

**Comment #4 – 1/4/10 – 9:55 a.m.**

I'm afraid that the Second Exposure Draft has me somewhat confused.

As I understand it, the standard applies to actuarial communications that include an actuarial opinion or an actuarial finding. Actuarial opinion is not defined, but actuarial finding is defined as "The result of a professional service provided by an individual acting in the capacity of an actuary in performing that service." An actuarial communication is "A written, electronic, or oral communication issued by an actuary with respect to actuarial services," and there are two categories of actuarial communications: actuarial documents and oral communications. Further, an actuarial report is to be issued "When the actuary intends the findings [or, presumably, an opinion] in an actuarial document to be relied upon by the intended user...". So far, so good.

Question/Comment #1: As a consulting actuary, I often receive emails or phone calls from clients asking me for information. Sometimes they are looking for answers to questions that they have - often dealing with a specific project that I am working on or have recently completed, but occasionally dealing with some general matter. Also, because I act as an "actuarial advisor" for some clients, I am often asked for my guidance/advice on certain issues (e.g., from an insurance regulator: Do you think rate increases should be capped at some amount?, or, Do you think the wording in the proposed legislation is clear?). I would think that my situation is fairly common among actuaries. It seems as though if I respond to such questions/requests orally, I am not required to prepare an actuarial report. But if I, instead, respond in a document (e.g., an email), I am required to prepare an actuarial report. Is this correct?

Question/Comment #2: In the above situation, if I respond to the client in writing (and, hence must prepare an actuarial report) would my response be considered an actuarial report...even if there are no methods, procedures, assumptions, or data to be identified? Note that many of the "general" questions/requests that I get do not require that I analyze data, make assumptions, or perform calculations. If not, then what sort of report is to be prepared?

Question/Comment #3: I find the explanation of how reports may be different for different users in Section 3.2 to be confusing - and the example of one user joining the project team at a different time - not to be helpful.

Question/Comment #4: I am also confused as to what is meant by "An actuarial report may comprise one or several documents." Examples would be most helpful.

Thank you.

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