

## **Problem**

A life insurance company was in need of an actuary to work on a mutual fund restriction product feature. They required a consultant with the ability to develop a stochastic model utilizing Prophet software. Additionally, the organization needed a pricing actuary to create VM -20 reserve calculations and produce a complete set of pricing cells.

## **Response**

Jacobson provided an actuarial expert proficient in Prophet. The consultant's previous experience with stochastic modeling for variable annuities was vital for assessing project risk. Their pricing background involved a variety of products and platforms, which was beneficial for working with the new Prophet modeling platform.

## **Solution**

The consultant exceeded all client expectations. The project fell within acceptable internal rate of return, and the client gained a working model for their VM -20 Net Premium Reserve and Deterministic Reserve. The expert provided ASOP24 testing and completed a peer review in addition to the stochastic model.

Actuarial

# Stochastic Analysis and Pricing

### Client Type:

Life Insurance Organization

### Project Scope:

Stochastic Analysis

### Duration:

12 Months

### Team Size:

1 Full-Time Actuary