

**Title of Exposure Draft: Proposed Revision of Actuarial Standard of Practice No. 41 – Actuarial Communications**

**Comment Deadline: November 1, 2022**

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](mailto: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:**

Ralph S. Blanchard, III, FCAS, MAAA

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

Question No.	Commentator Response

**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)
3.3.3.b.5	At a minimum, delete the wording “a substantial amount of additional” in subsection iii so it reads “... without performing additional work beyond the scope of the assignment”. Other solutions would be to explicitly allow reliance on others without further comment.	The wording in this subsection is inconsistent with work in a team environment as it requires an actuary performing part of the total workproduct of a team to second-guess the other members of the team. For example, an actuary may submit a rate indication that includes a profit provision (that includes the capital required to support the product) and a catastrophe load. It is typical for large property/casualty groups to have separate areas involved in determining catastrophe loads and profit loads (which include evaluation of needed capital). The actuary working on just the non-cat portion of the rate indication may have come from one of the other areas (i.e., catastrophe analysis or profit loads/ERM), so they could recreate the work of their prior area “without a substantial amount of additional work”, but it would be unprofessional to insist on needing to verify the reasonableness of the workproduct in those other areas. Note that if a rate hearing results from the rate filing, the testimony concerning the cat load and

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		profit provision would be provided by those involved in that portion of the overall rate indication, not the actuary involved in the non-cat portion of the indication.

**IV. General Recommendations (If Any):**

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

**V. Signature:**

Commentator Signature	Date
	10/26/2022