

Agenda Paper ATT5  
AASB TRG Meeting March

The logo consists of the letters 'AASB' in a bold, black, sans-serif font, centered within a white hexagonal shape. This hexagon is superimposed on a larger, semi-transparent hexagonal graphic that features a background of financial data, including bar charts, line graphs, and binary code (0s and 1s) in shades of blue and purple.

**AASB**

# Lenders Mortgage Insurance Focus Group (“LMI FG”)

## AASB 17 TRG Meeting 22 March 2023

Presenter  
Andrew Toone



Australian Government  
Australian Accounting Standards Board

# Lenders Mortgage Insurance Focus Group

- A focus group of the AASB TRG
- The purpose and function is to provide a forum for communication and discussion of LMI specific AASB 17 topics or issues
- Preparers will drive problem statements for discussion, and where such problems may be deadlocked, the focus group can facilitate discussions with the AALC and AASB 17 TRG
- Note that neither the AASB TRG nor the focus group provide accounting guidance

Membership	Role
ANZ, Arch, Genworth, QBE	Preparers
Big 4 participants	Provides input
Anne Driver	Chair of the AASB TRG
Andrew Toone	Co-ordinator

Issue/topic	Status
Borrower	Agreed by all to be policyholder
GMM or seeking PAA eligibility	All planning to adopt GMM
Transition approach	Broadly anticipating adopting the modified retrospective approach
Top-Up treatment	An area of ongoing discussion within the LMI FG
Pattern of release of risk	An area of ongoing discussion
LMI illiquidity premium	An area of ongoing discussion
Discount rate	All planning to adopt the bottom up approach
Risk Adjustment	An area of ongoing discussion
Reinsurance	An area of ongoing discussion
APRA changes and considerations for LMI	An area of ongoing discussion

Cadence of meetings: Generally fortnightly in 2022 beginning 18th September 2022. Restarted end Feb 2023.