

Title of Exposure Draft: ASOP 41 – Second Exposure Draft

Comment Deadline: February 15, 2025

Instructions: Please review the exposure draft, and give the ASB the benefit of your recommendations by completing this comment template. Please fill out the tables within the section below, adding rows as necessary. Sample for completing the template provided at the following link: <http://www.actuarialstandardsboard.org/email/2020/ASB-Comment-Template-Sample.docx>

Each completed comment template received by the comment deadline will receive consideration by the drafting committee and the ASB. The ASB accepts comments by email. Please send to comments@actuary.org and include the phrase ‘ASB COMMENTS’ in the subject line. Please note: Any email not containing this exact phrase in the subject line will be deleted by our system’s spam filter.

The ASB posts all signed comments received to its website to encourage transparency and dialogue. Comments received after the deadline may not be considered. Anonymous comments will not be considered by the ASB nor posted to the website. Comments will be posted in the order that they are received. The ASB disclaims any responsibility for the content of the comments, which are solely the responsibility of those who submit them.

I. Identification:

Name of Commentator / Company
Bruce Friedland – Friedland Consulting Services, LLC

II. ASB Questions (If Any). Responses to any transmittal memorandum questions should be entered below.

Question No.	Commentator Response
1.	3.6 is clear.
2.	Clear. My only comment is that there will be few situations where an actuarial communication is issued that would not include actuarial conclusions, therefore requiring an actuarial report.

III. Specific Recommendations:

Section # (e.g. 3.2.a)	Commentator Recommendation (Please provide recommended wording for any suggested changes)	Commentator Rationale (Support for the recommendation)
2.7	Suggest changing “acceptable by applicable law” to “required or acceptable under applicable law.”	While a bit wordier, the new language is a bit more precise.
3.1	“recorded” and “not recorded” are not clear. Suggest a definition or perhaps comment that this only applies if the actuarial communication is oral.	While commented on by others in the first draft and rejected, some clarity is needed on what these terms mean and when they apply.
4.1.n.5.iii	Either delete or modify that this is not acceptable.	There should not be a situation where the actuary is doing work and basically saying “I do not think this makes any sense, however this is what I was given” or similar. The actuary should always have the responsibility to issue a report that they can stand behind. For example, if the investment department says to use an assumption of 11% net yield for reinvestment assets in a cash flow testing exercise in a low interest rate environment, should the actuary simply accept this (even if they pushed back and no changes were made) or try to explain why they are using it? I think that this section can materially harm the actuarial profession’s reputation.

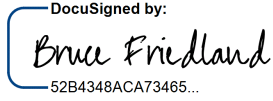
IV. General Recommendations (If Any):

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Commentator Recommendation (Identify relevant sections when possible)	Commentator Rationale (Support for the recommendation)

V. Signature:

Commentator Signature	Date
	11/28/2024