

Comment #36 – 9/30/13 – 1:57 p.m.

First, I would like to thank the Modeling Task Force for all of the hard work that went into developing this draft. I believe this represents an excellent first draft (especially given the broad scope of the Task Force's mandate), for a standard that is sorely needed. Given that many actuaries are already involved in working with models in one form or another, I think it is important to make clear the standards which actuaries working in this area are expected to follow.

While I could offer several suggestions for improvement of this initial draft, nearly all of the suggestions I might make have already been noted in the other comments posted on the ASB website. In particular, I concur with the comments submitted by Tobias Bradley on September 26, 2013.

One additional point I wished to raise is that I find section 3.2.3 to be very confusing. This section seems to imply that section 3.2.2 does not apply when an actuary is "modifying a model to change the intended application or to improve the model's ability to meet its intended application", while section 3.2.1 does not apply when an actuary is "modifying a model to improve the model inputs, formulas, and outputs to meet the project's objective". I find it difficult to imagine a scenario where it would be appropriate for an actuary to ignore the guidance provided by either of these sections.

Thank you for providing the opportunity to provide comments on the proposed draft ASOP on Modeling.

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