

Title of Exposure Draft: Proposed Revision of ASOP No. 27 – Selection of Assumptions for Measuring Pension Obligations

Comment Deadline: June 15, 2023

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 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:

Name of Commentator / Company
Eric A. Keener / Aon

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

Question No.	Commentator Response
1	The consolidation of ASOP Nos. 27 and 35 is not intended to substantively change the guidance. Has the conversion achieved this goal? If not, please explain or provide examples. Other than the proposed changes to Reliance on Expertise of Others in Section 3.24, we agree that the conversion has achieved the goal of not substantively changing the guidance of ASOP Nos. 27 and 35.
2	Will the deletion of guidance about the assumption universe affect practice? If so, please explain or provide examples. No, we do not believe the deletion of guidance about the assumption universe will affect practice.

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)
3.24	An actuary may rely on the expertise of others (including actuaries not performing actuarial services) in the fields of knowledge used in the selection of the assumption. In determining the appropriate level of such reliance, the actuary should <u>consider factors such as take into account the following to the extent the information is reasonably available:</u>	An actuary might not have much (if any) information on a different field of knowledge and might not have sufficient background to obtain such information (or obtaining such information might require a substantial amount of additional work outside the scope of the actuary’s assignment). Therefore, we recommend that the language be changed to “should consider factors” if “the information is reasonably available.” Experts the actuary relies upon may not have professional standards (like actuaries do) requiring them to summarize information that would enable others to assess their expertise, the extent to which the assumption was

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		<p>reviewed by others with expertise in the applicable field, or if there are industry or regulatory standards applicable to the assumption.</p> <p>Also, there might be other factors the actuary believes are relevant in determining an appropriate level of reliance that aren't listed in section 3.24. To this end, we have suggested "factors such as" to provide actuaries flexibility in determining what factors to consider when determining whether they should rely on the expertise of others.</p>

IV. General Recommendations (If Any):

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

V. Signature:

Commentator Signature	Date
<p>Eric A. Keener Senior Partner and Chief Actuary, U.S. Retirement Aon</p>	<p>06/13/2023</p>