Title of Exposure Draft: Proposed Revision of ASOP No. 6 – Measuring Retiree Group Benefits Obligations and Determining Retiree Group Benefits Program Periodic Costs or Actuarially Determined Contributions

Comment Deadline: May 15, 2026

Instructions: Please review the exposure draft, and give the ASB the benefit or 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:

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
Bruce Cadenhead, Mercer

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

Question No.	Commentator Response
2	We don't believe that a more expansive requirement should apply to retiree group benefit valuations than apply to pension valuations. There is nothing inherent in the valuation process or the nature of the risks for the two types of plans that would support this distinction. If the ultimate objective is to extend the risk assessment requirement to all types of valuations for both pension and retiree group benefit valuations, then we think it would be more appropriate to state that objective and invite a discussion of the merits of that approach more broadly, rather than solely in the context of an update to ASOP 6.

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)

IV. General Recommendations (If Any):

Commentator Recommendation (Identify relevant sections when possible)	Commentator Rationale (Support for the recommendation)
In general, we are supportive of the recommendations submitted by the Pension Committee, Multiemployer Plans Committee and Public Plans Committee of the American Academy of Actuaries' Retirement Practice Council and will not repeat any of those specific recommendations here, other than as noted above.	

Although we are not restating the points made in the submission noted in the above paragraph, we would like to emphasize our support for suggested edits to paragraphs 2.6 and 2.19 that would clarify the definition of a funding valuation and that endorse the concept of a funding valuation applying only to the portion of the plan that is intended to be prefunded.	Although it is fairly common for a plan sponsor to set aside funds with the intention of covering some of the future costs of a benefit program, this prefunding often occurs for reasons other than a deliberate attempt or requirement to prefund benefits over the working life of the affected participants. Rather, prefunding may be driven by tax considerations or to meet a more general objective to shift some of the timing of cash obligations. In these situations, the program is often more fundamentally pay-as -you-go. What constitutes a single retiree group benefit plan is often less well defined than for a single pension plan. It is very possible that some benefit or some portion of the plan might be prefunded, while other benefits are not. In these situations, the "plan" could just as easily — and perhaps more appropriately — be considered to be two separate plans. We think it is important to reflect that distinction when developing measures that apply specifically to prefunded plans.

V. Signature:

Commentator Signature	Date
Bruce A. Cadenhead, MAAA, FSA, EA, FCA	05/15/2026