

ASOP No. 21—Doc. No. 183

Appendix 2

Comments on the Exposure Draft and Responses

The exposure draft of this revision of ASOP No. 21, *Responding to or Assisting Auditors or Examiners in Connection with Financial Audits, Financial Reviews, and Financial Examinations*, was issued in September 2015 with a comment deadline of December 31, 2015. Nineteen comment letters were received, some of which were submitted on behalf of multiple commentators, such as by firms or committees. For purposes of this appendix, the term “commentator” may refer to more than one person associated with a particular comment letter. The Task Force carefully considered all comments received, and the General Committee and ASB reviewed (and modified, where appropriate) the proposed changes.

Summarized below are the significant issues and questions contained in the comment letters and the responses to each.

The term “reviewers” includes the Task Force, General Committee, and the ASB. Unless otherwise noted, the section numbers and titles used below refer to those in the exposure draft.

TRANSMITTAL MEMORANDUM	
Question 1: Is the scope limitation to financial audits, financial reviews, and financial examinations clear and appropriate?	
Several commentators felt that the scope limitation to financial audits, financial reviews, and financial examinations was clear and appropriate.	
Comment	One commentator asked whether the ASOP was intended to cover financial reviews performed in M&A or IPO situations.
Response	The reviewers note that these financial reviews are not included in the financial reviews defined in this standard and added clarifying language in the definition of financial review.
Comment	One commentator stated that the scope limitation that precludes application of the ASOP to rate filings, tax returns, and other items involving actuarial considerations might not be appropriate.
Response	The reviewers believe this limitation is appropriate and made no change.
Comment	One commentator suggested adding the words “agreed-upon procedures” in conjunction with performing financial audits or financial reviews.
Response	The reviewers disagree that this ASOP should cover a more limited “agreed-upon procedures” engagement and made no change.
Comment	One commentator suggested adding wording in the transmittal letter to explain what elements are not necessary or appropriate for non-financial audits.
Response	The reviewers note that this ASOP does not apply to non-financial audits, reviews, or examinations and, therefore, does not provide guidance in those situations. Therefore, no change was made.

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Question 2: Does the proposed revision appropriately reflect the changes in financial audits, financial reviews, and financial examinations that have occurred since the current version of ASOP No. 21 was adopted in September 2004?	
Several commentators felt that the proposed revision appropriately reflected the changes in financial audits, financial reviews, and financial examinations that have occurred since the current version of ASOP No. 21 was adopted in September 2004.	
Comment	One commentator suggested more direct guidance to align with the Public Company Accounting Oversight Board’s (PCAOB’s) Staff Audit Practice Alerts (SAPAs).
Response	The reviewers note that while the SAPAs may apply to actuaries providing services in the audit of public companies, they may not apply to other actuarial practice areas and services covered by the ASOP and, therefore, may not be universally appropriate for inclusion in the ASOP. Therefore, no change was made.
Comment	One commentator suggested using a term different from “generally accepted auditing standards” and also including examinations and other assurance engagements in whatever term was used.
Response	The reviewers note that the term “generally accepted auditing standards” is purposefully not capitalized in the standard and can refer to a variety of auditing standards. Financial examinations are specifically defined separately as being “performed by an examiner.” Therefore, no change was made.
Comment	One commentator noted that the ASOP does not contain the word “risk” even though the revision is intended to look toward more risk focused exams.
Response	The reviewers agree and added section 3.5.4(f) to explicitly incorporate risk.
Question 3: Does the proposed revision accurately describe the responsibilities of the reviewing actuary and the responding actuary?	
Several commentators felt the proposed revision accurately described the responsibilities of the reviewing actuary and the responding actuary.	
Comment	One commentator suggested additional stronger language that directs the reviewing actuary to limit the information request only to the information required to review the work of the responding actuary.
Response	The reviewers believe that the guidance regarding request for information is appropriate and recognize that there can be differences of opinion about whether the information requested is required to review the responding actuary’s work. Section 3.5.3 addresses what steps the reviewing actuary should take if a disagreement arises. Therefore, no change was made.
Comment	One commentator suggested adding wording stating that the entity provides specific written authorization for the responding actuary to act in the capacity of responding actuary.
Response	The reviewers note that an ASOP cannot require an entity to do anything, whether in writing or not, but have changed the definition of responding actuary to note that the responding actuary is “authorized by the entity to respond.”
Comment	One commentator suggested requiring the responding actuary to have sufficient qualifications to perform the work and to be involved in actuarial communications.
Response	The reviewers note that an actuary must follow the Code of Professional Conduct (Code) in all areas and Precept 2 in particular addresses qualifications. Therefore, the reviewers made no change.

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Comment	One commentator suggested that it be made clearer that the ASOP applies to the reviewing actuary even if there is no responding actuary.
Response	The reviewers believe that there is nothing in the ASOP that would lead a reviewing actuary to believe that the ASOP did not apply if there was no responding actuary. However, changes were made in certain sections to note that the reviewing actuary may be communicating directly with the entity.
GENERAL COMMENTS	
Comment	One commentator believed that there should be more specific mention of Own Risk and Solvency Assessment (ORSA).
Response	The reviewers disagree because ORSA is only one component to a financial examination and is applicable only to insurance companies. Therefore, no change was made.
Comment	One commentator suggested that the order of audit, review, and examination be changed to audit, examination, and review, that is, in the order of the definitions.
Response	The reviewers note that the definitions in ASOPs are listed in alphabetical order, so that the ordering does not imply any relationships among the various definitions. Therefore, the reviewers made no change.
Comment	One commentator suggested a number of changes or additions to several sections that would add specific reference to a number of other ASOPs or require that the responding actuary state that various items followed various standards.
Response	The reviewers disagree with adding the references and made no change.
Comment	One commentator suggested that the exposure draft indicates that the responding actuary plays a role in determining the scope of an examination.
Response	The reviewers believe that the responding actuary’s role is appropriately described and made no change.
Comment	One commentator suggested that input from a broader group of potential commentators should be sought, and specifically mentioned financial statement preparers, auditors, and examiners.
Response	The reviewers note that the ASB does proactively seek input from a broad range of potential commentators including those listed by the commentator, and it is up to those parties to respond.
Comment	One commentator suggested integrating guidance from a 2014 Request for Comment document entitled “ASOPs and Pension Plan Funding and Accounting.”
Response	The reviewers disagree because the suggested document and comments submitted in response to it relate to a Request for Comment and do not provide guidance and, in addition, relate specifically to the pension practice while the standard applies to all practice areas.
Comment	One commentator questioned how ASOP No. 21 relates to Precept 13 of the Code and violations of the Code, and asked what a reviewing actuary should do if the reviewing actuary believes that the responding actuary has violated the Code.
Response	The reviewers note the Code applies to actuaries acting in a professional actuarial capacity. If a reviewing actuary believes that a responding actuary has violated the Code, the reviewing actuary should be guided by the Code.

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Comment	One commentator questioned whether the ASOP should formalize the interaction between the responding and reviewing actuaries where a prior examination exposed issues.
Response	The reviewers believe that the ASOP provides appropriate guidance and does not need to specify what occurs between responding and reviewing actuaries regarding prior examination issues. Therefore, no change was made.
Comment	One commentator asked what the obligation of the responding actuary is when someone other than the responding actuary (e.g., the principal) has set the assumptions, whether the assumptions are reasonable or not reasonable.
Response	The reviewers believe that the guidance in section 3.5.4 is sufficient for this circumstance and note that disclosure is also addressed in ASOP No. 41, <i>Actuarial Communications</i> . Therefore, no change was made.
Comment	One commentator suggested adding wording based on several Academy financial reporting committees' comments on the PCAOB's Staff Consultation Paper regarding the auditor's use of specialists.
Response	The reviewers believe that the suggested additional wording is too prescriptive. Therefore, no change was made.
Comment	One commentator suggested that the ASOP address the situation where a consulting actuary who was acting as a reviewing actuary uses confidential information to later gain a contract or employment with the entity that was audited or examined.
Response	The reviewers believe that the hypothetical situation posed by the commentator is addressed by reference to the Code and, therefore, made no change.
SECTION 1. PURPOSE, SCOPE, CROSS REFERENCES, AND EFFECTIVE DATE	
Section 1.2, Scope	
Comment	One commentator suggested changing the wording in the last sentence of the first paragraph from "is working to support" to "directly assists" the auditor or examiner.
Response	The reviewers agree with the wording change as the new wording may be more consistent with the terminology used by the auditor or examiner, and made the change.
Comment	One commentator suggested adding an example of one type of assistance that the internal auditor actuary might provide.
Response	The reviewers do not agree with adding the example, because the example given is limited in application. Therefore, no example was added.
Comment	One commentator recommended that the scope be clarified by adding a statement to the effect that the standard applies to a plan audit required to be attached to the Form 5500.
Response	The reviewers agree and added some clarifying language in section 1.2.

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SECTION 2. DEFINITIONS	
Section 2.1, Auditor	
Comment	One commentator proposed deleting the word “external” before the definition of “auditor” and suggested adding the word “qualified” in front of “professional.”
Response	The reviewers disagree with both suggestions. “External” is purposefully inserted in the revised definition because the application of the ASOP to actuaries who are employed in an internal audit function is limited, as described in section 1.2. The suggestion to add the word “qualified” before “professional” is not followed because it is assumed that actuaries who are providing services in an audit, review, or examination are qualified to do so in accordance with the Code. Therefore, no changes were made.
Section 2.2, Contract Performance	
Comment	One commentator suggested that the definition could be improved by adding “or experience refund” at the end of the definition as another example of contract performance.
Response	The reviewers agree that this additional example could add clarity for some practice areas and added the phrase.
Section 2.5, Financial Audit	
Comment	One commentator suggested that the term financial audit be defined to include both financial audits and financial reviews.
Response	The reviewers disagree because financial audits and financial reviews are different and this difference is important to auditors and appears in accounting literature. However, the reviewers modified the definition of financial review to clarify the differences.
Section 2.7, Financial Review	
Comment	One commentator suggested revising the definition of financial review to organize it in a similar way to the definition of financial audit but also to be clearer about the differences between a financial audit and financial review.
Response	The reviewers agree that a financial audit is similar to a financial review but also has some distinctly different characteristics that are important in the accounting profession. Therefore, the reviewers changed the wording to try to clarify the differences while also paralleling the structure of the financial audit definition.
Comment	One commentator suggested changing the word “company’s” in front of “internal controls” to “entity’s.”
Response	The reviewers agree and made the change.
Section 2.10, Responding Actuary	
Comment	One commentator suggested that the definition would be improved by adding the phrase “either internal or external to the entity” to the definition of “responding actuary.”
Response	The reviewers note that the definition states that the responding actuary is acting “on behalf of the entity...,” which covers actuaries who are internal or external to the entity. Therefore, the reviewers made no change.
Comment	One commentator suggested a change in the definition to read “the responding actuary is the actuary whose principal is the entity being audited, reviewed, or examined.”
Response	The reviewers disagree and made no change.

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Comment	One commentator suggested that because there may in actual circumstances be no responding actuary, the standard should either give a respondent who is not an actuary direction and include that respondent as being covered by the standard, or alternatively or additionally, say that there should always be a responding actuary.
Response	The reviewers disagree with both suggestions. First, ASOPs can only apply to actuaries even if non-actuaries are performing actuarial-type work. Similarly, the ASB cannot require an entity to employ or involve an actuary to perform actuarial-type work. Therefore, the reviewers made no change.
Section 2.11, Reviewing Actuary	
Comment	One commentator suggested that the definition of reviewing actuary be “the actuary whose principal is the auditor or examiner.”
Response	The reviewers disagree with the change in wording, since the suggested change could erroneously indicate that any actuary whose principal is the auditor or examiner would be a reviewing actuary. Therefore, the reviewers made no change.
SECTION 3. ANALYSIS OF ISSUES AND RECOMMENDED PRACTICES	
Section 3.1, Scope and Planning for a Financial Audit, Financial Review, or Financial Examination	
Comment	One commentator suggested adding the words “and materiality” to the scope.
Response	The reviewers disagree, noting that ASOP No. 1, <i>Introductory Actuarial Standard of Practice</i> , provides that the guidance in ASOPs need not be applied to immaterial items, and made no change.
Section 3.1.1, Understanding the Scope	
Comment	One commentator suggested that an additional section be added to section 3.1.1, which addresses planning. Suggested additional wording is “The reviewing actuary should plan actuarial procedures consistent with the scope of the financial audit, financial review, or financial examination. These procedures should be provided to and discussed with the auditor or examiner prior to performing the procedures.”
Response	The reviewers disagree with this suggestion because it fails to recognize that the reviewing actuary is not always involved or able to be involved in planning the audit, review, or examination. The current wording states “the reviewing actuary should, to the extent practicable, ... assist with the planning...” Therefore, no change was made.
Section 3.1.2, Informing the Responding Actuary	
Comment	One commentator said that the section wording should suggest that the communication be in writing.
Response	The reviewers disagree with the suggestion. This section recognizes that it is not always practicable for the reviewing actuary to inform the responding actuary about the scope and timing. The reviewers do not feel it is appropriate to expand the communication requirements and, therefore, made no change.
Comment	Several commentators suggested that wording be added to specifically address that there may be no direct communication between the reviewing and responding actuaries.
Response	The reviewers disagree and believe that the wording “to the extent practicable” appropriately recognizes that there may be no direct communication between the reviewing and responding actuaries. Therefore, no change was made.
Section 3.2, Discussion between Responding Actuary and Entity	
Comment	One commentator suggested clarification on the relationship of the responding actuary to the entity.
Response	The reviewers disagree that any clarification is needed and believe that the definition of responding actuary is clear. Therefore, no change was made.

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Comment	One commentator said that this section was vague and did not understand when the responding actuary would not discuss responses with the entity.
Response	The reviewers disagree that any change is needed. The wording reflects that there may be a number of reasons that the responding actuary is not able to discuss responses directly with the entity, and therefore, allows for flexibility. Therefore, no change was made.
Section 3.3, Relationship with the Entity Whose Financial Statement is Being Audited, Reviewed, or Examined	
Comment	Several commentators suggested that the disclosure of relationships should apply to the responding actuary as well as the reviewing actuary.
Response	The reviewers disagree with adding responding actuary to the relationship disclosure because the responding actuary always has a relationship to the entity (i.e. employment). Therefore, no change was made.
Comment	One commentator suggested adding “or its affiliates” after “entity.”
Response	The reviewers agree and changed the wording.
Section 3.4, Communication from Responding Actuary	
Comment	One commentator suggested (re)inserting the word “reasonable” in front of “requests,” as in the corresponding section 3.1 of the current ASOP No. 21.
Response	The reviewers note that section 3.4 directs the responding actuary to be “appropriately responsive” and, therefore, made no change.
Comment	One commentator suggested that clarification is needed on the issue of the responding actuary involving other individuals in responding to the auditor or examiner, and notes that the issue seems to be control of the work product or communication.
Response	The reviewers disagree that clarification is needed and, therefore, made no change.
Section 3.5, Requests for Information	
Comment	One commentator suggested that this section refer to ASOP No. 41.
Response	The reviewers disagree and note that ASOP No. 41 applies to actuarial communications of the results of a work product, while section 3.5 is discussing communications among the reviewing actuary, the auditor or examiner, and the responding actuary that are necessary for the performance of actuarial procedures, not for communicating the results of a work product. Therefore, no change was made.
Comment	One commentator suggested replacing “needed by the reviewing actuary...” to “needed by the auditor or examiner team....”
Response	The reviewers agree that the information may be requested by the auditor or examiner in addition to or instead of the reviewing actuary and added a second sentence noting that the “responding actuary should also cooperate in the compilation of information requested by the auditor or examiner....”
Comment	One commentator suggested adding the sentence “Information requests may be made to the responding actuary by the auditor or examiner, including the reviewing actuary.”
Response	The reviewers agree that the responding actuary may be responding to the auditor or examiner and added a second sentence to section 3.5 as noted above.

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Section 3.5.1, Information Request Communication	
Comment	One commentator suggested that information requested should include the level of granularity of information requested.
Response	The reviewers disagree that this specificity needs to be added and made no change.
Comment	Several commentators suggested substituting “the entity” for “the responding actuary” where “the responding actuary” appears in section 3.5.1, or other additions to wording that would accomplish the same result as this suggested change.
Response	The reviewers agree with the suggestion and made the change.
Comment	One commentator provided a rewrite of section 3.5.1, which listed substantial detail on what should be included in the request for information.
Response	The reviewers note that the basic ideas in the suggested rewrite were already in the exposure draft. However, the suggested wording is very prescriptive and may not work in all situations and for all practice areas, and for both audits and examinations. The reviewers believe the current guidance is appropriate and made no change.
Section 3.5.2, Responding to Requests for Information	
Comment	One commentator posed a hypothetical situation regarding the need or requirement that the responding actuary disclose information that is new and not directly part of the information requested by the auditor or examiner, and asked that this situation be addressed somewhere in the ASOP.
Response	The reviewers do not believe that all potential situations can be addressed in the ASOP but refer the commentator to the first sentence of section 3.5 and the Code regarding cooperation. Therefore, no change was made.
Comment	One commentator noted that the term “requester” was used and suggested it be replaced with “auditor or examiner.”
Response	The reviewers agree and changed the term “requester” to “auditor or examiner.”
Comment	One commentator provided a rewrite of section 3.5.2, which listed substantial detail on what should be included in the response to requests for information.
Response	The reviewers note that the basic ideas in the suggested wording are in the exposure draft. However, the suggested wording is very prescriptive and may not work in all situations and for all practice areas, and for both audits and examinations. The reviewers believe the current guidance is appropriate and made no change.
Comment	One commentator suggested clarifying that the responding actuary can only respond to the reviewing actuary’s or auditor’s or examiner’s requests for information to the extent that the entity has authorized the actuary to respond.
Response	The reviewers modified the definition of responding actuary in section 2.10 to make clearer that the responding actuary is authorized to respond.

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Comment	One commentator objected to section 3.5.2(c), which states that the responding actuary should consider “whether the information requested is within the scope of the financial audit, financial review, or financial examination.” The commentator indicated that it is outside of the responding actuary’s area of expertise to know whether the information requested is within the scope of the audit, review, or examination.
Response	The reviewers believe the guidance is appropriate and refer the commentator to section 3.5.3 for guidance in situations where there is a disagreement on the provision or use of information. Therefore, the reviewers made no change.
Section 3.5.3, Disagreement on Provision or Use of Information	
Comment	One commentator suggested clarifying that there might be no opportunity for direct communication between the responding actuary and reviewing actuary.
Response	The reviewers made some changes to the wording to clarify guidance.
Comment	One commentator suggested either deletion or expansion of this section. The argument for deletion is that the Code applies and the section does not add information or guidance. The argument for expansion is that there needs to be more specific direction about what happens in the event that information the reviewing actuary believes needs to be provided is not provided.
Response	The reviewers disagree and believe the level of guidance given is appropriate. Therefore, no change was made.
Section 3.5.4, Data, Assumptions, Methods, Models and Controls	
Comment	One commentator suggested that wording be added indicating that it is preferable for the responding actuary to respond in writing to requests for information.
Response	The reviewers disagree and believe that “responding in writing” is too vague (i.e. what constitutes a “writing” that is universally applicable) to be useful and may not apply to all practice areas and in all situations. Therefore, the reviewers made no change.
Comment	One commentator suggested additional wording in subsections (h), (i), and (j) as follows: h. adjustment to values calculated outside of actuarial models; i. background information to assist the reviewing actuary to fairly assess the reliability of the audited value e.g. the level of uncertainty in management estimates, model quality, and other qualitative factors; and j. model validations.
Response	The reviewers disagree with the additional wording suggestions, believing the current wording is appropriately broad and encompasses the additional specific suggestions. Therefore, no change was made.
Comment	One commentator suggested that the standard should require the responding actuary to prepare a set of work papers that “support the balance sheet.” Further, the commentator suggested that the standard require the entity to identify the responding actuary at the beginning of the audit/exam and that this person should prepare the initial package, that is, the set of work papers to support the audit/exam.
Response	The reviewers disagree with the first suggestion as being too prescriptive and not applicable to all situations and practice areas. The reviewers disagree with the second suggestion because it directs the entity to do something, which is outside the purview of an ASOP. Therefore, no change was made.

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Comment	One commentator suggested either eliminating section (d), which referred to the source of methods and assumptions not set by the responding actuary, or just eliminating the phrase “not set by the responding actuary.”
Response	The reviewers disagree with both suggestions and made no change. The reviewers believe that Section 3.5.4(c) in this final ASOP is important to address the methods and assumptions not set by the responding actuary.
Comment	One commentator suggested adding language that requires the information provided by the responding actuary to be complete enough that the reviewing actuary can “sample-test” the appropriateness of assumptions, methodology, or accuracy of calculations.
Response	The reviewers disagree because the additional language is overly prescriptive and does not apply to all practice areas. Therefore, no change was made.
Comment	Several commentators suggested that an item be added saying that the responding actuary should be prepared to discuss perceived or significant risks to the business.
Response	The reviewers agree with the idea of adding an item of risk to the list and added “f. any significant risks to the entity considered by the responding actuary.”
Comment	One commentator suggested that the phrase “and changes in methods used” be added to section (c).
Response	The reviewers combined sections (c) and (b), and believe that the guidance regarding “being prepared to discuss...the rationale for those methods...” includes discussion of changes in methods.
Section 3.5.5, Changing Conditions	
Comment	One commentator suggested adding the following wording after sections (a) through (e) as follows: f. inherent and residual risk assessments; g. design and effectiveness of financial controls; h. the existence and potential resolution of any material weaknesses, significant deficiencies, or high risk deficiencies.
Response	The reviewers believe that the suggestions made are more appropriate to section 3.5.4, and added an additional item discussing risk as section (f) and added the phrase “design and effectiveness of” before “controls” in section (e).
Comment	One commentator suggested removing “statutory” because the point applies to all valuation bases.
Response	The reviewers note that “statutory” refers to any valuation basis set by statute, but removed it as the word is not essential.
Comment	One commentator suggested changing the phrase “significant effect” to one that refers to an impact over a materiality limit.
Response	The reviewers disagree and note that the language refers to circumstances that, “in the actuary’s judgment,” had or may have a significant effect. Therefore, no change was made.
Comment	One commentator suggested that the wording under 3.5.5(e) on compliance with relevant new or revised accounting rules or laws should include Actuarial Guidelines developed by the National Association of Insurance Commissioners.
Response	The reviewers disagree and note that Actuarial Guidelines fit into the category of government promulgations. Therefore, no change was made.

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Comment	One commentator agreed that the responding actuary should be prepared to discuss circumstances that had a significant effect on the preparation of the information being audited, reviewed, or examined but did not agree with the wording "...or may have a significant effect..." as the commentator felt this required discussion of future scenarios of events.
Response	The reviewers believe that the guidance is appropriate and made no change.
Section 3.5.6, Confidentiality	
Comment	Several commentators suggested reinserting language from the current ASOP that says "any information received by the reviewing actuary should be considered confidential...unless otherwise indicated by the entity."
Response	In order to avoid any confusion, the guidance was changed to refer directly to Precept 9 of the Code.
Comment	One commentator asked that more be said about "may give rise to the exchange of confidential information" but made no specific suggestion.
Response	The reviewers disagree that additional explanation is needed and made no change.
Section 3.6, Documentation	
Comment	Two commentators asked why the reviewing actuary should document but the responding actuary should only consider documenting.
Response	The reviewers do not believe any change is needed because the act of reviewing is part of the work product of the reviewing actuary, but the act of responding is not necessarily part of the work product of the responding actuary. The responding actuary may only be providing supporting information for preexisting work. Therefore, the reviewers believe the documentation requirements should be different. Therefore, no change was made.
Section 3.6.1, Documentation of Findings by Reviewing Actuary	
Comment	One commentator suggested adding wording to indicate that it is the responsibility of the responding actuary to comment on any report received from the reviewing actuary as described in 3.6.1(d).
Response	The reviewers disagree with the suggested change and note that in many instances, the findings of a reviewing actuary are not provided to the responding actuary. The reviewers believe that putting requirements on the responding actuary to respond to the reviewing actuary's report is not appropriate. Therefore, no change was made.
Comment	One commentator suggested adding guidance on standards that reviewing actuaries need to meet to be qualified to perform or assist in an audit or examination.
Response	The reviewers do not believe that guidance on qualifications is appropriate in this standard and refer the commentator to the U.S. Qualification Standards. Therefore, no change was made.
Comment	One commentator suggested that the reviewing actuary should comment on whether the responding actuary is following the professional standards of practice.
Response	The reviewers disagree with this suggestion and note that actuaries should always be following actuarial standards of practice. Therefore, no change was made.
Comment	One commentator suggested that the reviewing actuary should comment specifically on what items are not reviewed.
Response	The reviewers disagree with this suggestion as being too open-ended and practically impossible to meet. Therefore, no change was made.

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Section 3.6.2, Documentation by Responding Actuary	
Comment	One commentator suggested that the term “requester” be changed.
Response	The reviewers agree and changed the term “requester” to “auditor or examiner.”
SECTION 4. COMMUNICATIONS AND DISCLOSURES	
Section 4.1, Communication and Disclosure	
Comment	One commentator suggested changing “when communicating information and findings” to “when communicating actuarial opinions and actuarial findings” to agree with ASOP No. 41.
Response	The reviewers have simplified this sentence in section 4.1 and it now simply indicates that “Both the reviewing actuary and the responding actuary should comply with ASOP No. 41, <i>Actuarial Communications.</i> ”