

**Title of Exposure Draft: Actuarial Communications (ASOP 41 – 3<sup>rd</sup> Draft)**

**Comment Deadline: June 1, 2026**

**I. Identification:**

Name of Commentator / Company
Daniel Lyons, MAAA, FCAS / Retired / I am submitting these comments on my own behalf.

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

**III. Specific Recommendations:**

Section #	Commentator Recommendation (Please provide recommended wording for any suggested changes)	Commentator Rationale (Support for the recommendation)
2.4	Intended User—Any person or entity <del>who</del> <u>that</u> the actuary identifies as <del>able to rely on</del> <u>the recipient of an</u> actuarial communication. Intended users may be internal or external to the actuary’s principal.	The idea of reliance is mentioned in this definition and in definition §2.8 (Statements of Actuarial Opinion). In §2.8, when the actuary intends the actuarial communication to be relied upon by the intended user, the actuarial communication is elevated to being a statement of actuarial opinion. The use of reliance in this definition (§2.4) is not needed. In addition, the phrase “... the actuary identifies as able to rely on ...” suggests there is a requirement that the intended user have a minimum level of knowledge about the actuarial work product to be able to use it, and that it is the actuary’s responsibility to determine if such knowledge exists. And in practice, I don’t think actuaries test their intended users on actuarial or accounting topics. The purpose of this definition is only to identify who will receive the work product, so I suggest a simple and direct definition.
3.6	Actuarial Report—When issuing an actuarial communication that includes a statement of actuarial opinion resulting from an actuarial analysis of data, the actuary should issue an actuarial report or confirm that an actuarial report has been or will be issued. Unless otherwise disclosed (see sections 4.2[h] and 4.2[i]), the actuary or actuaries issuing the actuarial report will be assumed to have taken responsibility for the statement of actuarial opinion as well as all material assumptions <del>and</del> <u>methods, and models</u> . The actuary should ...	The phrase “assumptions, methods, and models” is used in §4.2 f., and it is also used prominently in ASOP 53 (§3.5). While ASOP 56 does not use this exact phrase, it does cover the importance of the proper use and interplay of assumptions and models. I suggest adding “and models” to this section to use terminology consistent with §4.2 f. and other ASOPs.  If the Drafting Committee adopts the use of “assumptions, methods, and models,” there are numerous instances of “assumption or method” in §4.2 i, which would need to be changed.

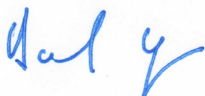
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4.2 i. 5. iii.	a statement that the assumption or method significantly conflicts with what, in the actuary’s professional judgment, would be reasonable for the purpose of the assignment, how it conflicts, why it is still used, and a statement regarding the <del>ability</del> <u>appropriateness</u> of the intended users to rely on the <del>results</del> <u>actuarial communication</u> in the report due to the conflicting assumption or method;	<p>If the actuary finds themselves in this section, they are trying to balance the conflicting positions that, 1) while a Statement of Actuarial Opinion means the actuary intends the intended user can rely on the actuarial communication, with 2) there is some concern on the part of the actuary that, because of the “significant conflict”, the actuarial communication may not be so reliable.</p> <p>I suggest changing “ability” to “appropriateness” because while the intended user is always able to use the actuarial work product, the question is, “Under the circumstances, is it appropriate to use the actuarial work product?”</p> <p>I suggest changing “results” to “actuarial communication” to be consistent with the terms and concepts used in the definitions.</p> <p>If the Drafting Committee accepts some of these recommendations, then similar sections of §4.2 i. 5. iv. would need to change.</p>

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

**V. Signature:**

Commentator Signature	Date
	5-27-2025