

## REGULATORY GUIDANCE ON THE MISUSE OF RBC IN RATEMAKING

Adopted by the NAIC's Casualty Actuarial and Statistical Task Force August 12, 2008

The Casualty Actuarial and Statistical Task Force wishes to re-emphasize its previous statements that capital levels indicated by the Risk-Based Capital (RBC) formula should not be used as, or assumed to be, measures of adequate capital. This would be an erroneous and therefore inappropriate use.

