

**Comment #6 – 12/10/16 – 12:58 p.m.**

SETTING ASSUMPTIONS (EXPOSURE DRAFT)

It would be helpful if the standard would identify whether a model parameter or model selection is considered an "assumption." The plain english definition of "assumption" refers "to something taken for granted; a supposition."

In that sense, an example of an assumption would be "I have assumed that the claims department will hire additional staff to better manage claims in the future relative to the past."

The standard would seem to include "parameters" e.g. "I have assumed that claims increase multiplicatively and by 20% between 12 months and 24 months."

I don't see this as an "assumption" but rather as a modeling choice and it is not entirely clear to me if this would be subject to the ASOP.

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