



**ACTUARIAL STANDARDS BOARD**

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**Introduction to the  
Actuarial Standards of Practice**

**Developed by the  
Actuarial Standards Board**

**Approved by the  
Actuarial Standards Board  
October 2008**

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**(Doc. No. 113)**

**Introduction to the Actuarial Standards of Practice — October 2008**

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## Introduction to the Actuarial Standards of Practice — October 2008

October 2008

**TO:** Members of Actuarial Organizations Governed by the Standards of Practice of the Actuarial Standards Board and Other Interested Persons

**FROM:** Actuarial Standards Board (ASB)

**SUBJ:** Introduction to the Actuarial Standards of Practice (ASOPs)

This document contains the October 2008 revision to the *Introduction to the Actuarial Standards of Practice* (“*Introduction*”).

### Background

In 1989, the ASB published a Preface to its standards that provided insight into the nature of professions and the role that professionalism standards and disciplinary procedures play, with specific reference to those of the actuarial profession.

Since that time, there have been significant developments in the structure of the professionalism standards and disciplinary procedures of the actuarial profession. The ASB determined that it would be beneficial to adopt an introduction to the standards to offer actuaries guidance on the ASB’s operations, the content and format of standards, and the ASB’s intent with respect to certain terms that appear frequently in the text of the standards themselves. For these reasons, the ASB withdrew the Preface and prepared the *Introduction to the Actuarial Standards of Practice* in 2004.

Recently, the ASB concluded that a limited review of the *Introduction* was appropriate in order to clarify and update certain language.

### Exposure Draft

The exposure draft of this revision was issued in July 2008 with a comment deadline of August 22, 2008. The ASB reviewed the 14 comment letters received and made changes to the draft as appropriate.

This revision clarifies the language in sections 3.1.2 and 3.1.3 (now 3.1.3 and 3.1.4) regarding the process that the ASB follows when developing ASOPs. Apparently, some actuaries have interpreted the prior language to indicate that the Board merely codifies (or catalogs) current practices when developing an ASOP. The actual process in developing ASOPs goes well beyond a simple codification of practices. Therefore, the language was clarified to articulate more clearly the process the Board has been following to develop ASOPs.

Second, language in section 3.2.3 that related to prescribed statements of actuarial opinion was deleted in light of the new revisions (effective January 1, 2008) to the *Qualification Standards*

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*for Actuaries Issuing Statements of Actuarial Opinion in the United States (Including Continuing Education Requirements).*

Third, due to the current ASB project to standardize the “deviation” provisions in all ASOPs and move to the substantial guidance to ASOP No. 41, *Actuarial Communications*, the language in section 4.6 was substantially altered to conform to the new deviation procedures.

The transmittal memorandum accompanying the exposure draft indicated that the proposal had a limited purpose—to clarify language in four specified sections. The proposal was not intended to be reflective of any changes in the way standards are set. At the same time, the ASB recognizes that there may be larger issues with the *Introduction* than those that are being addressed by these revisions. Accordingly, the ASB, in a separate document, is inviting members of the profession or other interested parties who have suggestions on how to improve the standard setting process to share their ideas with the ASB.

Although the Board did not request comments on other areas of the *Introduction*, it did review and react to comments suggesting clarifications on sections outside the original mandate of the Exposure Draft, making changes where appropriate. See the Appendix for a detailed discussion of the comments received and the Board’s responses.

The Board thanks everyone who took the time to comment on the exposure draft.

The ASB voted in October 2008 to adopt this *Introduction*.

### Actuarial Standards Board

Stephen G. Kellison, *Chairperson*

Albert J. Beer

Robert G. Meilander

Alan D. Ford

James J. Murphy

Patrick J. Grannan

Godfrey Perrott

David R. Kass

Lawrence J. Sher

*The ASB establishes and improves standards of actuarial practice. These ASOPs identify what the actuary should consider, document, and disclose when performing an actuarial assignment. The ASB’s goal is to set standards for appropriate practice for the U.S.*

## **INTRODUCTION TO THE ACTUARIAL STANDARDS OF PRACTICE**

### **Section 1. Overview**

The Actuarial Standards Board (ASB) promulgates actuarial standards of practice (ASOPs) for use by actuaries when providing professional services in the United States. For purposes of this *Introduction*, Financial Reporting Recommendations and Actuarial Compliance Guidelines promulgated or republished by the ASB that have not been superseded are also ASOPs. This *Introduction* sets forth principles that have been broadly applicable to the work of the ASB since its inception. This *Introduction* is part of the standards and carries the same weight and authority as the ASOPs themselves.

### **Section 2. The Actuarial Standards Board**

- 2.1 The ASB is vested by the U.S.-based actuarial organizations<sup>1</sup> with the responsibility for promulgating ASOPs for actuaries providing professional services in the United States. Each of these organizations requires its members, through its *Code of Professional Conduct*<sup>2</sup>, to observe the ASOPs of the ASB when practicing in the United States. Actuaries who are required by their non-U.S. actuarial organizations to observe applicable standards of practice when providing professional services should also look to these ASOPs when practicing in the United States.
- 2.2 The ASB promulgates ASOPs through a notice and comment process described in the *ASB Procedures Manual*. The ASB has exclusive authority in the United States to determine whether an ASOP is needed in a particular practice area, to promulgate ASOPs, and to amend or withdraw ASOPs when, in the ASB's judgment, such amendment or withdrawal is appropriate. The ASB is the final authority for determining the content of its ASOPs.

### **Section 3. Actuarial Standards of Practice**

- 3.1 The Purpose of ASOPs
  - 3.1.1 The ASOPs are not narrowly prescriptive and neither dictate a single approach nor mandate a particular outcome. ASOPs are intended to provide actuaries with a framework for performing professional assignments and to offer guidance on relevant issues, recommended practices, documentation, and disclosure. Each

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<sup>1</sup> The American Academy of Actuaries (Academy), the American Society of Pension Professionals and Actuaries, the Casualty Actuarial Society, the Conference of Consulting Actuaries, and the Society of Actuaries.

<sup>2</sup> These organizations adopted identical *Codes of Professional Conduct* effective January 1, 2001.

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ASOP articulates a process of analysis, documentation, and disclosure that, in the ASB's judgment, constitutes appropriate practice within the scope and purpose of the ASOP.

- 3.1.2 Proposals for developing new ASOPs and revising existing ones come from a variety of sources, including individual actuaries, actuarial firms, professional committees (e.g., American Academy of Actuaries practice councils), the Actuarial Board for Counseling and Discipline, and the ASB (and its committees) itself. If it accepts the proposal, the ASB assigns it to the appropriate committee or task force to begin the project.
- 3.1.3 The process of developing a new ASOP or revising an existing ASOP generally begins with the identification of practices that the ASB believes are broadly accepted by qualified actuaries as appropriate to the proper performance of a particular type of professional assignment or aspect of professional practice. After reviewing the current range of practices, the ASB determines whether it is appropriate under the circumstances to restrict or elevate practice to serve the public interest, to reflect recent advancements in actuarial science, or for other reasons. Additionally, the ASB may provide supporting context to delineate how the appropriate level of practice may be achieved in specific situations.
- 3.1.4 The ASB seeks to define an appropriate level of practice, recognizing that the adoption of an ASOP and its subsequent use by practitioners and enforcement by the U.S.-based actuarial organizations will have the effect of rendering practices described in the ASOP as “generally accepted.” Similarly, the ASB sometimes promulgates an ASOP in a new area of practice. Again, the ASB seeks to define an appropriate level of practice for actuaries working in the new area, often by looking at current practice in other areas. The process of exposure to the profession and other interested parties is intended to confirm the general range of practice and to seek input on the impact that the proposed ASOP would have on the level of practice.
- 3.1.5 ASOPs are intended for use by actuaries who, by virtue of having the necessary education and experience to understand and apply them, are qualified to make use of them. Other individuals should consider obtaining the advice of a qualified actuary before making use of or otherwise relying upon these ASOPs. ASOPs are not intended to shift the burden of proof or production in litigation, and failure to satisfy one or more provisions of an ASOP should not, in and of itself, be presumed to be malpractice.
- 3.1.6 The ASB recognizes that actuarial practice involves the identification, measurement, and management of contingent future events in environments that rarely, if ever, emerge exactly as projected. Moreover, the ASOPs are intended to provide guidance for dealing with commonly encountered situations. ASOPs take into account relevant issues arising from the scope of the assignment, limited information, time constraints, and other practical difficulties such as conflicts with regulatory or other restrictions. Actuaries in professional practice may also have

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to handle new or nonroutine situations not anticipated by the ASOPs. In those situations, the actuary should exercise professional judgment in applying the ASOPs.

- 3.1.7 The ASOPs are principles-based and do not attempt to dictate every step and decision in an actuarial assignment. Rather, the ASOPs provide the actuary with an analytical framework for exercising professional judgment, identifying factors that the actuary typically should consider when faced with a particular type or aspect of professional service. The ASOPs generally leave room for the actuary to use professional judgment when selecting methods and assumptions, conducting an analysis, and reaching a conclusion. Emphasizing process over outcome, the ASOPs recognize that actuaries can and do reasonably differ in their preferred methodologies and choices of assumptions and can reasonably reach differing opinions, even when faced with the same facts. Two actuaries could follow a particular ASOP, both using reasonable methods and assumptions, and reach appropriate results that could be substantially different.
- 3.1.8 There are situations where legislative or regulatory bodies or other professional organizations have established rules or requirements that are not in accordance with generally accepted actuarial principles and practice or where an actuary is prevented from applying professional judgment. To deal with these situations, the ASB provides guidance on compliance in such environments. ASOPs that focus on compliance issues typically contain the word “compliance” in their titles.
- 3.1.9 Unlike the ASOPs, which actuaries are required to observe, the actuarial literature provides information that an actuary might choose, but is not required, to consider when providing professional services. Practice notes published by the Academy, for example, describe various methods actuaries use to satisfy an ASOP or to comply with a legal or regulatory requirement, but do not purport to codify generally accepted practice and are not binding upon actuaries. Similarly, learned treatises, study notes, actuarial textbooks, journal articles, and presentations at actuarial meetings can be informative, keeping the actuary abreast of developments as actuarial science evolves, but do not establish binding requirements upon the actuary. Practice also evolves as actuarial research and literature document new methods and improved techniques, and generally accepted practice frequently comes into use through the profession’s collective adoption of techniques described in the actuarial literature. However, unlike the ASOPs, such literature is not binding upon the actuary, and the actuary can legitimately exercise professional judgment in deciding whether and how to make use of such materials.
- 3.2 The Format of ASOPs—Each ASOP document contains (1) a transmittal memorandum, (2) the ASOP itself, and (3) one or more supporting appendices.<sup>3</sup>

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<sup>3</sup> With respect to how the ASOP document is organized, the current ASOP format differs from that of some earlier ASOPs, but all ASOP documents contain similar content, as described in sections 3.2.1–3.2.3 of this Introduction.

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- 3.2.1 The transmittal memorandum and the appendices are not part of the ASOP and are nonbinding. The transmittal memorandum provides background information and a description of the key issues related to the development of the ASOP. The appendices (1) provide the background and historical issues involved and describe current or alternative practices and (2) summarize the major issues raised in the exposure process and their disposition by the drafting committee. Additional appendices may also contain supporting documents, bibliographies, or illustrative examples.
- 3.2.2 Each ASOP begins with two sections that (1) summarize briefly the purpose, scope, cross references, and effective date of the ASOP, and (2) define the special terms used within the ASOP.
- a. The purpose and scope identify the intended application of the ASOP to the work of the actuary. In some instances, the actuary serves as an advisor to a principal and does not actually make decisions or take actions on the principal's behalf. In those instances, the ASOP may indicate in its scope to what extent the ASOP addresses the actuary's role in advising the principal. However, the ASOPs are not intended to make the actuary responsible if the principal acts contrary to the actuary's advice.
  - b. Each ASOP has a specified effective date. Prior to that date, exposure drafts of the ASOP, and the ASOP itself from the date of its publication to its effective date, form part of the literature of the actuarial profession; actuaries may look to them at their discretion for advisory guidance. An ASOP is not binding, i.e., actuaries are not required to ensure that professional services performed by them or under their direction satisfy the ASOP, until the effective date of the ASOP, because in adopting the ASOP the ASB may have defined a new practice or elevated practice, as described in section 3.1.3 above. In the case of a revision to an existing ASOP, the existing ASOP is binding until the effective date of the revised ASOP.
  - c. Each ASOP contains a list of definitions of terms used within it. Those terms are defined only for use in that particular ASOP, and the definitions can and do differ among ASOPs, reflecting different uses of language in various segments of the profession.
- 3.2.3 The other two sections of the ASOP (1) provide an analysis of issues and recommended practices and (2) address communications and disclosures.
- a. The Analysis of Issues and Recommended Practices section is organized by major topics or issues, or by major tasks involved in completing assignments within the ASOP's scope. Emphasis is placed on providing

the actuary with an appropriate analytical framework for completing the assignment that is within the scope of the ASOP.

- b. The Communications and Disclosures section contains a clause that describes what an actuary should do when, in the actuary's professional judgment, a deviation from one or more provisions of the ASOP is deemed to be appropriate. Special communications or disclosures pertinent to the subject of the ASOP and applicable limitations are identified in this section. Where appropriate, reference may be made to applicable provisions of the *Code of Professional Conduct*.

#### Section 4. Compliance with ASOPs

- 4.1 Actuaries are required by *Precept 3* of the *Code of Professional Conduct* to ensure that work performed by them or under their direction satisfies applicable ASOPs. ASOPs are, therefore, binding upon actuaries because failure to follow an applicable ASOP can breach the *Code of Professional Conduct*, rendering the actuary subject to the profession's counseling and discipline processes.
- 4.2 Actuaries are expected to take a good faith approach in applying ASOPs, exercising good judgment and common sense; it would be inappropriate for any user of an ASOP to make a strained interpretation of the provisions of the ASOP.
- 4.3 Actuaries should observe those ASOPs that are relevant to the task at hand; not all ASOPs will apply. An ASOP should not be interpreted as having applicability beyond its stated scope and purpose. Most, but not all, of the ASOPs are task-specific, dealing with particular kinds of professional services performed by actuaries. A few ASOPs, however, deal more broadly with particular aspects of many types of actuarial assignments (for example, ASOP No. 23, *Data Quality*). Actuaries are responsible for identifying the ASOPs that apply to the task at hand. The Academy's Council on Professionalism publishes advisory Applicability Guidelines to assist actuaries in identifying the ASOPs that may be relevant.
- 4.4 The ASB seeks to avoid creating conflicts between the ASOPs. When an actuary believes that two ASOPs have conflicting requirements when applied to a specific situation and neither ASOP provides explicit guidance concerning which of the two takes precedence, the actuary is encouraged to contact the Actuarial Board for Counseling and Discipline (ABCD) for confidential guidance on appropriate practice. Where two ASOPs have differing but not conflicting requirements, the ASB anticipates that the actuary will apply professional judgment to harmonize the two ASOPs in a reasonable fashion. The actuary may choose to seek confidential guidance from the ABCD to support the actuary's judgment.
- 4.5 ASOPs frequently use a few terms that, while not defined within them, are integral to an informed reading of the ASOPs. For example:

- 4.5.1 *Known*—ASOPs frequently refer to circumstances, factors, practices of the principal, or other information or items that are known. The ASB recognizes that, in many cases, the actuary relies upon the principal and others acting on the principal’s behalf for information and cannot reasonably be expected to act based on information that was not provided to the actuary. Consequently, unless an ASOP clearly indicates otherwise, “known” means that the actuary had actual knowledge of the item in question at the time the actuary performed professional services under the ASOP.
- 4.5.2 *Practical/Practicable*—ASOPs frequently call upon actuaries to undertake certain inquiries, perform certain analytical tests, or make disclosures if it is “practical” or “practicable” to do so. Neither of these terms is intended to suggest that all possible steps should always be taken to complete an assignment. To the contrary, the constraints of a professional relationship or assignment and the specifics of a given environment frequently require the actuary to choose a course of action that is likely to yield an appropriate result without being unnecessarily time-consuming, elaborate, or costly relative to the principal’s legitimate needs. Thus, it is appropriate for the actuary, exercising professional judgment, to decide that the circumstances surrounding a particular assignment are such that it would not be practical or practicable to undertake a particular task. The actuary might choose to disregard items that, in the actuary’s professional judgment, are not material to the purpose and nature of the assignment.
- 4.5.3 *Professional judgment*—Actuaries bring to their assignments not only highly specialized training, but also the broader knowledge and understanding that come from experience. The ASOPs frequently call upon actuaries to thoughtfully apply both training and experience to their professional assignments, recognizing that reasonable differences of opinion are appropriate, if not inevitable, when professionals undertake to project the effect of contingent future events. The ASB anticipates that the actuary’s use of professional judgment will be presented in such a way that another qualified actuary would recognize when and where judgment has been applied, even if the other qualified actuary might disagree with the resulting conclusions.
- 4.5.4 *Reasonable*—In many instances, the ASOPs call for the actuary to take reasonable steps, make reasonable inquiries, or otherwise exercise reason when performing a professional service. The intent is not to require the actuary to go beyond what the actuary deems to be appropriate under the circumstances, given the nature of the assignment and the professional relationship and relevant business considerations. Rather, the intent is to call upon the actuary to exercise the level of care and diligence that, in the actuary’s professional judgment, is consistent with generally accepted actuarial practice and necessary to complete the assignment in an appropriate manner.

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- 4.5.5 *Reliance*—The ASOPs recognize that actuaries are frequently required to rely upon non-actuaries such as other professionals, management, and trustees for information and professional opinions that are pertinent to an assignment. Similarly, actuaries often rely upon their actuarial colleagues to perform some component of a larger actuarial analysis in circumstances where it would be inappropriate or impractical for the actuary to redo the colleagues' work or where the actuary would not be qualified to do so. Accordingly, the ASOPs usually permit the actuary to rely in good faith upon such individuals, subject to appropriate disclosure of such reliance.
- 4.6 The ASOPs make specific provision for those situations where the actuary deems it appropriate to deviate from one or more provisions of an ASOP. It is not a breach of an ASOP to deviate from one or more of its provisions if the actuary does so in the manner described in the ASOP, including making the disclosures related to the deviation required in such ASOP and in ASOP No. 41.
- 4.6.1 It may be appropriate for the actuary to deviate from one or more provisions of an ASOP, such as in situations that differ from those contemplated when the ASOP was adopted or where, in the professional judgment of the actuary, the application of new practice based on recent advances in actuarial science would be more appropriate.
- 4.6.2 It is appropriate for the actuary to deviate from one or more provisions of an ASOP to the extent that a law, regulation, or other binding authority requires such deviation.

**APPENDIX**

**Comments on the Exposure Draft and Responses**

The exposure draft of revisions to the *Introduction to the Actuarial Standards of Practice* was issued in July 2008 with a comment deadline of August 22, 2008. Fourteen comment letters were received, some of which were submitted on behalf of multiple commentators, such as by firms or committees. For purposes of this appendix, the term “commentator” may refer to more than one person associated with a particular comment letter. The ASB carefully considered all comments received, and reviewed (and modified, where appropriate) the proposed changes. Summarized below are the significant issues and questions contained in the comment letters and the responses to each. Unless otherwise noted, the section numbers and titles used below refer to those in the exposure draft.

<b>GENERAL COMMENTS</b>	
Comment	One comment sent on behalf of 29 actuaries noted that the proposed changes are relatively minor but requested that the comment deadline be extended by 120 days in order to give members of the profession more time to address how standards are set.
Response	The transmittal memorandum accompanying the exposure draft indicated that the proposal had a limited purpose -- to clarify language in four specified sections. The proposal was not intended to be reflective of any changes in the way standards are set. The reviewers believed there was sufficient time to review and comment on the limited changes. The ASB invites members of the profession or other interested parties who have suggestions on how to improve the standard setting process to share their specific ideas with the ASB.

<b>COMMENTS ON REQUESTED SECTIONS FOR REVIEW</b>	
<b>Section 3.1.2 (Now 3.1.3)</b>	
Comment	One commentator suggested that the last sentence in 3.1.2 (now 3.1.3) be changed to the following: “Additionally, the ASB may provide supporting context to delineate how the level of practice may appropriately be achieved in specific situations. Such contextual language is recognized as being potential (sic) time sensitive. The actuary should not blindly follow such contextual language when it is no longer appropriate.”
Response	The reviewers agree that the addition of “may” in the first sentence is appropriate and made the change. They did not feel that the additional language was needed and made no additional change.

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Comment	Two commentators suggested changing the wording in the first sentence of 3.1.2 (now 3.1.3) to expand the scope not only to developing a new ASOP but also to include revisions of ASOPs.
Response	The reviewers agree and made the change.
Comment	One commentator suggested adding “pertinent to the ASOP at hand” to the end of the second sentence of 3.1.2 (now 3.1.3).
Response	The reviewers did not feel that this addition was needed and made no change.
Comment	One commentator suggested adding a modifier to make clear what level of practice is expected in the last sentence of the section.
Response	The reviewers agreed that the addition of the modifier would be beneficial to clarify intent, and inserted the word “appropriate.”
<b>Section 3.1.3 (Now 3.1.4)</b>	
Comment	One commentator suggested adding wording to address the criteria that determine when ASOPs are updated.
Response	The reviewers agree and have added a new subsection, 3.1.2, to address this (and renumbered the subsequent subsections accordingly).
Comment	One commentator suggested adding a sentence following the third sentence of the existing 3.1.3 (now 3.1.4) that states the following: “Again, the ASB seeks to define an appropriate level of practice for actuaries working in the new area, often by looking at current practice in other areas and deciding on the appropriateness of current practices.”
Response	The reviewers do not believe that this addition is needed and made no change.
<b>Section 3.2.3</b>	
Comment	One commentator suggested that “Code” be changed to “Code of Professional Conduct” in all instances for clarity.
Response	The reviewers agree and made the change.
<b>Section 4.6</b>	
Comment	Several commentators expressed concern that the current section 4.6, as exposed, did not adequately convey the purpose for deviation language and the process, including disclosure, for a deviation. One of these commentators indicated that the proposed section 4.6 language would be adequate assuming the amendments to ASOP 41 which include standardized deviation language were adopted no later than the amendments to the Introduction.
Response	The reviewers agree and have expanded and clarified this section.

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<b>COMMENTS ON OTHER SECTIONS OF THE ASOP</b>	
<b>Overview</b>	
Comment	One commentator suggested making the last line of the overview more direct by changing it to the following: “This introductory material is part of the standards and carries the same weight and authority as the ASOPs themselves.”
Response	The reviewers agree and made the change.
<b>Section 3.1.4 (Now 3.1.5)</b>	
Comment	One commentator questioned the usage of “litigation” and “malpractice,” and suggested that since “malpractice” can be charged in a legal context or other context, perhaps it should be in a standalone statement.
Response	The reviewers disagree, and made no change.
<b>Section 3.1.5 (Now 3.1.6)</b>	
Comment	One commentator suggested that the last sentence in the section should be modified to excise the phrase “must be able to.”
Response	The reviewers agree and reworded the sentence for clarity.
<b>Section 3.1.6 (Now 3.1.7)</b>	
Comment	One commentator took issue with the following sentence: “The ASOPs intentionally leave significant room for the actuary to use professional judgment when selecting methods and assumptions.” He believes this is not universally true, and that the draft should reflect that.
Response	The reviewers agree and revised the sentence to clarify its meaning.
Comment	One commentator suggested that the phrase “generally accepted practice” be changed to “a particular ASOP.”
Response	The reviewers agree and made the change.
Comment	One commentator noted the language “two actuaries advising a principal could provide appropriate yet substantially different results to that principal” and questioned whether the actuary would be obliged to advise the principal of this possibility. The commentator suggested that if this is the case, then the text in 3.1.6 should be modified to reflect this.
Response	The reviewers decided that any change of this nature is outside of the scope of this update to the <i>Introduction</i> .

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<b>Section 3.1.7 (Now 3.1.8)</b>	
Comment	One commentator suggested that the <i>Introduction</i> is not clear on the applicability of ASOPs when they are inconsistent with law or regulation, and suggested that this be addressed in section 3.1.7.
Response	The reviewers note that the newly added section 4.6.2 addresses this point.
Comment	One commentator suggested that the <i>Introduction</i> should remind actuaries working for legislative or regulatory bodies that they are subject to the ASOPs, or, if that is not the case, it should expressly exempt them from following ASOPs when they make recommendations on law or regulations.
Response	The reviews agree that all U.S. actuaries, including those who work for legislative or regulatory bodies are subject to the ASOPs to the extent that their advice involves the performance of actuarial services. The reviewers do not see a need to remind one subset of the actuarial profession that they are subject to ASOPs.
<b>Section 3.1.8 (Now 3.1.9)</b>	
Comment	One commentator pointed out that the <i>Introduction</i> has no discussion on the procedures the ASB uses when reviewing and revising ASOPs.
Response	The reviewers agree that this needs to be addressed and added section 3.1.2 to address the issue.
Comment	One commentator suggested that it might be appropriate for section 3.1.8 to include a statement that the ASB does not approve nor disapprove of materials other than ASOPs used by the actuary in providing professional services.
Response	The reviewers do not feel such a statement is needed.
<b>Section 3.2.2.b</b>	
Comment	One commentator suggested adding a comma for clarity in the following sentence: “An ASOP is not binding, i.e., actuaries are not required to ensure that professional services performed by them or under their direction satisfy the ASOP, until the effective date of the ASOP, because in adopting the ASOP the ASB may have defined a new practice or elevated practice, as described in section 3.1.3 above.”
Response	The reviewers agree and made the change.