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Casualty Loss Reserve Seminar – 2011

Insurance Contracts Project Update

September 2011

Insurance Contracts Project - Terms

IASB, IFRS and IAS

IASB 4 – Insurance Contracts

- Phase II

FASB and US GAAP

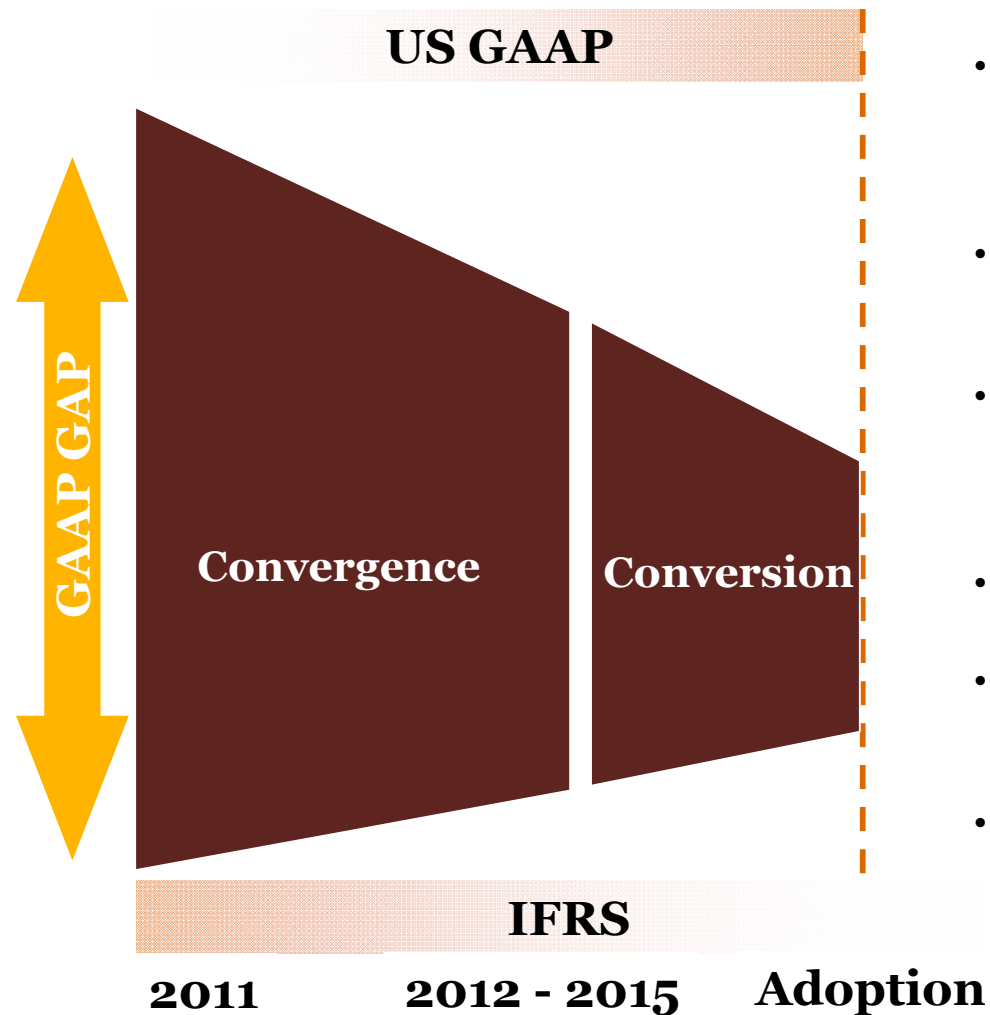
IASB and FASB

- Boards
- IASB and FASB Project Teams
- Convergence of US GAAP and IFRS

Stages of Development of Financial Reporting Standards

- Discussion Paper
- Exposure Draft
- Final Standard

The US path to IFRS will likely be one of continued convergence followed by ultimate conversion



- The planned convergence of US GAAP and IFRS will result in a significant number of new US GAAP standards between 2011 and 2014
- Outside the US a growing number of countries require IFRS or an IFRS equivalent for private statutory reporting
- The IASB and FASB convergence project started in 2002. Despite expected progress significant differences will remain even after completion of the convergence agenda
- Ultimately, the US will still need to change to IFRS to eliminate remaining differences
- Under the SEC's proposed conversion timeline, IFRS could replace US GAAP, but no sooner than 2015-2016
- More likely we see that ultimate adoption of IFRS will still occur but that the timeline will be longer given convergence and conversion challenges

Insurance Contracts Project Timetable

