

Principle-Based Reserves (PBR) Resources From the Life Practice Council of the American Academy of Actuaries



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PBR Page on Academy Website

- ▣ Go to actuary.org and click on Principle-based Reserving (navigation bar on right or bottom)



OR

- ▣ www.actuary.org/content/pbr-practice
- ▣ Page includes a PBR Toolkit



Academy PBR Toolkit

ACADEMY PBR TOOLKIT

- [The Details Behind PBR Implementation](#)
- [Model Governance Checklist](#)
- [Model Governance Practice Note](#)
- [Life Principle-Based Reserves Under VM-20](#)
- [Principle-Based Reserves for Life Products](#)
- [Economic Scenario Generators](#)
- [Life PBR Assumptions Resource Manual](#)

ACADEMY COMMENTS ON PBR

- [Life Insurance Issues \(VM-20\)](#)
 - [Variable Annuity Issues \(VM-21\)](#)
 - [Fixed Annuity Issues \(VM-22\)](#)
 - [Long Term Care Issues \(VM-25\)](#)
 - [RBC Requirements Under PBR](#)
- 3 • Read [reports](#) from Life Practice Council groups to the NAIC on the principle-based project.

NAIC RESOURCES

- [Valuation Manual 2018-2019 Comparison](#)
- [Valuation Manual](#), published January 2019
- [VM Maintenance Agenda](#)
- [SVL Model Law](#)
- [VM-20 / VM-22 Tables](#)
- [NAIC Impact Study of VM-20 on PBR for Life Insurance](#)
- [Life Actuarial \(A\) Task Force of the NAIC](#)
- [2017 PBR Review Report](#)

ACADEMY PUBLICATIONS ON PBR

- [SVL Legislation in Brief](#)
- [PBA Perspectives](#)



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Academy PBR Toolkit (cont.)

PBR PRACTICE NOTES

[Life Principle-Based Reserves Under VM-20](#) (January 2019)

[Model Governance](#) (April 2017)

[Common Practices of Examining Actuaries Involved in Statutory Financial Solvency Examinations of Life and Health Insurers](#)

[More Practice Notes](#)

ACADEMY PRESENTATIONS AND STATEMENTS ON PBR

[PBR for Regulatory Actuaries](#)

[More Presentations](#)

[Read all Academy public statements related to PBR](#)



Academy PBR Toolkit (cont.)

PBR-RELEVANT ASOPS

ASOP 52: [Principle-Based Reserves for Life Products under the NAIC Valuation Manual](#)
[More ASOPs](#)

PBR QUALIFICATION STANDARDS

[Qualification Standards Response on PBR](#)

What are the minimum requirements an actuary should consider to be qualified to render opinions related to PBR under the U.S. Qualification Standards? This question and answer came from the Academy's Committee on Qualifications, which developed a list of [frequently asked questions](#) for actuaries.



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Practice Note on PBR Projections

- Contains questions and answers related to projecting future principle-based reserve and capital calculations
- Focuses on VM-20, but also applicable to other frameworks
- In Academy review: Goal is to have the document out soon



One-Page “PBR Sheet”

- The PBR Checklist Task Force is preparing a one-page reference of important characteristics to consider for PBR valuations
- Can act as a reminder to actuaries as to all the tasks as well as letting senior management know the extent of issues that need to be considered
- Group has just started its work; goal is to be done this year



PBR Analysis Template

- Academy group under Pat Allison is developing ways to display PBR data:
 - ▣ Examples: waterfalls, trend analysis graphs
 - ▣ Advantages: one picture is worth a 1,000 words
- Group has just started its work; goal is to be done this year



Update to VM-20 Practice Note

- Work on updates to VM-20 Practice Note to reflect changes effective in the 2020 Valuation Manual is in process
- Target release for this update in the fall



Seminars/Webinars

- Had a very successful 2½-day seminar in Orlando in April 2019
 - Will have another if demand warrants it
- Also conducting webinars: e.g., Academy PBR Resources Update, which was in June 2019



Questions/Suggestions

- Anything else the Academy can do to help you with PBR?



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