

**Comment #9 – 12/9/14 – 5:08 p.m.**

As an actuary who has worked in pricing for most of my career, I'm very happy to see that an ASOP is being considered to more directly address the pricing process. I've had the opportunity to work on both group and individual products and believe that while an ASOP is needed for both they should be addressed separately. Too often, in both regulations and guidance, group is lumped in with individual products and the results don't make sense. The pricing of these products, as well as the risks they cover, are very different and as such should be treated separately. When they are addressed together, generally group becomes an afterthought and I'm concerned that either the guidance won't be useful enough, or the appropriate guidance for individual products will create additional burden on group products. Many of the proposed guidance areas could apply to both types of products, but some will be very different, in particular Developing the Model Framework, Selecting and Using the Profitability Analysis Methodology, and Compliance.

I would recommend moving forward with the ASOP as proposed, but excluding group life from the scope. I would also recommend another ASOP that would cover both group life and group disability products together, as many of the issues faced by group actuaries apply to both life and disability pricing.

Thank you,

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