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

Donna Claire, MAAA, FSA, CERA
Academy Involvement in PBR

- The Academy’s Life Practice Council has been working with regulators to replace the formula-based system for years
- Hundreds of volunteers on all aspects of PBR
PBR Page on Academy Website

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

OR

- www.actuary.org/content/pbr-practice

- Page includes a PBR Toolkit
# Academy PBR Toolkit

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<td>• Valuation Manual, adopted August 2017</td>
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<td>• Model Governance Practice Note</td>
<td>• SVL Model Law</td>
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<td>• RBC Requirements Under PBR</td>
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<td>• Read reports from Life Practice Council groups to the NAIC on the principle-based project.</td>
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Academy PBR Toolkit (cont.)

PBR PRACTICE NOTES

Life Principle-Based Reserves Under VM-20 (May 2017)
Model Governance (April 2017)
More Practice Notes

PBR-RELEVANT ASOPS

Principle-Based Reserves for Life Products

PBR QUALIFICATION STANDARDS

Qualification Standards Response on PBR
SAVE THE DATE
PBR BOOTCAMP
APRIL 8–10, 2019 | ORLANDO
Loews Royal Pacific Resort in Orlando, Florida

Learn what’s working from those who’ve been at the forefront of PBR implementation.

American Academy of Actuaries
Objective. Independent. Effective.
April 2019 PBR Boot Camp

- 2½ days of intensive review of PBR implementation
- April 8-10, 2019 in Orlando
- Audience:
  - People from companies who haven’t implemented PBR
  - People from companies who have implemented PBR and want to know how to do it better
  - Regulators who will be overseeing PBR
April 2019 PBR Boot Camp

- Speakers will include regulators who have reviewed PBR filings as well as company people who have been involved with PBR filings and Academy members who helped in the development and drafting of PBR
- Attendance limited to 100 people, so there are many opportunities to interact
How to Register for Boot Camp

- Go to [http://www.actuary.org/pbrbootcamp](http://www.actuary.org/pbrbootcamp)

- Registration will open soon. To be alerted when registration opens, sign up using this link

- The Academy will also send out a “Save the Date” email to members this month
Update to VM-20 Practice Note

- Incorporates changes to VM since Practice Note last released (May 2017)
- Includes changes through 2018 Valuation Manual
- To be released November 2019
- Work is beginning on changes needed to Practice Note to bring in changes for 2019
Assumptions Governance Resource Manual

- Resource with examples of inforce update process
  - Example roadmap for updating valuation assumptions
  - Step-by-step considerations

- Focus
  - Assumptions governance
  - Controls and review
  - Non-mortality assumptions

- Examples and case studies
  - Margin examples
  - Credibility examples
  - Decision points

- Planned released by YE 2018
Questions/Suggestions

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

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