

Project	Insurance Contracts
Topic	Overview of papers for this meeting

Papers for this meeting

1. The papers for this meeting are as follows:
 - (a) Agenda paper 2 gives the **users** of the working group the opportunity to share their **perspectives** regarding the proposals in the Exposure Draft (ED) *Insurance Contracts*.
 - (b) Agenda paper 3 describes the concerns we have heard about the boards' proposals for reporting **changes in circumstances**. Agenda papers 3A-3C explore whether there are ways to minimise the effects of any inappropriate accounting mismatches in the following areas:
 - (i) Agenda paper 3A considers the appropriateness of the **discount rate** for non-participating insurance liabilities.
 - (ii) Agenda paper 3B considers whether the **discount rate** should be '**locked-in**' or reflect the conditions present at each reporting date.
 - (iii) Agenda paper 3C considers whether the **residual or composite margin** should be '**locked-in**' or remeasured.
 - (iv) Agenda paper 3D considers possible alternatives for the **presentation of changes in circumstances** under an insurance contract.
 - (c) Agenda paper 4 outlines the papers dealing with the **risk adjustment**.
 - (i) Agenda paper 4A seeks input from the Working Group participants on whether the measurement approach should include an **explicit risk adjustment**.

This paper has been prepared by the technical staff of the IASB and the FASB for the purposes of discussion at a public meeting of the IASB working group identified in the header of this paper.

The views expressed in this paper are those of the staff preparing the paper and do not purport to represent the views of any individual members of the Boards, the IASB or the FASB.

The meeting at which this paper is discussed is a public meeting but it is not a decision-making meeting of the Boards. Official pronouncements of the IASB and FASB are published only after the Boards have completed their full due processes, including appropriate public consultation and formal voting procedures.

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- (ii) Agenda paper 4B considers some issues related to the **estimation of the risk adjustment**.
 - (iii) Agenda paper 4C considers how the **composite margin** should be **released in earnings** over time.
 - (d) Agenda paper 5 seeks to identify alternative **transitional requirements** and requests feedback from Working Group participants on how long the proposals in the ED would take to implement.
 - (e) Agenda paper 6 requests feedback from Working Group participants on different examples of **unbundling**.
 - (f) Agenda paper 7 discusses the treatment of **financial instruments with discretionary participating features**.
 - (g) Agenda paper 8 discusses the **modified measurement approach** for short-duration insurance contracts.
 - (h) Agenda paper 9 discusses the **presentation approaches** for the statement of comprehensive income.
 - (i) Agenda paper 10 is for information and provides an **overview of the projects** on the IASB's technical agenda that are of most relevance to the insurance contracts project
 - (j) Agenda paper 11 is for information and gives an overview of the IASB's **planning** and **priorities** for its post-2011 agenda.
2. As this is an IASB working group, the papers for this meeting focus mainly on the IASB's ED *Insurance Contracts*. However, the IASB intends to debate many of the issues jointly with the FASB, and so the FASB's discussion paper *Preliminary Views on Insurance Contracts* is also relevant. We encourage working group participants to indicate any additional considerations that apply to the FASB DP during each of the sessions in this meeting.