

Comment #7 – 11/13/15 – 4:26 p.m.

I have just read the exposure draft of the revision to ASOP 21.

I was disappointed at how little useful guidance or information is contained in the draft. Other than 3.5.3 on disagreements on provision or use of information, there is very little in the draft that isn't covered in other ASOPs or the Code of Conduct.

I am much more concerned with disagreements about assumptions and conclusions than I am about the provision or use of information discussed in 3.5.3. I don't see that topic addressed in the draft.

With the approval of the ORSA Model Act by many states in the past year or so, I was expecting to see reference to responding to examiners related to topics included in the ORSA, as many actuaries either prepare or significantly contribute to ORSA reports. Again, I don't see that topic in the draft, only related to financial statements.

Frequently, the responding actuary holds discussed with the auditor or examiner directly and not through a reviewing actuary. I don't see any reference to discussions with anyone other than the reviewing actuary. There can be significant challenges when holding discussions with professionals other than actuaries as they have different technical skills, vocabulary and professional standards.

In summary, I see several significant areas for clarification and expansion of this ASOP.

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