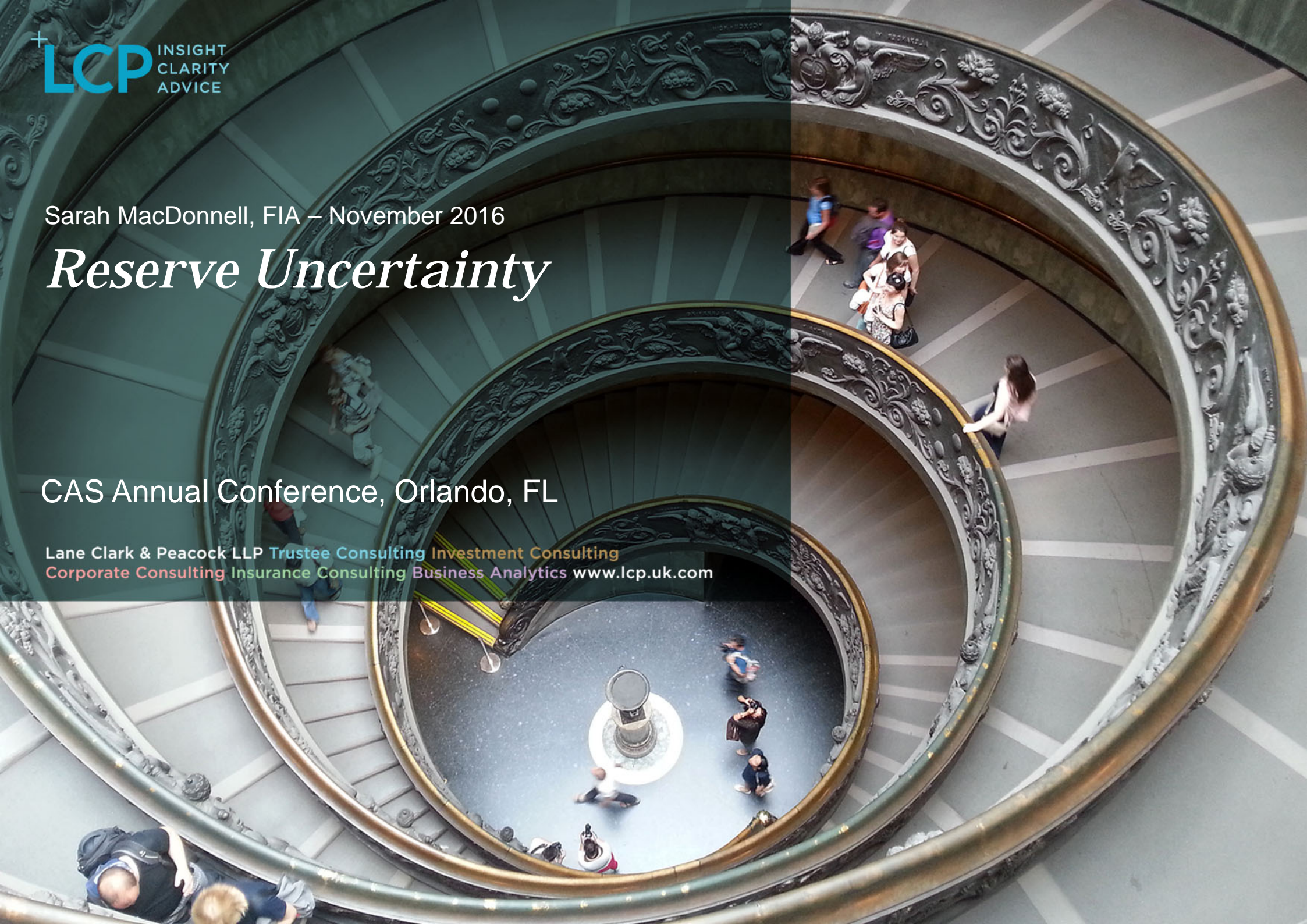


Sarah MacDonnell, FIA – November 2016

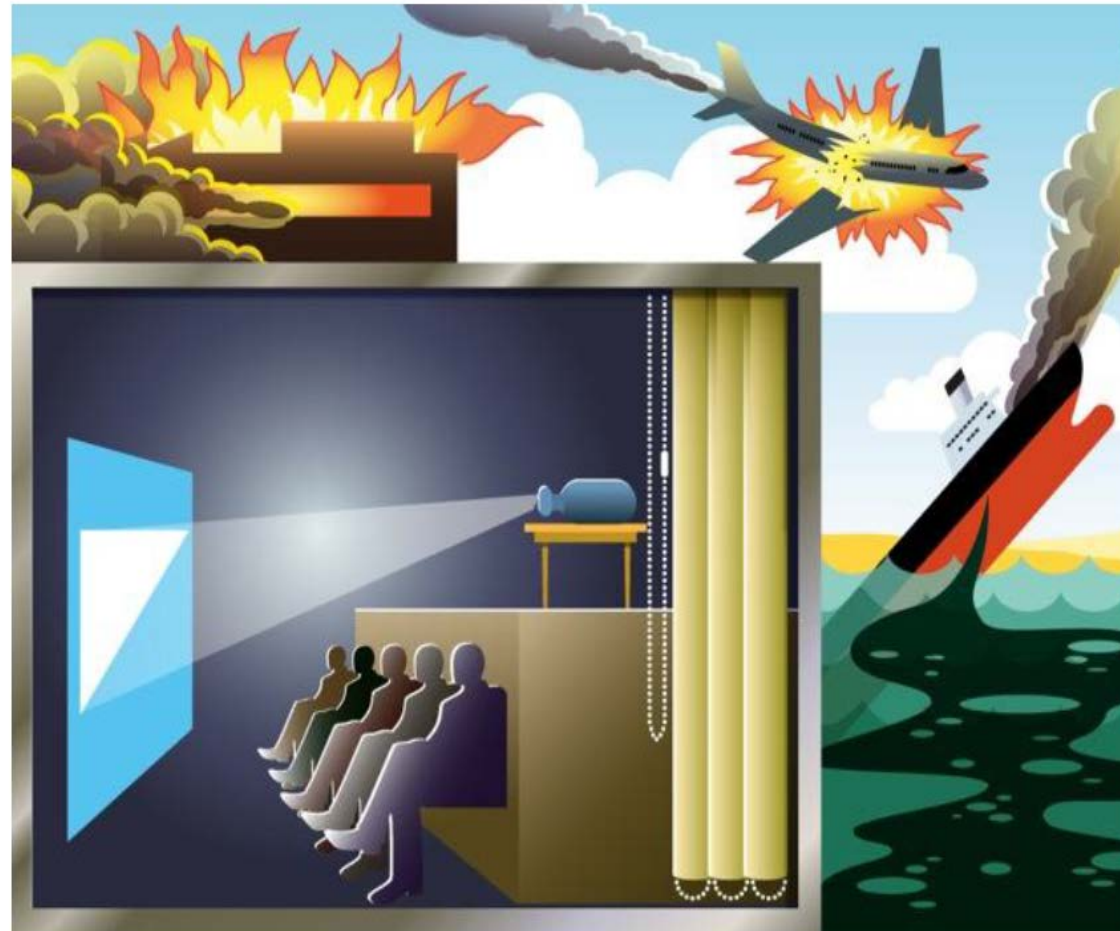
Reserve Uncertainty

CAS Annual Conference, Orlando, FL

Lane Clark & Peacock LLP **Trustee Consulting** **Investment Consulting**
Corporate Consulting **Insurance Consulting** **Business Analytics** www.lcp.uk.com



Look out the window



Curiosity!



Over-promising?



“there is a clear sense in which too much has been expected of actuaries and explicitly or otherwise, too much has been promised by them...”

Morris Review

Australian experience



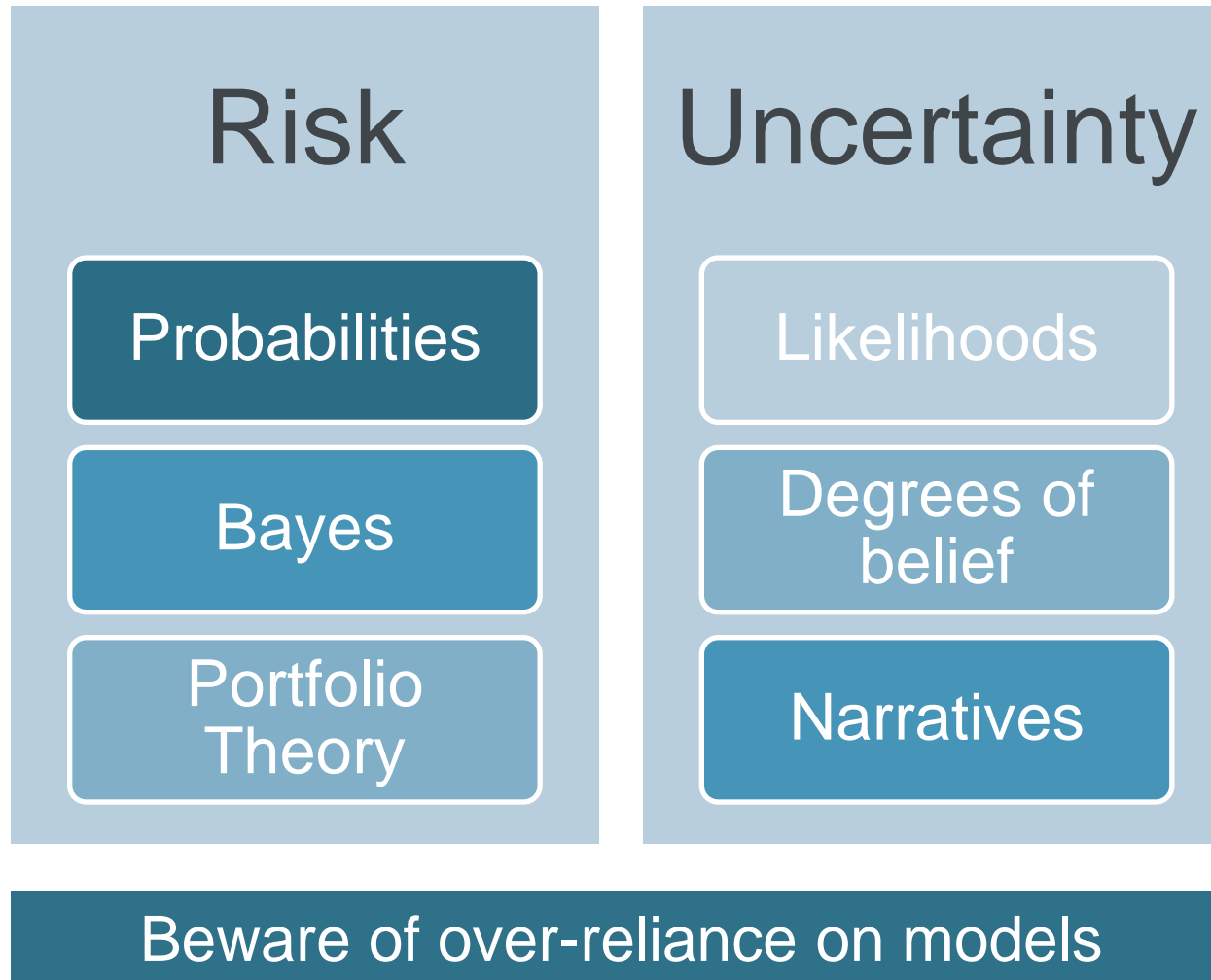
Requirement to report at the
75th percentile



New framework
developed

Telling a story

The 1920s stand-off





Take back control

Pressures on reserving actuaries

- SII reporting
- Tighter turnaround times
- Efficiencies





Not rocket science

What
story is
the data
telling
me?

Does it
make
sense?

Think
from the
users
point of
view

*Takes skill to make it look
simple*

Measuring Uncertainty Qualitatively 'MUQ' Working Party



Go to the IFoA website and search for 'MUQ'



Look out the
window

Develop a clear
narrative



Make time to be
curious