

Comment #37 – 9/30/13 – 3:10 p.m.

My comments on exposure draft for the proposes "Modeling" ASOP are as follows:

My primary concern is that there is no restriction on the definition of “model” and the ASOP discusses features / aspects of both deterministic and stochastic models. It would basically apply to everything that we do.

Therefore: (1) I think that the ASOP overlaps with specific model applications that are addressed in other ASOPs and (2) might apply to calculations for which it was not intended. On (2) – the draft allows for wiggle room in the application of the ASOP but I think that sort of defeats its purpose.

I have other less substantive comments such as:

The definition of Assumptions in section 2.1 should not be limited to those “based on professional judgment”

I don’t believe that “flawed model” should be part of the list in section 2.11

The definition of “Organization” in section 2.13 seems irrelevant

That “peer review” should be included in section 3.3 and

That the “if...” clause in section 3.4.1 runs counter to the ASOP

Finally I have a constant nit in that I don’t believe that actuarial services are “performed” – but rather that they are “provided.”

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