

# Statement of Position on the Disciplinary Process of the U.S. Actuarial Profession


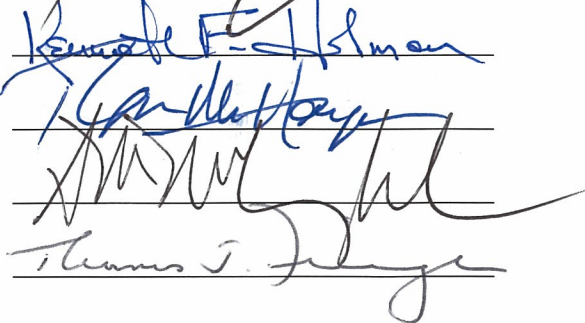
October 1, 2010


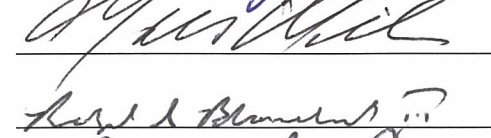
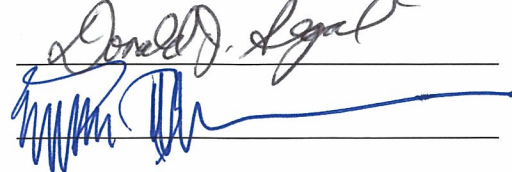
The undersigned leaders of the U.S. actuarial profession comprising the Council of U.S. Presidents ("CUSP") affirm the continued importance of acting in the public interest as articulated in a 2007 Statement of Position issued by the North American Actuarial Council.

We believe that the public interest is being served by the U.S. actuarial profession maintaining a uniform Code of Conduct and a common set of Standards of Practice. We also believe that the public interest would be better served if uniformity were achieved in the procedures for disciplining actuaries who are found to have violated the Code of Conduct.

Currently, each of the five U.S.-based actuarial associations has its own procedures for disciplining its members, following receipt of discipline recommendations from the Actuarial Board for Counseling and Discipline ("ABCD"). We find problematic the potential (sometimes realized) of disparate outcomes in the same case. We also note that the process is burdensome for an actuary subject to discipline charges, and results in inefficient use of volunteer and paid resources.

After careful consideration and consultation with our Boards and the ABCD, we recommend a joint discipline process. This will be a major step toward achieving greater uniformity and consistency while preserving and respecting each organization's governance framework, including the power to expel or suspend its members. This recommendation calls for ongoing review of the disciplinary process by the leadership.

  
Kenneth F. Holman  
  
James S. DeGeorge

  
Adam J. Reese  
  
David D. Blumenthal  
  
Donald D. Legal