Comment #1 – 2/25/19 – 2:18 p.m.

Modeling

Margins
The reviewers rejected many of the disclosures related to margins that were suggested by commenters on the third exposure draft.

Assuming that those decisions will not be reconsidered, I would suggest that the ASOP indicate that actuaries should consider whether the use of a margin changes the intended measure of an estimate. (see ASOP 43, section 3.3)

Model Validation
I would suggest that ASOP clarify that the term "Model Validation" (section 3.5.2) differs from the use of that same term under SR 11-7: Guidance on Model Risk Management (https://www.federalreserve.gov/supervisionreg/srletters/sr1107.htm). I'd expect that several firms that employ actuaries are subject to SR 11-7.

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