins Wisner et al.	
<b>LEARNING OBJECTIVES</b>	<b>KNOWLEDGE STATEMENTS</b>
2. Identify strengths and weaknesses of reserving methods for specific situations/data.  <i>Range of weight: 8-12 percent</i>	b. Ways data are organized  c. Advantages and disadvantages of various methods  d. Terms: age of data, limits, line of business  e. Fundamentals of different types of insurance: long-tailed versus short tailed, high frequency, low severity
<b>READINGS</b>	
Adler and Kline ASB 9 Berquist and Sherman Berry Bornhuetter and Ferguson Brosius CAS Fisher and Lange Fisher and Lester Hayne Johnson Kittel McKnight Pinto and Gogol Resony Siewert Stanard Teng and Perkins Wisner et al.	
<b>LEARNING OBJECTIVES</b>	<b>KNOWLEDGE STATEMENTS</b>
3. Adjust data and/or projections for changes in: <ul style="list-style-type: none"> <li>• Case reserve adequacy</li> <li>• Closure rates and insurance programs</li> <li>• Reinsurance programs Note: focus on the ceding company's</li> </ul>	c. Accounting basis for the data, e.g., how claims are counted; how claims are grouped; claims-made versus occurrence  d. Effect of subrogation and salvage on projections  e. How reinsurance works

<p>perspective.</p> <p><i>Range of weight: 3-7 percent</i></p>	
<b>READINGS</b>	
<p>Berquist and Sherman Fisher and Lester</p>	
<b>LEARNING OBJECTIVES</b>	<b>KNOWLEDGE STATEMENTS</b>
<p>4. Test result(s) of reserve analysis for adequacy/reasonableness.</p> <p><i>Range of weight: 5-10 percent</i></p>	<p>d. What an adequate reserve is</p> <p>e. Retrospective tests</p> <p>f. Prospective tests</p> <p>g. Credibility of reserves</p> <p>h. Reserve margin definition (confidence interval)</p>
<b>READINGS</b>	
<p>Berquist and Sherman Brosius Fisher and Lange Fisher and Lester Wiser et al.</p>	
<b>LEARNING OBJECTIVES</b>	<b>KNOWLEDGE STATEMENTS</b>
<p>5. Assess the impact of operating changes on the reserve estimate.</p> <p><i>Range of weight: 3-7 percent</i></p>	<p>e. How operating changes affect reserve estimates</p> <ul style="list-style-type: none"> <li>• Underwriting and policy language</li> <li>• Marketing</li> <li>• Claims administration</li> <li>• Reinsurance</li> <li>• Deductibles</li> </ul>
<b>READINGS</b>	
<p>ASB 9 Berquist and Sherman Fisher and Lester</p>	
<b>LEARNING OBJECTIVES</b>	<b>KNOWLEDGE STATEMENTS</b>
<p>6. Make specific provisions in the reserve estimate for emerging mass tort liabilities.</p> <p><i>Range of weight: 0-5 percent</i></p>	<p>f. What mass tort liabilities are emerging, e.g., mold, asbestos, pollution, lead paint</p> <p>g. Methods for estimating the reserves</p> <p>h. Differences between normal or traditional claim development and development</p>

	of mass torts
<b>READINGS</b>	
Bouska Ollodart	
<b>LEARNING OBJECTIVES</b>	<b>KNOWLEDGE STATEMENTS</b>
<p>7. Describe concepts of dynamic financial analysis.</p> <p><i>Range of weight: 0-5 percent</i></p>	<p>g. Components of financial statements</p> <p>h. Appropriate components to model</p> <ul style="list-style-type: none"> <li>• Interest rates</li> <li>• Reserves</li> <li>• Pricing</li> <li>• Losses</li> <li>• Assets</li> </ul>
<b>READINGS</b>	
DFA CAS ERM	

## B. Insurance Accounting

*Range of weight for Section B: 10-20 percent*

This section presents the general concepts of insurance accounting to the candidate. The candidate should become familiar with insurance accounting terminology and practice. This includes differences between statutory and Generally Accepted Accounting Principles (GAAP) accounting, and the impact of reinsurance and reserves on financial statements.

<b>LEARNING OBJECTIVES</b>	<b>KNOWLEDGE STATEMENTS</b>
<p>7. Explain the purposes and origins of accounting standards and regulations.</p> <p><i>Range of weight: 0-5 percent</i></p>	<p>g. Purpose of accounting</p> <p>h. Types of accounting</p> <p>i. Principal financial statements</p> <p>j. Sources of accounting rules</p> <p>k. Selected accounting concepts</p> <p>l. Common accounts for insurance companies</p> <p>m. The ways GAAP and SAP accounting can differ for a particular country (e.g., the United States)</p>
<b>READINGS</b>	
Blanchard FAS 5	

FAS 60  
Marshall et al.

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
<p>2. Analyze balance sheet and income statement to determine financial performance of insurance companies.</p> <p><i>Range of weight: 3-7 percent</i></p>	<p>b. Definition and purpose of balance sheet</p> <p>c. Definition and purpose of income statement</p> <p>d. Relevant measures that define financial performance, e.g., profitability, liquidity, leverage, underwriting ratios</p>

**READINGS**

Balcarek  
IASA  
Marshall et al.  
Troxel and Bouchie

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
<p>3. Determine impact of reserve estimates and changes in reserve estimates on the balance sheet and income statement.</p> <p><i>Range of weight: 0-5 percent</i></p>	<p>c. Definition and purpose of balance sheet</p> <p>d. Definition and purpose of income statement</p> <p>e. Difference between actuarial and financial statement data (calendar year versus accident year)</p> <p>f. Relationship between target reserves and actuarial indications (margin)</p>

**READINGS**

Balcarek

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
<p>4. Determine impact of reinsurance program on balance sheet and income statement</p> <p><i>Range of weight: 0-5 percent</i></p>	<p>d. Definition and purpose of balance sheet</p> <p>e. Definition and purpose of income statement</p> <p>f. Characteristics and purpose of any given reinsurance program</p>

**READINGS**

IASA  
FAS 113  
CAS VFIC

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
<p>5. Create a balance sheet and income statement given major account balances at</p>	<p>e. Formulas associated with each component of the balance sheet and income statement</p>

various points in time. <i>Range of weight: 0-5 percent</i>	f. Assignment of items to assets, liabilities, receipts, and expenses according to GAAP and SAP
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**READINGS**

Marshall et al.  
Troxel and Bouchie

**B. Reinsurance**

*Range of weight for Section C: 30-40 percent*

This section provides the candidate with information related to the sharing of risk between an insurer and reinsurer. It introduces the various types of reinsurance, its purposes and how it is marketed and underwritten. It also addresses how actuarial concepts such as pricing and reserving are adapted to apply to reinsurers.

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
5. Explain the meaning of various reinsurance terms. <i>Range of weight: 0-5 percent</i>	e. XOL f. Quota share g. Surplus share h. Treaty i. Facultative j. Rate-on-line k. Subject earned premium l. Commutation m. Finite reinsurance n. Insurance capacity o. Clash p. Ceded, direct, gross, assumed, net q. Catastrophe treaty r. Aggregate excess of loss s. Burning costs

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
2. Explain the purposes of various reinsurance arrangements. <i>Range of weight: 3-7 percent</i>	b. Capacity c. Surplus relief d. Smoothing of results

**READINGS**

Cass et al.  
Elliott et al. 1

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
<p>3. Determine the price of reinsurance programs using the appropriate methods.</p> <p><i>Range of weight: 3-7 percent</i></p>	<p>c. Loss distributions</p> <p>d. Increased limit factors</p> <p>e. Trend</p> <p>f. Expenses</p> <p>g. Reinsurance pricing methods</p> <ul style="list-style-type: none"> <li>• Burn cost</li> <li>• Exposure method</li> <li>• Experience rating</li> </ul>

**READINGS**

Clark  
Ludwig

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
<p>4. Measure the effects on reinsurance pricing of:</p> <ul style="list-style-type: none"> <li>• Sliding scale commissions</li> <li>• Reinstatement clauses</li> <li>• Loss corridors- Retrospective rating</li> <li>• Commutations</li> <li>• Clash</li> <li>• Catastrophe</li> </ul> <p><i>Range of weight: 3-7 percent</i></p>	<p>d. Expenses</p> <p>e. Contract provisions e.g., risk attaching versus losses occurring</p> <p>f. Loss distributions</p> <p>g. Present value</p> <p>h. Fundamentals of retrospective rating</p>

**READINGS**

Clark  
Ludwig  
Steeneck

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
<p>5. Calculate ceded losses when provided with gross losses using the provisions of the given reinsurance program.</p> <p><i>Range of weight: 3-7 percent</i></p>	<p>e. How reinsurance contracts apply</p> <ul style="list-style-type: none"> <li>• ALAE included or excluded</li> <li>• Per occurrence</li> </ul>

	<p>limits</p> <ul style="list-style-type: none"> <li>• Aggregate limits</li> <li>• Order in which limits apply</li> </ul>
<b>READINGS</b>	
<p>Cass et al. Elliott et al. 1 Elliott et al. 2</p>	
<b>LEARNING OBJECTIVES</b>	<b>KNOWLEDGE STATEMENTS</b>
<p>6. Compare and contrast reinsurance and primary reserving procedures.</p> <p><i>Range of weight: 0-5 percent</i></p>	<p>f. Reinsurance and primary reserving methods</p> <p>g. Impact on assumptions because of differences in information available to reinsurers</p> <p>h. Stanard-Buhlmann method</p>
<b>LEARNING OBJECTIVES</b>	<b>KNOWLEDGE STATEMENTS</b>
<p>7. Adjust primary methods and data to be used for reinsurance reserving.</p> <p><i>Range of weight: 0-5 percent</i></p>	<p>g. Reinsurance and primary reserving methods</p> <p>h. Impact on assumptions because of differences in information available to reinsurers</p> <p>i. Underlying business characteristics e.g., concentration of exposures</p> <p>j. Data structures:</p> <ul style="list-style-type: none"> <li>• Ground up versus excess loss</li> <li>• Accident year versus treaty year</li> </ul>
<b>LEARNING OBJECTIVES</b>	<b>KNOWLEDGE STATEMENTS</b>
<p>8. Calculate ceded loss reserves using appropriate methods.</p> <p><i>Range of weight: 3-7 percent</i></p>	<p>h. Reinsurance reserving methods</p> <p>i. Adjustments in data (see above)</p> <p>j. Statement of Principles, CAS</p> <p>k. Standards of Practice, ASOP No. 9</p>
<b>READINGS</b>	



Patrik	
<b>LEARNING OBJECTIVES</b>	<b>KNOWLEDGE STATEMENTS</b>
<p>9. Measure the impact of reinsurance on financial statements (surplus relief).</p> <p><i>Range of weight: 0-5 percent</i></p>	<p>i. How surplus relief works</p> <p>j. Impact on unearned premium reserve</p> <p>k. Types of reinsurance that apply</p> <p>l. Leverage ratios (gross versus net)</p> <p>m. FAS 113</p> <p>n. NAIC Accounting Handbook Chapter 22</p>
<b>READINGS</b>	
<p>FAS 113 CAS VFIC IASA</p>	

### Complete Text References for Exam 6

*Text references are alphabetized by the citation column.*

Citation	Abbreviation	Learning Objectives	Source
Actuarial Standards Board of American Academy of Actuaries, "Actuarial Standard of Practice No. 9, Documentation and Disclosure in Property and Casualty Insurance Ratemaking, Loss Reserving, and Valuations (Doc. No. 027)," 1991. Excluding Appendices 1 and 3.	ASB 9	A1, A2, A5	<b>W</b>
Adler, M.; and Kline, C.D. Jr., "Evaluating Bodily Injury Liabilities Using a Claims Closure Model," <i>Evaluating Insurance Company Liabilities</i> , Casualty Actuarial Society Discussion Paper Program, 1988, pp. 1-66.	Adler and Kline	A1, A2	<b>W</b>
Balcarek, R.J., "Effect of Loss Reserve Margins in Calendar Year Results," <i>PCAS</i> LIII, 1966, pp. 1-16. Including discussion of paper: Longley-Cook, L.H., <i>PCAS</i> LIII, 1966, pp. 17-18.	Balcarek	B2, B3	<b>W</b>
Berquist, J.R.; and Sherman, R.E., "Loss Reserve Adequacy Testing: A Comprehensive, Systematic Approach," <i>PCAS</i> LXIV, 1977, pp. 123-184. Including discussion of paper: Thorne, J.O., <i>PCAS</i> LXV, 1978, pp. 10-33.	Berquist and Sherman	A1, A2, A3, A4, A5	<b>W</b>
Berry, C.H., "A Method for Setting Retro Reserves," <i>PCAS</i> LXVII, 1980, pp. 226-238. Including discussion of paper: Morrell, R.K.,	Berry	A1, A2	<b>W</b>

PCAS LXVIII, 1981, pp. 107-110.			
Blanchard, R.S., "Accounting Concepts for the Actuary," CAS Study Note, June 2003.	Blanchard	B1	<b>NEW W</b>
Bornhuetter, R.L.; and Ferguson, R.E., "The Actuary and IBNR," PCAS LIX, 1972, pp. 181-195. Including discussions of paper: Cooper, W.P., PCAS LX, 1973, pp. 161-164; and White, H.G., PCAS LX 1973, pp. 165-168.	Bornhuetter and Ferguson	A1, A2	<b>W</b>
Bouska, A.S., "From Disability Income to Mega-Risks: Policy-Event Based Loss Estimation," Casualty Actuarial Society <i>Forum</i> , Summer 1996, pp. 291-320.	Bouska	A6	<b>W</b>
Brosius, E., "Loss Development Using Credibility," CAS Study Note, March 1993.	Brosius	A1, A2, A4	<b>W</b>
Cass, R.M.; Kensicki, P.R.; Patrik, G.S.; and Reinartz, R.C., <i>Reinsurance Practices</i> (Second Edition), Insurance Institute of America, 1997, Volume 1, Chapter 5; Volume 2, Chapters 9, 10, and 11.	Cass et al.	C1, C2, C5	<b>L</b>
Casualty Actuarial Society Enterprise Risk Management Committee, "Overview of Enterprise Risk Management," Casualty Actuarial Society <i>Forum</i> , Summer 2003, Section 3 and Appendix B.	CAS ERM	A7	<b>NEW W</b>
Casualty Actuarial Society, Statement of Principles Regarding Property and Casualty Loss and Loss Adjustment Expense Reserves, May 1988.	CAS	A1, A2	<b>W</b>
Casualty Actuarial Society Valuation, Finance, and Investments Committee, "Accounting Rule Guidance Statement of Financial Accounting Standards No. 113- Considerations in Risk Transfer Testing" Casualty Actuarial Society <i>Forum</i> , Fall 2002, pp. 305-338, excluding Section 7, Beyond VaR Tests.	CAS VFIC	B4, C9	<b>NEW W</b>
Clark, D.R., "Basics of Reinsurance Pricing," CAS Study Note, 1996.	Clark	C3, C4	<b>W</b>
Dynamic Financial Analysis Committee of the Casualty Actuarial Society, "Overview of Dynamic Financial Analysis," DFA Research Handbook, CAS Web Site ( <a href="http://www.casact.org/research/dfa/dfahbch1.pdf">www.casact.org/research/dfa/dfahbch1.pdf</a> ), Chapter 1.	DFA	A7	<b>W</b>
Elliott, M.W.; Webb, B.L.; Anderson, H.N.; and Kensicki, P.R., <i>Principles of Reinsurance</i> (Second Edition), Insurance Institute of America, 1995, Volume 1, Chapter 1, 2 (pp. 47-60), 3 (pp. 78-82), and 6.	Elliott et al. 1	C1, C2, C5	<b>L</b>
Elliott, M.W.; Webb, B.L.; Anderson, H.N.; and Kensicki, P.R., <i>Principles of Reinsurance</i> (Second Edition), Insurance Institute of America,	Elliott et al. 2	C1, C2, C5	<b>SK</b>

1995, Volume 2, pp. 107-113.			
Financial Accounting Standards Board, "Statement of Financial Accounting Standards No. 5, Accounting for Contingencies," Paragraphs 1-4, 8-11, 15, 40-45.	FAS 5	B1	<b>SK</b>
Financial Accounting Standards Board, "Statement of Financial Accounting Standards No. 60, Accounting and Reporting by Insurance Enterprises," Paragraphs 1-9, 11, 13-14, 17-18, 20, 27-34, 38-41, 44, 60 a-h.	FAS 60	B1	<b>SK</b>
Financial Accounting Standards Board, "Statement of Financial Accounting Standards, No. 113, Accounting and Reporting for Reinsurance of Short-Duration and Long-Duration Contracts," December 1992, Summary, plus pp. 1-10 and 37-46. Appendices B and C are included as part of the formal reading from which questions may be taken. Candidates may find Appendix A helpful in preparing for this material; however, no questions will be taken directly from it.	FAS 113	B4, C9	<b>SK</b>
Fisher, W.H.; and Lange, J.T., "Loss Reserve Testing: A Report Year Approach," <i>PCAS LX</i> , 1973, pp. 189-207. Including discussions of paper: Skurnick, D., <i>PCAS LXI</i> , 1974, pp. 73-83; and authors' response, <i>PCAS LXI</i> , 1974, pp. 84-85.	Fisher and Lange	A1, A2, A4	<b>W</b>
Fisher, W.H.; and Lester, E.P., "Loss Reserve Testing in a Changing Environment," <i>PCAS LXII</i> , 1975, pp. 154-171.	Fisher and Lester	A2, A3, A4, A5	<b>W</b>
Hayne, R.H., "Unearned Premium Reserves-Change is in the Wind," <i>Casualty Actuarial Society Forum</i> , Fall 1999, pp. 177-205.	Hayne	A1, A2	<b>W</b>
Insurance Accounting and Systems Association, <i>Property-Casualty Insurance Accounting</i> (Seventh Edition), 1998, Chapters 4, 6, 7, 11, and Appendix F (Glossary of Accounting Terms).	IASA	B2, B4, C1, C2, C9	<b>L</b>
Johnson, W.A., "Determination of Outstanding Liabilities for Unallocated Loss Adjustment Expenses," <i>PCAS LXXVI</i> , 1989, pp. 111-125. Corrections to Exhibits 2-5 are included.	Johnson	A1, A2	<b>W</b>
Kittel, J., "Unallocated Loss Adjustment Expense Reserves in an Inflationary Economic Environment," <i>Inflation Implications for Property-Casualty Insurance, Casualty Actuarial Society Discussion Paper Program</i> , 1981, pp. 311-331. Including discussion of paper: Bill, R., pp. 332-343.	Kittel	A1, A2	<b>W</b>
Ludwig, S.J., "An Exposure Rating Approach to Pricing Property Excess-of-Loss Reinsurance," <i>PCAS LXXVIII</i> , 1991, pp. 110-	Ludwig	C3, C4	<b>W</b>

145. Includes discussion: Feldblum, S., <i>PCAS LXXX</i> , 1993, pp. 380-395.			
Mack, T. "Credible Claims Reserve: The Benktander Method," <i>ASTIN Bulletin</i> , 2000, pp. 333-337.	Mack	A1	<b>NEW W</b>
Marshall, D.H.; McManus, W.W.; and Scoles, K.N., Jr., <i>Accounting and Finance for Insurance Professionals</i> (Second Edition), American Institute for Chartered Property Casualty Underwriters, 2001, Chapters 5 and 11 (pp. 11.1-11.6, 11.26-11.39, 11.45). Note: Although other portions of the text will not specifically be tested, candidates may find this text to be useful as basic accounting background.	Marshall et al.	B1, B2, B5	<b>SK</b>
McKnight, M.B., "Reserving for Financial Guaranty Products," <i>Casualty Actuarial Society Forum</i> , Fall 2001, pp. 256-279. (Candidates will not be held responsible for the general background material found on pp. 256-269.)	McKnight	A1, A2	<b>W</b>
Ollodart, B.E., "Loss Estimates Using S Curves: Environmental and Mass Tort Liabilities," <i>Casualty Actuarial Society Forum</i> , Winter 1997, pp. 111-132.	Ollodart	A6	<b>W</b>
Patrik, G.S., "Reinsurance," <i>Foundations of Casualty Actuarial Science</i> (Fourth Edition), Casualty Actuarial Society, 2001, Chapter 7, pp. 434-464 (section on Reinsurance Loss Reserving).	Patrik	C6, C7, C8	<b>W</b>
Pinto, E.; and Gogol, D.F., "An Analysis of Excess Loss Development," <i>PCAS LXXIV</i> , 1987, pp. 227-255. Including discussions of paper: Levine, G.M., <i>PCAS LXXIV</i> , 1987, pp. 256-271; and Bear, R.A., <i>PCAS LXXIX</i> , 1992, pp. 134-148.	Pinto and Gogol	A1, A2	<b>W</b>
Resony, A.V., "Allocated Loss Expense Reserves," <i>PCAS LIX</i> , 1972, pp. 141-149. Including discussion of paper: Petz, E.F., <i>PCAS LX</i> , 1973, pp. 157-160.	Resony	A1, A2	<b>W</b>
Siewert, J.J., "A Model for Reserving Workers Compensation High Deductibles," <i>Casualty Actuarial Society Forum</i> , Summer 1996, pp. 217-244.	Siewert	A1, A2	<b>W</b>
Stanard, J.N., "A Simulation Test of Prediction Errors of Loss Reserve Estimation Techniques," <i>PCAS LXXII</i> , 1985, pp. 124-148. Including discussion of paper: Robertson, J.P., <i>PCAS LXXII</i> , 1985, pp. 149-153; Peck, E.F., <i>PCAS LXXXII</i> , 1995, pp. 104-120 (including erratum).	Stanard	A2	<b>W</b>
Steeneck, L., "Commutation of Claims," CAS Study Note, 1998.	Steeneck	C4	<b>W</b>
Teng, M.T.S.; and Perkins, M.E., "Estimating	Teng and	A1, A2	<b>W</b>

the Premium Asset on Retrospectively Rated Policies," <i>PCAS LXXXIII</i> , 1996, pp. 611-647. Including discussion of paper: Feldblum, S., <i>PCAS LXXXV</i> , 1998, pp. 274-315. Candidates will not be held responsible for specific Annual Statement notation but will be responsible for concepts presented.	Perkins		
Troxel, T.E.; and Bouchie, G.E., <i>Property-Liability Insurance Accounting and Finance</i> (Fourth Edition), American Institute for Chartered Property Casualty Underwriters, 1995, Chapters 2 and 3 (pp. 126-131).	Troxel and Bouchie	B2, B5	<b>SK</b>
Wiser, R.F.; Cockley, J.E; and Gardner A., "Loss Reserving," <i>Foundations of Casualty Actuarial Science</i> (Fourth Edition), Casualty Actuarial Society, 2001, Chapter 5, pp. 197-285.	Wiser et al.	A1, A2, A4	<b>W</b>

### Key

<b>L</b>	May be purchased from the publisher or bookstore or borrowed from the CAS Library.
<b>NEW</b>	Indicates new or updated material or modified citation.
<b>SK</b>	Represents material included in the 2004 CAS Study Kit.
<b>SKU</b>	Represents material included in the 2004 CAS Study Kit <b>AND</b> the 2004 Update to the 2003 Study Kit
<b>W</b>	Represents material that is available free-of-charge from the CAS Web Site.

### Publishers and Distributors

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[retail@actexamdriver.com](mailto:retail@actexamdriver.com).

Actuarial Bookstore, P.O. Box 69, Greenland, NH 03840; telephone: (800) 582-9672 (U.S. only) or (603) 430-1252; fax: (603) 430-1258; Web site: [www.actuarialbookstore.com](http://www.actuarialbookstore.com).

Actuarial Standards Board, American Academy of Actuaries, 475 N. Martingale Road, Suite 600, Schaumburg, IL 60173; telephone: (847) 706-3513; fax: (847) 706-3599.

American Institute for Chartered Property Casualty Underwriters, Order Department, P.O. Box 3016, 720 Providence Road, Malvern, PA 19355-0716; telephone: (610) 644-2100; fax: (610) 640-9576.

Casualty Actuarial Society *Forum*, *Foundations of Casualty Actuarial Science* (Fourth Edition), *PCAS*, and *Discussion Paper Program*, 1100 N. Glebe Road, Suite 600, Arlington, VA 22201-4798; telephone: (703) 276-3100; fax: (703) 276-3108; e-mail: [office@casact.org](mailto:office@casact.org).

Financial Accounting Standards Board, 401 Merret 7, P.O. Box 5116, Norwalk, CT 06856-5116; telephone: (203) 847-0700.

Insurance Accounting and Systems Association, Property-Casualty Insurance Accounting (Seventh Edition), 1998, IASA Fulfillment Center, P.O. Box 51008, Durham, NC 27717; telephone: (800) 817-4272 or (919) 489-0991; fax: (800) 668-4272; Web site: [www.iasa.org](http://www.iasa.org).

Insurance Institute of America, 720 Providence Road, Malvern, PA 19355-0716; telephone: (610) 644-2100; fax: (610) 640-9576.

SlideRule Books, 10 First Avenue East, Mobridge, SD 57601; telephone:

(877) 407-5433 or (605) 845-5580; fax: (877) 417-5433 or (605) 845-7627;  
Web site: [www.sliderulebooks.com](http://www.sliderulebooks.com).