Comment #5 – 12/9/16 – 2:34 p.m.

**Section 2 (Definitions)**

I would suggest adding a definition of “Methodology”.

If it refers to things like pricing, financial projections for management, actuarial appraisals or valuations (e.g., VM-20 reserves), then maybe “Purpose” would be a better descriptor than “Methodology”.

**Section 3.1.2 (Adjustments for Data Deficiencies)**

I did not understand what you were driving at here. If data is deficient (which it can be for many reasons), I would think you have to make some adjustments or even toss the data altogether if it is deficient because of poor quality.

**General Comment**

The ASOP seems to really just be common sense things that I would hope everyone is doing already. Were there specific problems that have been brought to your attention that motivated this ASOP?

Regards,

Jeff

Jeff Dukes, FSA, MAAA  |  Principal and Consulting Actuary

Milliman