**Model Development Document**

**Model Name**

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# 1. Model Scope, Purpose and Use

*Provide a summary of the product or portfolio to which the model will be implemented, encompassing essential alterations in the business strategy and noteworthy events that exerted a substantial influence on either the portfolio or the model during the period when modeling samples were generated.*

# 2. Limitations and Compensating Controls

*List all potential/known limitations identified by the model sponsor/developer. For each limitation identified, identify what compensating control exists to mitigate the limitation.*

# 3. Model Data

## 3.1. Data Overview

*Provide description of data used to develop and validate the model. Explain why the model data is appropriate for model development.*

## 3.2. Data Quality Check

*Provide evidence of consistency and integrity checks and describe how was the data tested. Data should be analyzed for missing values, outlier values, inconsistent fields.*

## 3.3. Data Exclusions

*Document exclusions that were performed during modeling exercise, including the reasons and number of observations.*

# 4. Model Specification

## 4.1. Technical Summary

*Provide a technical summary of model development process. Describe the design, theory, and logic of the model.*

## 4.2. Dependent Variable

*Provide the definition of dependent variable with all technical details, along with supporting analysis.*

## 4.3. Variable transformation and selection

*Describe how the final set of variables were selected over rest of the independent variables.*

## 4.4. Final Model Selection

*Describe the final model specification, model output, list of independent variables, and descriptions of the variables.*

# 5. Model Testing

## 5.1. Testing Plan

*Evaluate whether the selected model performs as indented by conducting and documenting a range of performance tests.*

## 5.2. Overall Performance

*Evaluate whether the selected model performs as indented by conducting and documenting a range of performance tests.*

## 5.3. Summarized Result

*Evaluate all test performed on respective data smaples by this model.*

## 5.4. Benchmark Analysis

*Evaluate benchmark analysis on all test performed.*

## 5.5. Performance across Segments

*Evaluate model performance across various segments to demonstrate performance is sufficient with respect to intended purpose.*

# 6. Model Implementation

## 6.1. Implementation Overview

*Describe the implementation system/environment where the model will be implemented for the model scoring.*

## 6.2. Implementation Testing & Results

*Describe the implementation testing plan along with metrics used and the expected outcome for succesful and accurate implementation. Document the results of testing to demonstrate correct implementation.*