

Pinnacle Expertise

Pinnacle considers an audit review to be an external peer review of another actuary's work product. A peer review is "intended to ensure the correctness of the results and the proper applicability of the work product to the issue being addressed." The peer review can either be related to the issuance of the report to its original user or on behalf of a third-party user of the actuarial report.

The professional bodies governing actuaries provide a great deal of guidance to assist in performing these reviews. The Actuarial Standards Board in their Actuarial Standard of Practice No. 41, "Actuarial Communications" (ASOP 41), states:

"(A)n actuarial report should identify the data, assumptions, and methods used by the actuary with sufficient clarity that another actuary qualified in the same practice area could make an objective appraisal of the reasonableness of the actuary's work as presented in the actuary's report."

The scope of our audit reviews is very similar to the objective appraisal described in the statement above. To this end, our audit reports follow a series of evaluation criteria that will allow an objective appraisal of the actuarial report and analysis.

Pinnacle's independent, timely and comprehensive audit services deliver the expert actuarial insight and opinions to meet the complex auditing requirements facing your organization.

About Pinnacle

Pinnacle Actuarial Resources, Inc. is an independent actuarial and management consulting firm owned by its professional staff. Ranking among the top 10 largest property/casualty actuarial firms in the United States, Pinnacle's reputation for uncompromising professionalism, expertise and outstanding service explains why more and more companies and organizations consider Pinnacle to be the firm of choice for actuarial services.

The Pinnacle Difference

Here's what you can expect from Pinnacle:

- **A strong desire to know our customers**, and consider their unique business goals, geographic and industry mix, risks and culture.
- **Responsive customer service** that is timely, dependable and focused on their unique needs.
- **Effective communication** of our findings, featuring objective, understandable reports, presentations and expert analyses.
- **Emphasis on knowledge transfer** which results in greater customer satisfaction and better understanding of our results and products.
- **Multi-disciplinary expertise and experience**, combined with marketplace knowledge and state-of-the-art technologies, tailored to each customer's projects.

Contact Information



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Audit Support



Actuarial Reserving and Risk Transfer Audit Services

Timely
Independent
Comprehensive



Audit Support

Actuarial Reserving and Risk Transfer Audit Services

Pinnacle Actuarial Resources, Inc. offers a full line of independent audit support and actuarial review services for all types of risk transfer entities. We are positioned to effectively evaluate the reasonableness of claim reserves, whether for an insurance or a reinsurance company, a captive insurer or a self-insuring entity.

As auditing requirements grow tougher and more complex, finding independent, timely and comprehensive actuarial opinions is not just a goal - it's a necessity.

Pinnacle is committed to providing reports in a clear, easy-to-understand format; you will appreciate the difference in our audit support reports. Our turnkey process and exclusive template supports quick, dependable and consistent responses in every aspect of the auditing process.

Industry Experience

Pinnacle has experience in all property/casualty coverages, including:

- personal automobile
- homeowners
- workers compensation
- general liability
- commercial automobile
- medical malpractice
- professional liability
- commercial property

Pinnacle is known for its actuarial expertise and experience. Our auditing insight has been featured in national publications and at industry conferences. We can put this expertise and experience to work for you.

Statements of Actuarial Opinions

Well-versed in Statements of Actuarial Opinions (SAO's), our audit support focuses on material actuarial issues necessary for independently determining the appropriateness and actuarial soundness of data, assumptions and methodologies for developing estimates of total loss and loss adjustment expense reserves.

Ultimately our review determines whether the SAO adheres to relevant professional standards, including the Actuarial Standards of Practice (ASOP). Additionally, we ensure that the estimate of ultimate losses provides a reasonable estimate of required reserves based on the Actuarial Standard of Practice No. 43, "Property/Casualty Unpaid Claim Estimates" (ASOP 43).

Many companies are transitioning to the new principles-based system known as the International Financial Reporting Standards (IFRS). This new approach is also contemplated in rules developed by the Financial Accounting Standards Board, such as FAS 157 and 159. Pinnacle is on the leading edge of actuarial services related to these "fair value" or "current exit value" accounting standards.

you will appreciate the difference in our audit support reports



Risk Transfer Evaluations

Risk transfer evaluations are also available as part of the audit process. Our actuarial review of reinsurance contracts evaluates risk transfer and assesses whether reinsurance accounting applications are contract-appropriate.

Pinnacle's reviews of risk transfer in reinsurance contracts are consistent with both the Statement of Statutory Principles No. 62, "Property and Casualty Reinsurance," and Financial Accounting Standards Board Statement No. 113, "Accounting and Reporting for Reinsurance of Short-Duration and Long-Duration Contracts."

Pinnacle consultants have the cutting-edge expertise necessary to interpret and model complex reinsurance terms and conditions to determine if risk transfer is exhibited in reinsurance contracts.