

**Title of Exposure Draft: Actuarial Communications (ASOP 41)**

**Comment Deadline: February 15, 2025**

**I. Identification:**

Name of Commentator / Company
Daniel Lyons, MAAA, FCAS / Retired / I am submitting these comments on my behalf.

**II. ASB Questions. Responses to any transmittal memorandum questions should be entered below.**

Question No.	Commentator Response
1. Is it clear when an actuary should issue an actuarial report? If not, what further clarifications would you recommend?	No. Definitions 2.1 (Actuarial Communication) and 2.4 (Actuarial Services) come from the Code of Professional Conduct, with Definition 2.1 referencing Definition 2.4. However, after “Actuarial Services” is used in Definition 2.4, it disappears from the rest of the draft. Enter Definition 2.2 (Actuarial Conclusions), which carries the load for the remainder of the document. Clearly, “Actuarial Conclusions” are part of “Actuarial Services”, even though Definitions 2.2 and 2.4 do not explicitly state this. But are there “Actuarial Services” that are not “Actuarial Conclusions”? Section 3.6 suggests this can be the case since it states (emphasis added): “When issuing an actuarial communication <b>that includes actuarial conclusions</b> , the actuary should issue an actuarial report or confirm that an actuarial report has been or will be issued.” So, I infer that one can issue an actuarial communication that does not include an actuarial conclusion. Can the Drafting Committee provide examples of actuarial services that are not actuarial conclusions? Communications covering such actuarial services would not require an actuarial report.
2. Is it clear which guidance applies for all actuarial communications and which guidance is required only for actuarial reports? If not, what further clarifications would you recommend?	I think so. Section 3 covers actuarial communications, and actuarial reports should be prepared when such communication includes actuarial conclusions. In addition to my comments above, the end of section 3.1 states: “When an actuarial communication is not recorded, the actuary should consider following up with a recorded communication.” I infer that the suggested “recorded communication” is not an actuarial report, so section 4 would not apply. This also supports the idea that there are actuarial services that are not actuarial communications.


**III. Specific Recommendations:**

Section #	Commentator Recommendation (Please provide recommended wording for any suggested changes)	Commentator Rationale (Support for the recommendation)
2.9	Subsequent Events—Events that (1) occur after the information date; (2) become known to the actuary before the actuarial report is issued; and (3) <u>in the actuary’s professional judgment</u> may have a material effect on actuarial conclusions.	I suggest changing item (3) to clarify that the actuary’s contemporaneous opinion should be used, not some third party’s opinion that may occur well after the fact.
4.1	I suggest moving the last two paragraphs in this section (One begins with “The actuary may include these disclosures ...” and the other starts with “The actuary may choose to omit some of the disclosures in (a)-(p) above ...”) to the beginning of the section before items (a)-(p).	The information in the last two paragraphs is important, and I think it would be more prominent if it were moved to the front. This signals to the actuary that the context of the conclusions is essential and that the actuarial report may be changed accordingly.

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**V. Signature:**

Commentator Signature	Date
	2-13-2025