

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

Comment Deadline: June 1, 2026

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
Pinnacle Actuarial Resources, Inc.

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)
2.3	Add a definition of "acting in the capacity of an actuary."	There is still ambiguity as to the definition of actuarial services. It is difficult to separate when one is acting in the capacity of an actuary and when one is not. One's skills as an actuary can be applied to many different areas, even if they are traditionally not seen as actuarial. The broadest interpretation would be that anything an actuary does constitutes actuarial services, but at the other end of the spectrum it is hard to decipher when acting in the capacity of an actuary ends and acting in some other capacity begins. If an actuary uses their analytics expertise to build a claim fraud model, is that acting in their capacity as an actuary or not? The safe answer would be yes, but one could make a strong argument that they are not.
3.6	Keep the language stating that "the actuary should state the actuarial findings, and identify the methods, procedures, assumptions, and data used by the actuary with sufficient clarity that another actuary qualified in the same practice area could	Current section 3.2 states: "In the actuarial report, the actuary should state the actuarial findings, and identify the methods, procedures, assumptions, and data used by the actuary with sufficient clarity that another actuary qualified in the same practice area

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	<p>make an objective appraisal of the reasonableness of the actuary’s work” as guidance in section 3, rather than just a disclosure item in section 4.</p>	<p>could make an objective appraisal of the reasonableness of the actuary’s work as presented in the actuarial report.”</p> <p>This language is essential guidance for actuaries that peer review the actuarial reports of others such as expert witnesses, audit support actuaries, and regulatory actuaries (staff and financial exam support). It is essential that this language should not be moved to section 4. Fundamentally it is more guidance to the actuary than just a disclosure item. It is a cornerstone of actuarial external peer reviews of all kinds. In section 4.2 it comes across as an afterthought and can be easily bypassed if the actuary judges that the “intended users will otherwise be adequately informed”.</p>
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IV. General Recommendations (If Any):

<p>Commentator Recommendation (Identify relevant sections when possible)</p>	<p>Commentator Rationale (Support for the recommendation)</p>
<p>2.6</p>	<p>The last part is oddly specific to government benefit plans and the term “benefit program” is not defined. It risks implying that other similar entities (e.g. government self-insurance programs) setting other assumptions (e.g. discount rates) could be included in the example.</p>
<p>3.3, 3.6, 4.1, 4.2, 4.3</p>	<p>On the topic of limiting or omitting disclosures when the intended users will be otherwise adequately informed, the proposed wording leaves too big of a lane for actuaries who issue inappropriate work products and minimally comply with ASOPs today. An example of this is actuaries currently causing reputational damage to our profession in US Tax Court cases.</p> <p>We recommend that this language related to omitting disclosures be removed or largely rewritten. It allows too many opportunities for misuse and materially lowers the current standard level of practice.</p> <p>As an example, large government contracts sometimes require access to a consultant’s workpapers. Based on the example in 4.3, an actuary working on a high-profile government project where clear communication of results is critical may not be required to provide all of the disclosures in 4.1 and 4.2 because the “intended users...have access to the supporting information.”</p>
<p>3.3</p>	<p>There are too many situations where there needs to be a single responsible actuary where the report is signed by multiple authors or by the consulting firm in its entirety. This practice needs to be strongly discouraged as appropriate as it is widely abused.</p>

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<p>4.1 and 4.2 – add disclosures related to the reliance/use of AI if used in the rendering of actuarial services, and/or 3.3 – “Responsibility is not affected by the use of artificial intelligence or other tools in the preparation of the communication.” or similar, after the third sentence</p>	<p>It is not explicit in the ASOP that the actuary remains fully responsible for all actuarial communications and actuarial services, regardless of the use of AI. We recommend clarifying this responsibility in 3.3, and/or require disclosures to be added in 4.1 and 4.2</p>
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V. Signature:

Commentator Signature	Date
<p>The comments above are the collected comments of the consultants employed or affiliated with Pinnacle. If you have any questions regarding our comments, please contact Laura Maxwell, Pinnacle’s Professional Standards Officer, at lmaxwell@pinnacleactuaries.com. Laura A. Maxwell, FCAS, MAAA, CSPA</p>	<p>6/1/2026</p>