

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



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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

ACADEMY PBR TOOLKIT

- [Model Governance Checklist](#)
- [Model Governance Practice Note](#)
- [Life Principle-Based Reserves Under VM-20](#)
- [Principle-Based Reserves for Life Products](#)
- [Economic Scenario Generators](#)

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](#)
- Read [reports](#) from Life Practice Council groups to the NAIC on the principle-based project.

NAIC RESOURCES

- [Valuation Manual](#), adopted August 2017
- [SVL Model Law](#)
- [NAIC Impact Study of VM-20 on PBR for Life Insurance](#)
- [Life Actuarial \(A\) Task Force of the NAIC](#)

ACADEMY PUBLICATIONS ON PBR

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



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.



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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>
- 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

- Donna Claire, MAAA, FSA, CERA
Chair, PBR Governance Work Group

- Ian Trepanier
Life Policy Analyst
American Academy of Actuaries
Trepanier@actuary.org

