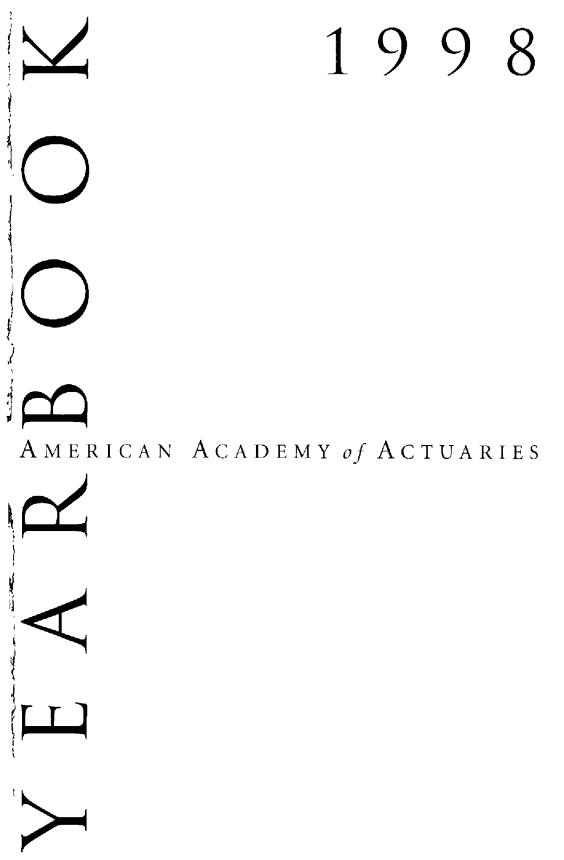
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AMERICAN ACADEMY of ACTUARIES

1100 Seventeenth Street NW Seventh Floor Washington, DC 20036 Telephone 202 223 8196 Facsimile 202 872 1948 www.actuary.org

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Academy Board of Directors



Allan M. Kaufman President 2000



Richard S. Robertson

President-Fleet
2001



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William F. Bluhm Uce President, Health 1998



Lawrence A. Johansen Vice President, Linancial Reporting 1999



Ken W. Hartwell Vice President, Professionalism 1998



Kenneth A. Steiner Vice President, Pension 1999



Michael I. Toothman Lie President, Casualty 1998



Robert E. Wilcox Use President, Life 1999



Larry Zimpleman Immediate Past President 1999



Jack M. Furnquist Past President 1998



Vince Amoroso* 1998 President, Conference of Consulting Actuatics



Theodossios Athanassiades 1999



Linda L. Bell 2000



Howard J. Bolmek* 1999 President-Lleet, So tety of Admans



William J. Falk* 1999 President-Elect, Conference of Consulting Actiones



John H. Flittie 1998



Curtis F. Huntington 2000



Edwin C Hustead 1999



Katen A Jordan 1998 President American Society of Pension Actuatios



Steven G. Lehmann* [1990] President-Heit, Casualty Aduanal Socity



Jur A. Lommele 2000



Peter L. Perkins 2000



Anna M. Rappaport' 1998 President, Society of Actualis



Alice Rosenblatt 1998



Carol R. Sears' [999] President-Elea, American Society of Pension Actuanes



James R. Swenson 1998



Mavis A. Walters' 1998 President, Casualry Actuanal Society



P Andrew Ware 1998

^{*}Special directors appointed to the board



Wilson W Wyatt Jr
Evecutive Director



Joanne B. Anderson Connoller



Lauren M. Bloom General Counsel



Mary E Cadette Director of the Standards Program



Ken Krehbiel
Director of Communications



John H. Trout Director of Public Policy

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System Assistant

Kathleen M. Clark-Bland (856)

Staff Accountant

Neil S. Dhillon (873)

Special Assistant for

Media and Congressional Relations

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Manager of Membership
and Volunteer Development

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Standards Editor

Ken Krehbiel (867)

Director of Communications

Elem Manthos (878)

Meetings Assistant

Alberta Osuchukwu (857)

Accounting and Administrative Assistant

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Policy Analyst

David F. Rivera (869)

Policy Analyst

Renée Saunders (871)

Webmaster and Manager of Publications

and Graphic Design

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Manager of Member Communications

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Editorial/Administrative Assistant

Communications

LaShawn Taylor (881)

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Director of Public Policy

Greg Vass (865)

Legislative Assistant

Rita Hoffman Winkel (862)

Legal Assistant

Ron Gebhardstbauer (868) Senior Pension Fellow

Academy Web site: www.actuary.org
Staff e-mail addresses: [last name]@actuary.org

Membership Administration

Susan C. Steinbach, Membership Manager 475 North Martingale Road, Suite 800, Schaumburg, IL 60173 Telephone 847 706 3513 Facsimile 847 706 3599

Academy Committees

Academy committees and task forces are appointed annually, the period running from the close of one annual meeting to the opening of the next

COMMITTEES OF THE BOARD

Executive Committee

Between meetings of the Board of Directors, this committee oversees the operations of the Academy and particularly its Councils. This committee has the same powers as the Board except for those listed in Article IV of the bylaws. The Executive Committee develops Academy policy subject to Board approval and makes recommendations to the Board regarding budget, policy, and other important issues.

Allan M. Kaufman

President

Richard S. Robertson

President-Elect

Stephen R Kern

Secretary-Treasurer

Larry Zimpleman
Past President

William F Bluhm

Vice President, Health

Ken W. Hartwell

Vice President, Professionalism

Lawrence A Johansen

Vice President, Financial Reporting

Kenneth A Stemer

Vice President, Pension

Michael L Toothman

Vice President, Casualty

Robert E Wilcox

Vice President, Life

Staff Liaison. Wilson W Wyatt Jr

Review Committee

This committee reviews Academy statements for consistency with the Academy mission and established policy and reports to the Board of Directors as needed, but at least annually

Edwin C Hustead, Champerson

Linda L. Bell

Joan E. Herman

Staff Liason: John H. Trout

PRESIDENTIAL COMMITTEES

President's Advisory Committee

This committee oversees Academy management and prepares recommendations for the Executive Committee on policy issues

Allan M. Kaufman, Chairperson

Richard S. Robertson Wilson W. Wyatt Jr.

Larry Zimpleman

Nominating Committee

This committee nonmates a slate of candidates for the Board of Directors for presentation at the annual meeting and nominates a slate of candidates for Academy officers for presentation to the Board of Directors

Jack M. Turnquist, Chairpeison Larry Zimpleman, Vice Chairpeison

Howard J. Bolmck Steven G. Lehmann William J. Falk Richard S. Robertson

Allan M Kaufinan Carol R Scars

Staff Liaison Wilson W Wyatt Jr.

Committee on Planning

This committee reviews the Academy's objectives and recommends alternative strategies that should be considered to achieve these objectives and how these strategies might be modified under alternative external developments or future changes in the Academy's environment

Richard S. Robertson, Champerson

Howard J. Bolmck Steven G. Lehmann William J. Falk Carol R. Sears

Staff Liaison Wilson W Wyatt [r.

Litigation Review Committee

This committee provides broad-based oversight of briefs the Academy submits as amicus curiac to ensure that the subject matter is appropriate for Academy comment, that statements contained therein do not contradict Academy positions, and that the briefs have been prepared in accordance with Academy guidelines. It authorizes submission of the briefs to the appropriate courts.

Alian M. Kaufman Chairperson

William F. Bluhm Kenneth A Steiner
Ken W Hartwell Michael L. Foothman
Lawrence A. Johansen Robert E. Wilcox

Staff Liaison. Lauren M. Bloom

Committee on Membership

This committee is responsible for recruiting eligible non-members to join the Academy. It reviews the dues policies and recommends changes to the Board of Directors. In fulfilling its charges, the committee is to ensure that member affiliations and new-member recruitment activities are included as a vital part of the Academy strategic plan.

John H. Harding, Chairperson

Patrick J. Giannan Joseph Petrelli Sam Gutterman Roger Schultz Allan M. Kaufman Larry Zimpleman

Mary Frances Miller

Staff Liaison. Jessica Johnson

Risk Classification Oversight Committee

This committee meets at least annually to review risk classification issues as they relate to public policy initiatives, to ensure consistent treatment of risk classification issues across practice areas, and to review the need for inter-area coordination on risk classification issues

Edward C. Shoop, Chairperson

Joan E Herman Karen F Terry James B Keller James E Turpin

Staff Liaison. John H. Trout

Strategic Planning Task Force

This task force is responsible for developing a new five-year strategic plan

Richard S. Robertson, Chairperson

Robert A Anker John E O'Connor Jr
Morris W Chambers Peter L Perkins
Robert L Collett James H. Tinslev
Edwin C. Hustead Jack M Turiquist
Ethan E Kra Wilson W Wyatt Jr.

Stephen P Lowe

Staff Liaison. Jessica Johnson

FINANCIAL REPORTING COUNCIL

Lawrence A Johansen, Vice President Jan A Lommele, Vice Champeison

Harold L. Barnev Edward L. Robbins
David G. Hartman Donald E. Sanning
Leonard Koloms Susan T. Szkoda
Michael G. McCartei Jane Taylor
Bruce Moore James F. Verlautz
Donna C. Novak William C. Weller
Dennis M. Polisner Robert E. Wilcox

James Reiskytl

Staff Liaison John H I rout

Task Force on Banking and Financial Services

This task force was formed to analyze and respond to legislative and regulatory initiatives and investigate issues of interest to the actuarial profession in the banking and financial services area. The task force is also empowered to act as a haison to public policy makers, the legal, business, and financial communities, insurance industry representatives, and other organizations with an interest in banking and financial issues.

Donald E. Sammg, Champerson

Michael J. Akers Frederick O. Kist Mark E. Fiebrink Steven D. Lash Robert G. Frasca James J. Murphy

Staff Liaison: Stephen P. Rentner

Joint Task Force on Risk-Based Capital

This task force is responsible for coordinating the activities of the Academy regarding health, life, and property and casualty risk-based capital formulas and liquidity. All three Academy risk-based capital task forces are represented on this task force, which provides reports to the NAIC Risk-Based Capital Task Force

Donna C. Novak, Chairperson

Ralph S Blanchard III Robert S Kaplan Robert A Brown Cande J Olsen Burton D, Jay William C Weller

Staff Liaison: Stephen P. Rentner

Task Force on International Insurance Accounting

This task force participates in the International Forum of Actuarial Associations' interactions with the International Accounting Standards Committee with respect to insurance matters

Bruce Moore, Charperson

Edward J. Bonach Cynthia S. Miller
Daniel J. Kunesh Richard S. Robertson

Jan A. Lommele

Staff Liaison Lauren M. Bloom

Task Force on International Pension Accounting

This task force participates in the International Forum of Actuarial Associations' interactions with the International Accounting Standards Committee with respect to pension matters.

Dennis M. Polisner, Champeison

Lawrence A. Johansen Wendy Elizabeth McFee

Judith E Latta Lawrence J Sher

Staff Liaison: Lauren M. Bloom

Valuation Task Force

This task force is responsible for developing a new approach to actuarial valuation of resources and obligations of insurance entities. This work is in response to requests from the National Association of Insurance Commissioners.

> Robert E. Wilcox, Chairperson Craig R. Raymond, Vice Chairperson

Judith A Discenza Walter S. Rugland Norman E Hill Donald E Samung Burton D Jay Shirley Shao Leonard Koloms Susan T Szkoda Barbara I Lautzenheiser William C Weller

David W. Libbey William F. Bluhm (Ex-Office) Edward L. Robbins Arnold A. Dicke (Ex-Office)

Wayne V. Roberts

Staff Liaison Stephen P Rentner

CASUALTY PRACTICE COUNCIL

Michael L. Toothman, Fix President Paul G. O'Connell, Vice Champerson

Robert A. Anker
Linda L. Bell
Phillip N. Ben-Zvi
Ralph S. Blanchard III
Christy J. Howard
Robert A. Giambo
Frederick O. Kist

Kieve G. Lehmann
Jan A. Lominele
Richard J. Roth Jr.
Brian E. Scott
Edward Shoop
Chris A. Suchar
Mayis A. Walters

Michael A. LaMonica

Staff Liaison Stephen P Rentner

Committee on Property and Liability Financial Reporting

This committee monitors activities regarding financial reporting related to property and liability risks, reviews proposals made by various organizations affecting the actuarial aspects of financial reporting and auditing issues related to property and liability risks, and evaluates property and liability insurance and self-insurance accounting issues

Jan A. Lommele, Chairperson Patricia A Teufel, Vice Chairperson

Berty H. Barrow Sheldon Rosenberg
Joseph A. Herbers Linda A. Shepherd
Gary R. Josephson Lisa A. Slotznick
Elise C. Liebers Andrea Sweenev
Damel K. Lyons Terri Vaughn

Donna S. Munt Robert H. Wainscott Antoine A. Neghaiwi Terri Williams

David S. Powell

Staff Liaison. Stephen P. Rentner

Committee on Property and Liability Issues

This committee monitors legislative and regulatory activities in the property and liability area, excluding financial reporting. It prepares statements on property and liability issues for submission to the public and private sectors

Frederick O Kist, Champeison

Linda L Bell Paul G O'Connell Raja Bhagavatula Layne M. Onufer James D Hurley Jane Taylor

Michael Miller Walter C Wright III

Staff Liaison Stephen P Rentner

Joint Program Committee for the Casualty Loss Reserve Seminar

This committee develops the program for the Casualty Loss Reserve Semmar, cosponsored by the Academy, the Casualty Actuarial Society, and the Conference of Consulting Actuaries

Chris M. Suchar, Chanperson Thomas V. Warthen III, Viæ Chanperson

Guy A. Avaghano John J. Lewandowski Jeffrey R. Carlson Matthew C. Mosher Leon R. Gottlieb E. Tom Mulder Aaron Halpert Chester J. Szczepanski John R. Kryczka Teresa J. Williams

Staff Liaison Stephen P Rentner

Task Force on Property and Casualty Risk-Based Capital

This task force works primarily with the National Association of Insurance Commissioners. At the request of the NAIC, the task force analyzes issues of concern to the NAIC's Risk-Based Capital Working Group and Task Force and provides recommendations on ways to clarify and improve the risk-based capital formulas

Ralph S Blanchard III, Champerson

Robert P. Butisic Elise C. Liebers
Sholom Feldblum Damel K. Lyons
Patricia Furst Michael G. McCarter
James F. Golz Matthew C. Mosher
James D. Hurley Donald K. Rainey
Robert S. Kaplan E. Damel Thomas

Gregory E. Leonard

Staff Liaison Stephen P. Rentner

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James | Murphy Harold L. Barney Donna C. Novak Cecil D Bykerk lanet M. Carstens Julia T. Philips Alan D. Ford Alice Rosenblatt Geoffrey C. Sandler P. Anthony Hammond Michael I. Thompson Ioan E. Herman George Wagoner Dennis Hulet William C. Weller Burton D. Jay Roland E (Guy) King Robert E. Wilcox Thomas F. Wildsmith Leonard Koloms

Darrell D. Knapp

Staff Liaison Alison Kocz

Committee on Federal Health

This committee furthers the actuarial profession's involvement in policy issues related to the design, cost, and financing of the nation's health care. The committee monitors federal legislative and regulatory activities in the health arena and prepares congressional testimony, position papers, and other public statements on key health issues. In addition, the committee meets formally and informally with senior federal health policy makers and their staffs. Issues on specialty subjects may be referred to an appropriate work group under the direct supervision of the Health Practice Council

Alan D. Ford, Champerson

Alfred A Bingham, Jr John J Schubert
Stephen D Brink David A Shea, Jr.
Donato Gasparro Jill Stockard
James Gutterman Harry Sutton
Roland E. (Guy) King Sheree Swanson
Donna C Novak Michael J Thompson
Michael Ringuette Thomas F. Wildsmith

Geoffrey C. Sandler

Staff Liaison Alison Kocz

Committee on Long-term Care

This committee addresses actuarial issues affecting long-term-care plans. It monitors and comments on developments in this area at both the federal and state levels and works with regulators and policy makers to assist in developing public policies in connection with long-term-care misurance policies. In fulfilling its charge, the committee maintains haison with the National Association of Insurance Commissioners and other appropriate entities.

Harold L. Barney, Champerson

Vincent L Bodnar Alywn Powell
Malcolm A Cheung Eric Stallard
Paul Janus Gordon Trapnell
Walter Liptak Robert K. W Yee

Staff Liaison: Alison Kocz

Committee on State Health

This committee furthers the actuarial profession's involvement in policy issues related to state regulation of health insurance and other health actuarial issues at the state level. The committee works primarily through interstate associations such as the National Association of Insurance Commissioners but also provides assistance directly to states when appropriate. The committee coordinates closely with the Federal Health Committee to ensure appropriate Academy involvement in health-related issues at all levels of government.

Peter L. Perkins, Champerson Donna C. Novak, Une Champerson

Mike Abroe	Walter Ostmann
Linda C. Ball	Regina V. Rohner
Mark F. Bartorelli	Franklin J. Rose
C. Nick Bieter	Kevin Russell
Vincent Bodnar	Jerome F. Seaman
William J. Bugg Jr.	David C. Sky
Bob Cumming	John Stark
P. Anthony Hammond	Thomas J. Stoiber
Burton D. Jay	William J. Thompson
David F. Kerr	Rod Turner
Darrell D. Knapp	William C Weller
Leonard Koloms	Robert E Wilcox

Robert G. Meilander

Steven E. Lippai

Staff Liaison: Alison Kocz

Robert W K Yee

Task Force on Health Organizations Risk-Based Capital

This task force works primarily with the National Association of Insurance Commissioners (NAIC). At the request of the NAIC, the task force analyzes issues of concern to the NAIC's Risk-Based Capital Working Group and Task Force and provides recommendations on ways to clarify and improve the risk-based capital formulas.

Burton D. Jay, Champerson

Robert C. Mitchell
Scott R. Munse
Donna C. Novak
Regina V. Rohner
Jerome F. Seaman
John Stark
Thomas J. Stoiber
William J. Thompson
Andrew B Wang
William C. Weller
Robert K. W. Yee

Staff Liaison Alison Kocz

Task Force on Expanding Choice for Medicare Beneficiaries

This task force will examine the implications of Medicare reform proposals as they relate to Medicare, its beneficiaries, and the private sector. The task force will pay particular attention to Medicare Risk, HMO, point-of-service, and Medicare Supplement plans. In evaluating the cost implications of the proposals, the task force will use the models developed by the Medicare Cost Savings Task Force. The task force will also be a resource to other Medicare efforts under the Health Practice Council.

Michael J. Thompson, Chanperson

P. Anthony Hammond	Don E. Penney
Timothy É Harris	Jill Stockard
Tom Lindquist	Sheree Swanson
Brian J. Moore	Mike Sydlaske
Susan C. Morisato	James F. Walbridge
Donna C. Novak	Tony Wittmann

Staff Liaison Alison Kocz

Task Force on Medicare Cost Savings

This task force will proactively examine the impact of various options for providing savings to the Medicare program. These options will include payment mechanisms, funding, and program benefit packages. This work will be documented in a monograph on short- and long-term options for financing the Medicare program into the 21st century.

Dennis Hulet, Champerson

David F. Kerr John J Schubert
Walter T Liptak Mike Sydlaske
Donna C Novak Thomas F Wildsmith

Staff Liaison: Alison Kocz

Medicare Steering Committee

This committee provides an oversight role for task forces and work groups established to address Medicare reform initiatives on behalf of the Health Prictice Council

William F. Bluhm, Champerson

William J. Falk Donna C. Novak
Alan D. Ford Geoffrey C. Sandler
Dennis Hulet Michael J. Thompson
Roland E. (Guy) King Thomas F. Wildsmith

Julia T. Philips

Staff Liason, Alison Kocz

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Stephen Preston

Staft Liason Stephen P. Rentner

Committee on Federal Life Insurance Issues

This committee monitors federal legislative and regulation activities in the life insurance area. It prepares statements on life insurance issues for dissemination to the membership or for submission to appropriate organizations both governmental and private

Arnold Dicke, Charperson

Barbara Snyder Dave Christianson

William Carroll

Staff Liaison Stephen P Rentner

Committee on State Life Insurance Issues

This committee monitors state legislative and regulatory activities in the life insurance area, excluding financial reporting. It prepares statements on life insurance issues for dissemination to the membership or for submission to appropriate originizations, both governmental and private. Issues on certain specialty subjects are referred to the appropriate committee for action.

Craig R. Raymond, Chairpeison Stephen Preston, Vice Chairpeison

Wilham Carroll Alastair G Longley-Cook
Donna R Claire Michael W Pressley
Frank P Dino Jeffrey S Schlinsog
Barbari J Lautzenheisei Shirley Shao

Leo Lebos Jr Roger K Wiard-Bauer

Staff Liaison Stephen P. Rentner

Committee on Life Insurance Financial Reporting

This committee monitors activities regarding financial reporting related to life and health insurance, reviews proposals made by virious public and private sector organizations affecting accounting and auditing issues related to life and health insurance, and generally is responsible for analysis and recommendations on life and health insurance accounting issues

James E. Hohmann, Chanperson Edward L. Robbins, Vice Chanperson

Damel J. Kunesh Bruce D Bengtson Donna R. Claire Louis J. Lombardi Andrew R. Creighton Michael I O'Connor Stephen N. Pitzman Scott H DeLong III Vincent W Donnelly Frank W Podrebarac I Peter Duran Donald E. Sanning Harold E Forbes Henry W Siegel James P. Greaton James D. Wallace

Leonard Koloms

Staff Liaison: Stephen P. Rentner

Task Force on Genetic Testing

This task force monitors legislative and regulatory activities involving the use of genetic testing by life insurers. It is responsible for preparing materials to educate insurers, legislators, regulators, and organizations, both governmental and private, on actuarial aspects of this issue

David J. Christianson, Chairpeison

Cecil D. Bykerk James B. Keller
Scott A. Geske Roger R. Solomon
Joan E. Herman Itwin J. Stricker
Bruce I. Holmes

Staff Liaison David F. Rivera, Jeffrey P. Speicher

Task Force on Life Risk-Based Capital

This task force works primarily with the National Association of Insurance Commissioners. At the request of the NAIC, the task force analyzes issues of concern to the NAIC's Risk-Based Capital Working Group and Task Force and provides recommendations on ways to clarify and improve the risk-based capital formulas.

Cande Olsen, Changerson

Gerald A Anderson
Robert A Brown
Michael J Cowell
Errol Cramer
Joseph L Dunn
Norman E Hill
Douglas M Hodes

Tim J Patita
Jan L Pollnow
James F Reiskyth
Stephen A J Sedlak
James A Tolliver
Bruce L Wallach
Michael L Zurcher

Staff Liaison Stephen P. Rentner

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Vince Amoroso Steven R. Kern Jerald L Bogart Ethan E. Kra Christopher M. Bone Anna M. Rappaport Heidi R. Dexter Donald | Segal Ron Gebhardtsbauer George | Taylor Lawrence Johansen Michael | Tierney Karen A. Jordan lames E. Turpin Richard Joss James F Verlautz

Staff Liaison David F. Rivera

Senior Pension Fellow

Rou Gebhardtsbauer

The Academy established its Semor Pension Fellow program in 1995 to build the credibility of pension actuaries on Capitol Hill and to promote constructive debate on national retirement income policy. Through regular interaction with federal regulators and legislators and Academy volunteers, the Semor Pension Fellow influences Washington legislators, and by extension other governments and regulators, to rely on the Academy as the objective resource for the knowledge and skills of the actuarial profession.

The Senior Pension Fellow works with the Pension Practice Council and serves as the profession's primary policy haison on pension issues. He establishes and develops close relationships with the congressional tax writing and pension staff and regulators within the executive branch.

Pension Committee

This committee addresses actuarial issues affecting public and private pension plans, excluding financial reporting. The committee monitors federal tax, PBGC, and other ERISA-related developments. It consults with Congress and relevant regulatory agencies on the effect of regulation on employer pensions and retirement security and comments on pending legislation and regulations.

Donald J. Segal, Charperson James E. Turpin. Vice Charperson

Chester D. Andrzejewski Ethan E Kra Richard J. Barney Adrian R. LaBombarde Frederick B. Bass Judith E. Latta Ned A Burmeister Nadine M. Orloff Edward E. Burrows Lawrence | Sher Lawrence Deutsch William J. Sohn David G. Dilcher Michael E. Swiecicki James G. Durfee James F Verlautz Allen Gorrelick Lane B. West Dennis | Graf Lawrence F. Wilson David R. Kass

Staff Liaison David F Rivera

Committee on Pension Accounting

This committee monitors activities and reviews proposals regarding financial reporting related to pension plans. The committee is generally responsible for analysis and recommendations on pension accounting issues.

James F. Verlautz, Champerson

Paul W. Barker Jane D. Pacelli Steven Bland Marvin J. Paull David G. Dilcher John T. Stokesburv Benjamin I. Gottheb Joseph P. Strazemski Lawrence A. Johansen Henry, N. Winslow

Staff Liaison, David F Rivera

Committee on Social Insurance

This committee provides and promotes actuarial reviews and analyses of U.S. social insurance systems. The committee prepares comments on pending legislation regarding federal social insurance programs and government reports on these programs.

Jerald L. Bogart, Champerson

Joseph A Applebaum Julie Pope

Edward E Burrows Bruce D Schobel
Richard S Foster Ronald L Solomon

Stephen C. Goss
C. David Gustafson
Cric J. Klieber
Cric Stallard
Cori E. Uccello
John A. Wandishin

Krzysztof M. Ostaszewski.

Staff Liaison David F Rivera

Joint Program Committee for the Enrolled Actuaries Meeting

This committee develops a program for the Enrolled Actuaries Meeting cosponsored by the Academy, the Conference of Consulting Actuaries, and the Society of Actuaries

William D. Partridge, Champerson Vickie N. Williams, Vice Champerson

Betty Beim Donald J. Segal
Curtis M. Cartolano Lawrence J. Shei
William B. Forma Ronnie Thierman
Joan C. Gucciardi Peter D. Verne
Neil A. Parmenter Amy C. Viener
Robert H. Schramm Richard A. Watts
Althea A. Schwartz Dempsey D. White

Staft Liaison, David F. Rivera

COUNCIL ON PROFESSIONALISM

Ken W. Hartwell, Vice President Robert B. Likins, Vice Changerson

David M. Flagg Godfrey Periott
David G. Hartman Jeffrey P. Petertil
Curtis E. Huntington Allan W. Ryan
Harold G. Ingraham Jr. Roger A. Schultz
Nancy H. Kichak Michael J. Tierney
Henry K. Knowlton Jack M. Turnquist

James B. Milholland

Staff Liaison: Lauren M. Bloom, Mary E. Cadette

Committee on International Issues

This committee is responsible for all haison activities with the international actuarial community involving international professional issues, including a) monitoring international developments with respect to codes of conduct, qualification standards, and standards of practice; b) reviewing qualifications of international applicants for membership in the Academy, and recommending actions on the applications c) responding to inquines and, if appropriate, forwarding the response to an Academy committee or to one of the other U.S.-based actuarial organizations d) recommending Acidemy appointments of U.S. actuarial representatives to all international boards and committees, c) responding to assignments from the Academy leadership and inquiries from other Academy committees, f) communicating to members of the Academy and other U.S.-based actuarial organizations, g) interacting with the international relations committees of other actuarial organizations in Canada, Mexico, and the Umred States; and h) presenting new initiatives to the Academy leadership

Curtis E. Huntington, Charperson

Allan D Affleck W James MacGmintie
Robert L. Collett Bruce D Moore
Karen L. Gervasom James J Murphy
David G Hartman John C Narvell
Harold G Ingraham Jr James N Stanard
Kevin M Law Fernando J. Troncoso

Staff Liaison: Lauren M. Bloom

Joint Committee on the Code of Professional Conduct

This committee monitors the Code of Professional Conduct of the U.S.-based organizations representing actuaries and recommends necessary amendments to the Code to all of the U.S.-based organizations.

Jack M. Turnquist, Chanperson

William J. Falk, CCA Howard M. Phillips, ASPA
Michael Fusco, CAS Morris W. Chambers (CIA haison)
Sam Gutterman, SOA

Committee on Professional Responsibility

This committee promotes knowledge of standards of conduct, qualification, and practice within the profession, and suggests ways and means for enforcement, comphance, and monitoring of the effectiveness of those standards

Allan W. Ryan, Champerson

Thomas L. Bakos Carl Shalit
Cara M. Blank Bruce A. Stahl
Russell S. Fisher Wallace W. Wilson

David S. Powell

Staff Liasson. Lauren M. Bloom, Mary E. Cadette

Committee on Qualifications

This committee investigates issues arising with respect to the minimum requirements necessary to qualify members to perform publicly required actuarial functions, recommends to the Board of Directors minimum qualification standards, including continuing education requirements, for such members, and counsels members on questions relating to individual qualifications. It also develops guidelines for the administration of the Academy qualification standards, including continuing education requirements.

Robert B Likins, Chairperson

Charles L. McClenahan, Vice Charperson

William J Bugg Jr Terrence M O'Brien James L. Lewis Jr Adam J Reese Damel J McCarthy Carl Shalit

Staff Liaison Lauren M. Bloom, Rita H. Winkel

Task Force on Opinion Review

This task force was established to develop a procedure for review of actuarial opinions filed on behalf of failed insurance companies

William F. Bluhm, Chairpeisen

Larry D. Baber James R. Swenson Jan A. Lommele William C. Weller James F. Reiskytl Robert E. Wilcox

Staff Liaison Lauren M Bloom

Task Force on Professionalism Course Materials

This task force was established to develop program materials on professionalism and promote the presentation of professionalism sessions.

James B. Milholland, Champerson

Linden N. Cole Mary Frances Miller Thomas K. Custis Donald E. Sanning

Staff Liaison Lauren M Bloom

Committee on Actuarial Public Service

This committee underscores the importance of actuaries in public sector employment and encourages support for such employment

Nancy H. Kichak, Champerson

John K. Booth R. Michael Lamb Benjamin I. Gottlieb Michael W. Morgan

Stephen G Kellison

Staff Liaison Thomas C. Griffin

NAIC/Academy/ABCD/ASB Joint Committee

This committee serves as a forum for discussing professionalism and other issues of importance to actuaries that involve the activities of the National Association of Insurance Commissioners (NAIC). Committee membership includes each of the state commissioners who are actuaries, the chairs and vice chairs of the NAIC Life & Health and Casualty Actuarial Task Forces, chairs or their designated representatives from the Actuarial Standards Board and the Actuarial Board for Counseling and Discipline, and the American Academy of Actuaries president, executive director, vice president of the Council on Professionalism, and chairperson of the Committee on Qualifications

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This committee provides policy direction and guidance for Academy publications

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> Entolled Actuaties Report Editors

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Education Policy Committee of the Casualty Actuarial Society

Mary Frances Miller

Actuarial Foundation

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Actuarial Board for Counseling and Discipline

The Actuarial Board for Counseling and Discipline (ABCD) was established as an independent entity managed through the Academy on January 1, 1992

Upon delegation of appropriate authority from a participating actuarial organization and acceptance of that delegation by the ABCD, the ABCD is authorized. (1) to consider all complaints and/or questions concerning alleged violations of the applicable Code of Professional Conduct and all questions that may arise as to the conduct of a member of a participating actuarial organization in the member's relationship to the organization or its members, or in the member's professional practice or affecting the interests of the actuarial profession, (2) to counsel individuals accused of violations of the applicable Code of Professional Conduct regarding their actions, (3) to recommend a public disciplinary action against an individual to any participating organization of which that individual is a member, (4) to accept and respond to requests for guidance from members of the participating organizations, and (5) to serve as ombudsman between members of participating actuarial organizations, or between such members and the public for the purpose of informally resolving complaints concerning the professional conduct of such members.

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Actuarial Standards Board

The Actuarial Standards Board (ASB) was established as an independent entity managed through the Academy on July 1, 1988. The ASB has the authority to prescribe its own operating procedures, to establish committees, subcommittees, and task forces it may deem necessary in carrying out its assigned functions, and to appoint individuals to positions on such committees, subcommittees, and task forces. The operating committees report to the ASB and function under its direction. The ASB ilso has the authority to approve exposure of proposed standards and hold public hearings on them, and to adopt recommended standards of practice.

The ASB is charged with the following. (1) to direct and manage the development of actuarial standards of practice by its operating committees in all areas of actuarial practice, (2) to expose, promulgate or adopt, and publish actuarial standards of practice, within its sole discretion and pursuant to such procedures as it deems appropriate, in all areas of actuarial practice; and (3) to provide continuous review of existing standards of practice and determine whether they are in need of amendment, alteration, expansion, or elimination

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In accordance with procedures prescribed by the ASB, this committee develops actuated standards of practice in the property/casualty insurance area.

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In accordance with procedures prescribed by the ASB, this committee develops actuarial standards of practice in the health insurance area

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Lawrence A. Golden
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Lindsay J. Malkiewich
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Diane M. Storin
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Lindsay J. Malkiewich
Joan M Weiss

Eric I Palley

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In accordance with procedures prescribed by the ASB, this task force develops actuarial standards of practice in the area of long-term care

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Loida Rodis Abraham Dennis M. O Brien
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Gary I. Corliss Robert K. W. Yee

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Stephen R. Kern

Secretary-Treasurer

Jarvis Farley Service Award

n 1991, the Academy established a perpetual award to honor the memory of one of its longtime, indefatigable volunteers. Jarvis Farley was a charter member of the Academy and an invaluable resource for Academy staff and the entire actuarial profession. His untiring volunteer work for the Academy epitomized the caliber of service to be honored by this award. He began serving on Academy committees in 1972 and continued until his death in 1991

The Academy Executive Committee each year will select the Jarvis Farley Service Award recipient, if it determines there is a deserving candidate. The recipients are announced and honored at the Academy's annual meeting. Each honoree receives an engraved pewter Paul Revere bowl, custom designed by Kirk Stieff. A slightly larger, permanent bowl, engraved with the name of each recipient, is displayed at the Academy.

Jarvis Farley Service Award Recipients

1992	Mary Hardıman Adams
1993	Jerome A. Scheibl
1994	Douglas C. Borton
1995	Harry L. Sutton Jr
1996	Charles Barry H. Watson
1997	James C. Hickman

Robert J. Myers Public Service Award

n 1994, the Academy, through its Committee on Actuarial Public Service, established the Robert J. Myers Public Service Award to recognize the extraordinary lifelong public service of Robert J. Myers, who was chief actuary for the Social Security Administration from 1947 to 1970.

The exceptional career of Myers was recognized with the public announcement of the award at the Academy's annual meeting in Washington, D.C., on September 28. Myers was instrumental in the design and funding of the Social Security system and worked for the Social Security Administration for some thirty-five years. Although political pressure often conflicted with his professional responsibilities, Myers never veered from a path of professional integrity. He continues to command respect within and outside the profession, and he remains an inspiration to all practicing actuaries.

Recipients of the Robert J. Myers Public Service Award will be selected through the Committee on Actuarial Public Service on the basis of their contributions to the common good through service to the government or other organizations in the public sphere. While honoring individual recipients, the award will also call attention to the significant benefits the general public receives from the actuarial profession.

A specially designed medal was presented to Mr. Myers at the award's mauguration. The permanent medal is mounted on a custom-designed pedestal and displayed at the Academy office in Washington. Future recipients will receive engraved medals, and their names will be engraved on the base of the permanent medal at the Academy.

Robert J. Myers Public Service Award Recipients

1995	John O. Montgomery			
1996	Roland E (Guy) King			
1997	James B. Gardiner			

History

n October 25, 1965, the American Academy of Actuaries was organized as an unincorporated association to serve the actuarial profession in the United States corresponding national body in Canada, the Canadian Institute of Actuaries, had been incorporated earlier that same year For many years, the actuarial profession in North America had consisted of four bodies the Casualty Actuarial Society, the Conference of Actuaries in Public Practice, the Fraternal Actuarial Association, and the Society of Actuaries. In 1964, the members of those four organizations, recognizing the need for a single body to represent actuaries of all specialties, approved formation of an allinclusive organization of qualified U.S actuaries

On April 29, 1966, the Academy was reorganized as a corporation under the Illinois General Not For Profit Corporation Act. Henry F Rood, whose presidential address to the Society of Actuaries in 1958 had voiced the first formal proposal for such a national body, was elected president.

In September 1980, the Fraternal Actuarial Association, one of the four founding organizations, closed its doors. Its dissolution indicated that the needs of fraternal actuaries had been increasingly met by other actuarial organizations and that the National Fraternal Congress had increasingly been providing a forum for fraternal actuaries

In 1990, the Academy Board of Directors established four practice councils to represent the major areas of actuarial practice—casualty, health, life, and pensions. In 1992, the Council on Professionalism was created to oversee

the Academy's responsibility to set and maintain professional standards. Each council has broad authority to set its practice area's public policy agenda, specific policy initiatives are carried out by Academy committees that report to the practice councils.

The five councils are headed by vice presidents, who together with the president, president-elect, immediate past president, and secretary-treasurer, constitute the Academy's Executive Committee.

In 1994, the Academy Board of Directors approved a strategic plan for 1995–2000 and a new mission statement emphasizing the Academy's roles in public policy formulation and professionalism. The Academy's mission is to ensure that the American public recognizes and benefits from (1) the independent expertise of the actuarial profession in the formulation of public policy and (2) the adherence of actuaries to high professional standards in discharging their responsibilities.

Membership Requirements

Academy membership is intended to serve as the hallmark of a qualified actuary in the United States

All U.S. residents who were fellows (or the equivalent) of the four existing bodies on October 25, 1965, were automatically enrolled as Academy members, subject to their indicated assent by paying the dues. There were 1,427 charter members of the American Academy of Actuaries

The Academy immediately set about making its existence known to other actuaries not eligible as charter members. It was required that any such actuary

demonstrate adequate knowledge and skills. Many were admitted by this route, some after passing special proctored examinations. A requirement of seven years of responsible actuarial experience (five years for fellows by examination of the existing bodies) was imposed.

After January 1, 1970, educational requirements were gradually increased until 1976 In January 1976, an amendment to the bylaws created a new nonvoting class of membership designated affiliate of the American Academy of Actuaries This class consisted of nonmembers of the Academy who became enrolled actuaries under the Employee Retirement Income Security Act of 1974 (ERISA), subject to acceptance of their applications by the Academy. Subsequently, in January 1979, the bylaws were further amended to eliminate the distinction between affiliates and members of the American Academy of Actuaries, as well as to set the experience required at three years of responsible Subsequently, the Academy board set the basic educational requirement at that of the associateship level in the Casualty Actuarial Society or the Society of Actuaries or that required for status as an enrolled actuary under ER ISA

Nonresidents of the United States can be admitted to membership if they meet the Academy's educational and experience standards, can demonstrate farmharity with U.S. actuarial practices, and have a need to perform actuarial duties in the United States

Professional Conduct

In December 1965, the Guides to Professional Conduct were first issued. Over time, these were revised and supplemented by Interpretative Opinions. Together, the Guides and Opinions formed a core of ethical guidance for members in all phases of their professional lives. In September 1991, the Board of Directors approved a new set of ethical precepts as recommended by the Council of Presidents Task Force on the Code of Professional Conduct. The intent of the task force was to seek adoption of a common code of ethical tenets by all organizations representing actuaries in North America. The Academy was the first body to adopt the Code, which became effective January 1, 1992.

The Code of Professional Conduct includes Precepts and Annotations that require a high standard of ethics and responsible performance expected of professionals. Specifically, the Precepts require actuaries to abide by standards of practice, as promulgated by the Actuarial Standards Board, and by qualification standards, adopted by the American Academy of Actuaries. The Code has been adopted in substantially similar form by all the professional societies representing actuaries in the United States and Canada, uniting the profession in this area for the first time.

Counseling and Discipline

Since its inception, the Academy has recognized the need for a disciplinary procedure to enforce standards of conduct and the need to provide the public and fellow actuaries with an avenue to express grievances regarding the professional activities of Academy members. For many years, the responsibility for handling complaints, investigating charges, and proposing disciplinary measures rested with the Committee on Discipline Largely because duplications of effort by the disciplinary committees of the various actuarial organizations frustrated effective discipline, and also as a result of the adoption by all actuarial organizations of a common Code of Professional Conduct, in 1991 the members of the Academy voted to amend the bylaws and create the Actuarial Board for Counseling and Discipline (ABCD)

The ABCD is a separate entity affiliated with the Academy It investigates alleged violations of the Code of Conduct lodged against members of any actuarial organization that delegates investigative authority to the ABCD. The Academy and other organizations have delegated such authority. For those activities that in the opinion of the ABCD do not merit public discipline, or in response to actuaries' requests for guidance, actuaries will be counseled privately and assisted in complying with the requirements of the Code of Professional Conduct, qualification standards, and standards of practice.

Standards of Practice

The Academy commenced issuing standards of practice, called Recommendations, in 1973. These recommendations were supplemented by interpretations. A major step forward in the development and management of standards of practice was taken in 1985 with the creation of the Interim Actuarial Standards Board (IASB). The IASB served as the prototype for a permanent Actuarial Standards Board (ASB), which was created in June 1988 by a bylaw amendment vote

The ASB is a separate entity affiliated with the Academy. It has sole responsibility to initiate the development of and to adopt new standards. Standards of practice include statements on the techniques, applications, procedures, and methods that have been generally accepted by the profession. The Code of Professional Conduct requires actuaries to be knowledgeable about and abide by these pronouncements.

Legal Recognition

In December 1966, the National Association of Insurance Commissioners (NAIC) adopted a resolution supporting recognized standards of actuarial competence and conduct and urging each commissioner to support the efforts of the Academy to gain official recognition. All states now have regulations that recognize Academy membership as qualification for signing insurance company annual statements: some have corresponding recognition for public employee retirement systems. The first state to act was Indiana, which provided for certification of actuaries by a state board in a 1968 law. The general pattern followed in other states has been issuance of administrative orders or regulations

In 1975, the responsibility expected of actuaries was spelled out by a new requirement that the actuary who signs a life insurance company annual statement must express an opinion on the actuarial elements, including an opinion on the adequacy of reserves. The Academy responded with recommendations to the profession on how this responsibility should be met.

In 1980, a similar requirement was added to the property and liability insurance company annual statement, except that the requirement was at the discretion of the domiciliary insurance commissioner. Again the Academy responded with appropriate recommendations to the profession.

In 1990, at the urging of the Academy, the NAIC eliminated the discretion of individual states. As a result, virtually all annual statements from property/casualty companies in the United States must be accompanied by a loss reserve opinion from a "qualified actuary," defined as a member of the American Academy of Actuaries approved by the Casualty Practice

Council, or as a member of the Casualty Actuarial Society, or otherwise approved by the domiciliary commissioner

In 1983, a statement of actuarial opinion similar to those cited above was added to the annual statement blanks for both health service corporations and health maintenance organizations, it was supported by recommendations

In the pension field, the 1974 ERISA legislation established extensive and specific standards for actuarial reports, for disclosure and fiduciary relationships, and for the qualifications of actuaries in pension work

Expressions of Professional Opinion

The first major influence of the Academy beyond the boundaries of the profession was in its response, beginning in 1972, to the audit guide for stock life insurance companies by the American Institute of Certified Public Accountants. This cooperative endeavor has led to regular and close association between the actuarial and accounting professions

The Academy has also become increasingly active in dealing with various government entities on a variety of public issues. In 1982, the Board of Directors adopted Guidelines for Making Public Statements in connection with this activity. The guidelines were updated in 1993.

Joint Activities of Actuarial Organizations

The North American actuarial bodies cooperate in many ways, largely through joint sponsorship of actuarial examinations and the work of joint committees. In December 1972, the Academy was instrumental in launching an informal body, the Council of Presidents, to foster even greater understanding and com-

mon purpose. In 1976, the actuarial organizations, jointly formed the Actuarial Education and Research Fund to foster the growth of basic actuarial research throughout the profession and to arrange for necessary financing of such research.

Administration

At the outset, the Academy shared administrative facilities with the Society of Actuaries in Chicago (since moved to Schaumburg, Illinois). A major step to increase the value and influence of the Academy was taken in January 1976 when the Academy became headquartered in Washington, D.C. The Washington office is responsible for all staff functions other than those related to the membership database, which remain in Schaumburg.

Meetings

Historically, the Academy has held its annual meetings in the fall of the year, in conjunction with the annual meeting of one of its founding organizations. In October 1998 the Academy will hold its annual meeting in Washington, D.C., in conjunction with the American Society of Pension Actuaries annual meeting. In the spring, the Academy will sponsor a public policy briefing, featuring a prominent Washington legislator as luncheon speaker.

Since 1976, the Academy and the Conference of Consulting Actuaries have cosponsored the Enrolled Actuaries Meeting. In 1989, the Society of Actuaries was added as a cosponsor These meetings are a primary means of continuing education for pension actuaries across the nation. Nineteen eightyone saw the introduction of a series of Casualty Loss Reserve Seminars, sponsored jointly by the Academy, the

Casualty Actuarial Society, and the Conference of Consulting Actuaries. The seminars are of particular interest to property/casualty actuaries and loss reserve specialists.

Publications

The Academy continues to expand the number and scope of its publications Each year, it publishes this yearbook, which includes committee listings, the Board of Directors, and Academy staff, in addition to such information as bylaws and application for admission to the organization

Each month the Academy publishes *The Actuarial Update* (which became a bimonthly publication in 1977, and began monthly production in 1981) and several enclosures, including the "ASB Boxscore" (started in 1987), a status report on various standards projects and

Actuarial Standards Board news In addition, the Enrolled Actuaries Report, a newsletter focusing on the concerns of pension actuaries, is published four times during the year

In November 1995 the Academy issued its first annual report to inform members of the year's significant public policy and professionalism accomplish-The Academy's publications include the bimonthly magazine Contingencies, a combined professionalism annual report for the ASB, the Actuarial Board for Counseling and Discipline Committee and Qualifications, and a fact book on the Actuarial Standards Board Academy also produces public policy monographs and issue briefs based on the work of Academy committees or work groups formed to address specific key issues.

Strategic Plan 1995-2000

n 1994, the American Academy of Actuaries undertook a strategic planning process guided by key professional, membership, and organizational issues. These issues, explicitly stated within the strategic plan, are the foundation for all the Academy's activities

Mission Statement

The strategic mission of the Academy articulates the Academy's purpose and highlights the basic value of the Academy to the profession. The strategic mission of the American Academy of Actuaries for 1995–2000 is

To ensure that the American public recognizes and benefits from (1) the independent expertise of the actuarial profession in the formulation of public policy and (2) the adherence of actuaries to high professional standards in discharging their responsibilities.

General Objectives

The Academy's purpose is expressed in the strategic plan's general objectives Through these general objectives, the Academy determines its strategic priorities.

- 1. Public Policy Interface. Represent the actuarial profession before public policy makers and the finance and business community on issues of public policy.
- 2 Professionalism. Establish, promote, maintain, and enforce professionwide standards of practice, conduct, and qualification
- 3 Organizational Relationships Establish and maintain strong relationships with professional and other organizations whose actions affect actuaries and the profession
- 4. Communications. Promote and support communications on public policy issues and professionalism to public policy makers, the finance and business community, the media, and the profession itself, inform the profession about Academy activities.
- 5. Resources Obtain and manage adequate resources to fulfill the Academy's strategic mission and general objectives

Bylaws

A CORPORATION ORGANIZED UNDER THE ILLINOIS GENERAL NOT FOR PROFIT CORPORATION ACT (ADOPTED APRIL 29, 1966, AND LAST AMENDED IN 1997)

ARTICLE I Membership

SECTION 1. Members Individuals having membership in the Academy shall be called "members."

Members shall be entitled to attend meetings of the Academy, vote, hold office, serve as elected Directors, make nominations, serve on committees, and generally exercise the rights of full membership. They are authorized to designate themselves as "members" of the American Academy of Actuaries and to append to their names the initials M.A.A.

SECTION 2 Requirements for Admission to Membership. Any person may apply for membership and shall become a member by meeting the requirements contained in this section.

A Application Each candidate for admission must submit a written application that shall include a résumé of the candidate's education, background, and experience, the names of two references who are members, and such additional information as the Executive Committee may request

B. Education. Each candidate shall have passed, or have received credit for, the examinations prescribed from time to time by the Board of Directors, here-inafter called the "Board."

C. Experience. Each candidate must, at the date of application, have had at least three years of experience in responsible actuarial work. "Responsible actuarial work" is defined as work that has required knowledge and skill in solving practical actuarial problems in any of the following fields: life and health insurance involving individual policies, group insurance, social insurance, pensions, or property and hability insurance.

D References. Evidence of character and professional integrity of the candidate shall have been deduced by references from two members who have known the candidate for at least eighteen months or from other sources. If the application is rejected on the basis of evidence of lack of character or professional integrity, the candidate may appeal to the Board. The procedures for the conduct of such appeal shall be as prescribed by the Board.

E Nonresidents A candidate who is not a resident of the United States must meet such other requirements as are prescribed by the Board

F Approval Each application shall be acted upon by the Executive Committee. A candidate's application is approved if accepted by a majority of the whole Executive Committee. If refused, the applicant may request review by the Board, pursuant to such procedures as may be adopted by the Board.

ARTICLE II Meetings of the Members

There shall be an annual meeting of the members each fall at such time and place as the Board shall designate

Special meetings may be called by the Board Upon request of not less than five percent of the members, the President shall call a meeting of the members. At all meetings fifty members shall constitute a quorum. Notice of a meeting, specifying the place, date, and hour of the meeting, shall be given not less than twenty nor more than forty days before each meeting.

ARTICLE III Board of Directors

SECTION 1 Composition. The Board shall consist of twenty-nine Directors, comprising the nine Officers, the two immediate Past Presidents, and eighteen elected Directors.

SECTION 2 Election and Term of Office.

A Special Directors The Board shall designate a number of seats on the Board, not to exceed eight, to be filled by a class of special Directors consisting of representatives of other U.S. actuarial organizations whose presence on the Board is deemed helpful to the Academy Special Directors shall be elected by majority vote of the whole Board and shall serve for a period of two years. If a vacancy occurs among the special Directors, the vacancy may be filled for the remainder of the unexpired term by majority vote of the whole Board The term of office of a special Director shall begin at the close of the annual meeting of the Academy in the calendar year of the election and shall continue until the close of the annual meeting at the end of the term for which the special Director was elected.

B Regular Directors Elected Directors who are not special Directors shall be regular Directors. Each year the members shall elect a number of regular Directors to bring the total number of elected Directors to eighteen. Candidates receiving the greatest number of votes

shall be elected. Such regular Directors shall serve for a period of three years. A returing regular Director, other than one who was elected to fill a vacancy, whose term as a regular Director expires shall not be eligible for re-election as a regular Director at that time A Past President whose ex officio membership on the Board as Past President expires shall not be eligible for election as a regular Director at that time. If a vacancy occurs among the regular Directors, including a vacancy created by the election of a regular Director to an office or to the position of special Director, the vacancy may be filled for the remainder of the unexpired term by majority vote of the whole Board. The term of office of a regular Director shall begin at the close of the annual meeting of the Academy in the calendar year of the election and shall continue until the close of the annual meeting at the end of the term for which the regular Director was elected

SECTION 3. Meetings There shall be an annual meeting of the Board within sixty days prior to the annual meeting of the Academy. Special meetings of the Board shall be called whenever the President or at least five members of the Board so request

Meetings of the Board may be held either within or outside the state of Illinois. Notice of the meetings of the Board shall be given not less than ten days nor more than thirty days before the meeting, except in the event of a meeting of the Board following the annual meeting of the Academy, in which event newly elected Directors shall be given notice of such meeting of the Board as promptly as possible. Such notice to newly elected Directors may be given personally, by telephone, by mail, or by facsimile transmission.

Any action required to be taken at a meeting of the Board may be taken

without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members of the Board

SECTION 4 Quotum At meetings of the Board, a majority of the members of the Board shall constitute a quorum.

SECTION 5 Duties and Powers The Board shall have, in addition to the powers and authority expressly conferred upon it by these Bylaws, the right, power, and authority to exercise all such powers and to do all such acts and things as may be appropriate to carry out the purposes of the Academy Without prejudice to the general powers so conferred, the Board shall have the following specific powers.

- (a) To act in accordance with the provisions of the Articles of Incorporation of the Academy and the laws of the state of Illinois
- (b) To establish the location of the offices of the Academy.
- (c) To invest and administer the funds of the Academy.
- (d) To arrange an annual audit of the accounts of the Secretary-Treasurer.
- (e) To prescribe examinations and other requirements for admission, as provided in Article I, Section 2, of the Bylaws.
- (f) To elect the Officers of the Academy.
- (g) To authorize such committees as it may deem necessary for the conduct of the affairs of the Academy.

ARTICLE IV Executive Committee

During any interim between meetings of the Board, the business of the Academy shall be conducted by an Executive Committee comprising the Officers and the immediate Past President. The Executive Committee shall have such powers as may be provided by these Bylaws or as may be delegated to it by the Board, except the specific powers enumerated (b), (d), (e), (f), and (g) in Section 5 of Article III.

ARTICLE V

SECTION 1 Officers The Officers of the Academy, all of whom shall be members, shall consist of a President, a President-Elect, six Vice Presidents, and a Secretary-Treasurer

SECTION 2 Election and Term of Office At each annual meeting of the Board, the Directors present, by a vote of a majority of the whole Board, shall elect, separately and in the order named, a President-Elect, three or more Vice Presidents, and a Secretary-Treasurer

At the annual meeting of the Board, if either (a) the President-Elect has succeeded the President and has served in that capacity for six months or more by reason of the office of President becoming vacant or (b) the office of the President-Elect is vacant, except in the case where the President-Elect has succeeded to the office of the President and has served in that capacity for less than six months, the Directors, by a vote of a majority of the whole Board, shall, prior to the election of the President-Elect, elect a President. to serve from the close of the first subsequent annual meeting of the Academy until the close of the second subsequent annual meeting of the Academy.

Except as hereinafter provided, the President-Elect, having been so elected at an annual meeting of the Board, shall commence the term as President-Elect at

the close of the first subsequent annual meeting of the Academy and shall automatically succeed the President at the close of the second subsequent annual meeting of the Academy, and shall serve as the President until the close of the third subsequent annual meeting of the Academy. In the event the office of President becomes vacant, the President-Elect shall automatically succeed to fill the vacancy for the unexpired term. A President-Elect who so succeeds the President and serves in that capacity for less than six months prior to the close of the first subsequent annual meeting of the Academy following succession to the Presidency shall further serve as President until the close of the second subsequent annual meeting of the Academy

The term of Vice President shall be two years. The term of each Vice President elected at each annual meeting of the Board shall be from the close of the first subsequent annual meeting of the Academy until the close of the third subsequent annual meeting of the Academy. In the event of a vacancy in the office of Vice President, the Board may elect a replacement for the remainder of the vacancy of that office. Said replacement may thereafter be eligible for re-election as a Vice President at the meeting at which the term expires. A retiring Vice President is not otherwise eligible for reelection as a Vice President at the meeting at which the term expires.

Except as provided above, a retiring President shall thereafter be permanently ineligible for election for another term as President or President-Elect.

A retiring Vice President shall not be eligible for re-election as a Vice President at the meeting at which the term expires

Each Officer shall hold office for the term elected and until a successor shall have been elected. In the event of vacancy in the office of both the President and President-Elect, the Board shall by majority vote of the whole Board elect a member to fill the vacancy for the unexpired term of the President.

In the event a vacancy occurs among the Vice Presidents, or in the office of Secretary-Treasurer, the Board shall by majority vote of the whole Board elect a member to fill the vacancy for the unexpired term

ARTICLE VI Duties of Officers

SECTION 1 President The President shall preside at the meetings of the Board and of the Academy, shall appoint committees authorized by the Board, and may sign contracts or other instruments that the Board has authorized to be executed.

SECTION 2 President-Elect The President-Elect shall have such duties as may be assigned by the President or by the Board. In the absence of the President, or in the event of the President's inability or refusal to act, the President-Elect shall perform the duties of the President's office.

SECTION 3. Vice Presidents Each of the Vice Presidents shall have such duties as may be assigned by the President or by the Board.

SECTION 4. Screetary-Treasurer. The Secretary-Treasurer shall record and file minutes of all meetings of the Board, give all notices, be custodian of the corporate records of the Academy, and in general shall perform all customary duties incident to the office of Secretary-Treasurer. If the President is absent or unavailable, the Secretary-Treasurer may sign, with any other person authorized

by the Board, contracts or other instruments that the Board has authorized to be executed.

The Secretary-Treasurer shall also keep a register of the members, have charge of the preparation and publication of any yearbook that may be published, have general supervision of any arrangements for holding examinations, have charge and custody of all funds and securities, collect dues, pay bills, prepare financial statements, and in general perform all customary duties incident to the office of Secretary-Treasurer. The Secretary-Treasurer shall give a bond for the faithful discharge of all such duties, the cost of which shall be paid by the Academy

ARTICLE VII Finances and Contracts

SECTION 1 Dues Except as heremafter provided, each member shall pay such dues for each calendar year as may be established by the Board Such dues shall be payable as of January 1 of the calendar year. At the time when dues are payable, any member who has become totally disabled or who, having attained an age to be selected by the Board, and having retired from active work or who has attained age 70, so notifies the Secretary-Treasurer in writing shall be granted exemption from the payment of dues by the Executive Committee. In addition, any member who (a) is expected to earn no significant income for the calendar year from actuarial activities, and (b) is within a class of members eligible for dues waiver as determined by the Board shall be granted exemption from the payment of dues by the **Executive Committee**

It shall be the duty of the Secretary-Treasurer to cause to be notified by mail any member whose dues may be six months in arrears and to accompany such notice by a copy of this Section. If dues remain unpaid, such person shall, on the date that falls three months after the date of mailing such notice, cease to be a member of the Academy for all purposes other than with respect to any penalty or other action determined under disciplinary procedures as provided in Article IX, relating to conduct prior to such date Reinstatement as a member shall be subject to such conditions as the Board may prescribe.

SECTION 2. *Publications* The Board shall determine the extent of distribution of publications of the Academy and the fees or prices to be charged any classes of recipients.

SECTION 3 Contracts The Board may authorize any Officer or agent to enter into any contract or execute and deliver any instrument in the name or on behalf of the Academy

SECTION 4. Checks. All checks, drafts, or other orders for a payment of money, notes, or other evidences of indebtedness shall be signed by such Officer or agent of the Academy as shall from time to time be determined by the Board.

SECTION 5 Deposits All funds of the Academy not otherwise employed or invested shall be deposited to the credit of the Academy in such banks, trust companies, or other depositories as the Board may select

ARTICLE VIII Resignation of Members

Any member may at any time file a resignation in writing with the Secretary-

Treasurer, and, unless it is rejected by the Executive Committee, it shall become effective as of the date it was The Executive Committee may reject a resignation only if a complaint or charge is pending against the member or if a complaint or charge is filed within sixty days after the date that the member's attempted resignation is filed member whose resignation is rejected by the Executive Committee may appeal in writing to the Board The Board may affirm or set aside an Executive Committee decision to reject a member's resignation by a majority vote of the members of the whole Board

Notwithstanding the foregoing, the Board may in its discretion permit the resignation of a member against whom a complaint or charge is pending. The Board, on written application of any member who has resigned, may reinstate such member subject to such conditions as it may prescribe.

ARTICLE IX Public Discipline

SECTION 1. Complaints and Referrals

A Complaints concerning alleged violations of the Academy's Code of Professional Conduct, and all questions that may arise as to the conduct of a member, in the member's relationship to the Academy or its members, or in the member's professional practice, or affecting the interests of the actuarial profession, constitute matters for serious consideration

B Such complaints and questions shall be referred to the national organization responsible for professionwide counseling and discipline in the nation where the action occurred: the Actuarial Board for Counseling and Discipline (ABCD) in the United States and the Canadian Institute of Actuaries (CIA) in Canada.

SECTION 2 Consideration of Public Disciplinary Action.

A. The President shall appoint a sixperson Disciplinary Committee from among the members of the Board to consider and act on a recommendation from the ABCD or the CIA for public discipline of an Academy member

B. Public disciplinary action includes a public reprimand, suspension of Academy membership, or expulsion from the Academy.

C. The member who is the subject of a public disciplinary recommendation from the ABCD or the CIA shall have the right to appear personally and by counsel (at the member's expense) before the Disciplinary Committee to explain why that recommendation should not be followed.

D. The member involved shall be notified not less than forty-five days in advance as to the time, date, and place where the Disciplinary Committee will consider the matter. The notification may be made by certified mail or in such other manner as the Disciplinary Committee may direct. The time limit may be waived by mutual agreement of the parties

E An action of the Disciplinary Committee to publicly reprimand, suspend, or expel a member requires an affirmative vote of two-thirds of the whole membership of the Disciplinary Committee

F. An action by the Disciplinary Committee to publicly reprimand, suspend the membership of, or expel a member is effective forty-five days after the date of the action, if the member does not appeal the action to the Board, and, in the event of such an appeal, the action is effective on the date when the appeal is decided by the Board

SECTION 3. Appeals to the Board. A member against whom an order of public

reprimand, suspension, or expulsion has been rendered shall, upon application to the Board within forty-five days after the action of the Disciplinary Committee, be entitled to appeal to the Board at its next regularly scheduled meeting, under the following conditions

A. All rights and privileges of membership shall be retained during the pendency of the appeal.

B. The notice of appeal shall be in writing and shall stipulate that the appealing member consents to the mailing to the members of the Board of a transcript and all applicable evidence in a form approved by the Disciplinary Committee

C The member may appear personally and by counsel (at the member's expense) before the Board when it meets to hear the appeal.

D. The decision of the Disciplinary Committee may be affirmed, reduced, or set aside by a majority of the members of the whole Board. Members of the Board who serve on the Disciplinary Committee may participate and vote in deliberations of the Board.

SECTION 4 Reinstatement. An individual who has been expelled or suspended from the Academy may be reinstated only through an action of the Board of Directors.

SECTION 5 Confidentiality of Proceedings Except as otherwise provided in these Bylaws or by waiver of the person under investigation, all proceedings under this Article shall be confidential and kept secret.

SECTION 6. Notifications

A The Board of Directors shall notify Academy members in all instances in which a member is subject to public discipline. At the same time notification is given to the members, the Board of Directors shall also give notice of the public discipline to all other actuarial

organizations of which the individual is a member and to other organizations, including governmental entities, that, in the opinion of the Board, should also receive notice of the action. The Board of Directors may also give notice of public discipline to such newspapers or journals as it may select.

B If the case arises from a written complaint, notice of the disposition of the case shall be furnished to the complainant

C. In the case of an action by the Disciplinary Committee to publicly reprimand, suspend, or expel a member, the notification should take place forty-five days after the Committee's action, and, if the member is appealing the decision to the Board of Directors, the notification should state that the decision is being appealed. Once the Board of Directors has acted on this appeal, there should be a notification of that action.

D. In the event of subsequent reinstatement of an expelled or suspended member, the Board of Directors shall give notice of such action to all members and also to entities previously advised by the Board of the expulsion or suspension

ARTICLE X Actuarial Board for Counseling and Discipline

SECTION 1 Establishment and Purposes

A. There shall be established within the Academy an entity to be known as the Actuarial Board for Counseling and Discipline (ABCD). Upon delegation of appropriate authority from a participating actuarial organization and acceptance of that delegation by the ABCD, the ABCD will be authorized.

1 To consider all complaints and/or questions concerning alleged violations of the applicable Code of Professional Conduct and all ques-

tions that may arise as to the conduct of a member of a participating actuarial organization in the member's relationship to the organization or its members, in the member's professional practice, or affecting the interests of the actuarial profession.

- 2 To counsel individuals accused of violations of the applicable Code of Professional Conduct, regarding their actions
- 3 To recommend a public disciplinary action against an individual to any participating organization of which that individual is a member
- 4. To serve as ombudsman between members of participating actuarial organizations, or between such members and the public, for the purpose of informally resolving complaints concerning the professional conduct of such members
- 5. To accept and respond to requests for guidance from members of the participating organizations.
- B. The ABCD is authorized to issue such rules of procedure and operating guidelines not inconsistent with the requirements of this Article as it deems appropriate

SECTION 2. Members and Appointments.

A. The ABCD shall consist of nine persons appointed from the membership of the participating organizations. Appointments will usually be made for three-year terms, but appointments for shorter terms may be made to assure that one-third of the members will be appointed each year. A member may serve no more than two consecutive terms.

B. Members of the ABCD shall be broadly representative of all areas of actuarial practice. They shall be appointed by and serve at the pleasure of a Selection Committee composed of the Presidents and Presidents-Elect of the participating

organizations The President of the Academy shall serve as Chairperson of the Selection Committee If a vacancy arises among the members of the ABCD. the Selection Committee shall designate a replacement to fill out the remainder of the term. The replacement will complete that term, and may be reappointed for one additional consecutive three-year term. Where three or more members of the ABCD have an actual or potential conflict of interest with regard to a particular matter, with the result that a quorum of the ABCD cannot practicably be convened to consider the matter, the Selection Committee may, in response to a request from the ABCD, appoint enough special members to the ABCD to form a quorum to consider that matter. The term of such a special member shall end at the conclusion of the ABCD's consideration of the matter that the special member was appointed to consider, special members shall not participate in ABCD consideration of any matters other than the specific matters for which the special members were appointed

SECTION 3. Officers

A. The Officers of the ABCD shall consist of the Chairperson and two Vice Chairpersons

B. The Chairperson shall be appointed annually from among the members of the ABCD by the Selection Committee. The Chairperson shall preside at meetings of the ABCD and shall have the other responsibilities described in Section 5.

C. The Vice Chairpersons shall be appointed annually from among the members of the ABCD by the Selection Committee. A Vice Chairperson shall be designated by the Chairperson as the presiding Officer in the absence of the Chairperson. Vice Chairpersons shall have such other duties as may be assigned by the Chairperson.

SECTION 4 Meetings and Conduct of Business. The ABCD shall meet at least once each year. Additional business shall be conducted whenever requested by the Chairperson or at least three members. Business may be conducted during meetings or via mail or telephone. Two-thirds of the members of the ABCD shall constitute a quorum

SECTION 5. Procedures for Disciplinary Recommendations

A For any matter that arises as the result of the receipt of a complaint or question or an ABCD initiative, the Chairperson and the two Vice Chairpersons may by majority vote.

- 1. Dismiss the matter,
- 2 Authorize an ombudsman to resolve the matter, or
 - 3 Authorize a review of the matter.

B To review a matter, the Chairperson shall appoint an Investigative Officer who may appoint up to two additional persons with the approval of the Chairperson. Such Investigative Officer and such additional persons, if any, shall constitute the Investigative Committee. Investigative Committees shall not include members of the ABCD

- 1. The Investigative Committee shall investigate alleged violations of the applicable. Code of Professional Conduct The Investigative Committee shall, then recommend to the Chairperson.
 - a. Dismissal of the allegation,
 - b. That the actuary be counseled, or
 - c That public disciplinary action be recommended
- 2. The Investigative Committee shall observe operating procedures and guidelines that are established by the ABCD that are not inconsistent with the requirements of this Article.
- C. Following receipt of a report of

the Investigative Committee, the ABCD shall determine by majority vote whether to

- 1. Dismiss the matter,
- 2 Counsel the actuary, or
- 3 Schedule a hearing before the ABCD to consider the matter such a case, a written notice shall be prepared stating plainly the charges against the individual, together with a notice of the time, date, and place where the ABCD will meet for consideration thereof. The charges and notice shall be served on the individual not less than forty-five days before the hearing of the ABCD, either personally or by certified mail, or in such other manner as the ABCD may direct. The time limit may be waived by mutual agreement of the parties

D. In any hearing before the ABCD, the individual against whom charges have been made shall have the right to appear personally and by counsel (at the member's expense), to examine the evidence presented, to examine adverse witnesses, and to present exculpatory witnesses and evidence. The Investigative Officer or designee shall appear to present the findings of the Investigative Committee. Witnesses called in the course of hearings before the ABCD shall vouch for the truth of their statements on their word of honor. A written transcript shall be made of the proceedings. The ABCD shall decide all questions of evidence at the hearing.

E If, in the course of any hearing under this Section, evidence shall be presented upon which another charge or charges against the individual might be made, it shall not be necessary for the ABCD to prepare and serve such additional charge or charges on the individual. Instead, the ABCD may, after reasonable notice to the individual and

opportunity for the individual to respond, proceed to the consideration of such additional charge or charges as if they had been made and served at the time of the service of the original charge or charges, and the ABCD may render such decision or recommendation upon all such charges as may be justified by the evidence in the case.

F Throughout proceedings under this Section, the Investigative Committee or the ABCD may consult confidentially with members of the profession who have information or experience relevant to the matter under consideration. However, no information may be used unless that information is placed into evidence and the individual against whom charges have been filed has an opportunity to respond to such information.

G. At the conclusion of the hearing, the ABCD shall determine by majority vote whether to

- 1. Dismiss the matter,
- 2. Counsel the actuary, or
- 3. Prepare a written report including a recommendation for public reprimand, suspension, or expulsion of the individual addressed to each participating organization of which the individual is a member. A majority of the whole ABCD must vote in the affirmative if a recommendation is to be made for public disciplinary action. The report shall state plainly the charge or charges against the individual, and shall be accompanied by a transcript of the proceedings, copies of all evidence. and a rationale for the recommendation. A copy of the report and the accompanying material shall be provided to the individual against whom the charge or charges have been made.

SECTION 6. Counseling. Any counseling conducted pursuant to this Article shall not be considered to be disciplinary action, nor shall counseling imply that there has been any determination that a violation of the applicable Code of Professional Conduct has occurred.

SECTION 7 Actuarial Ombudsman The ABCD is authorized to act as an ombudsman regarding complaints between actuaries or between actuaries and others. The ABCD is authorized to promulgate such rules and regulations as are necessary to effectuate this Section.

SECTION 8. Staff. The ABCD will utilize the staff of the Academy for necessary logistical and technical support. In addition, the ABCD may retain counsel for assistance in its deliberations.

SECTION 9 Finances

A. The finances of the ABCD will be accounted for separately within the Academy system of accounts. The ABCD will submit a budget request to the Secretary-Treasurer, listing all planned income sources and potential expenses, in such form and in such detail as is mutually determined by the Secretary-Treasurer and the ABCD. The Board of the Academy will consider this request when adopting its annual budget and will make provision within such budget for the operating expenses of the ABCD.

B The ABCD will have discretion with regard to the expenditure of all funds allocated to it, subject only to such accounting and audit requirements as may be mutually determined by the Secretary-Treasurer and the ABCD

SECTION 10 Confidentiality Except as otherwise provided in these Bylaws or by waiver of the person under investigation, all proceedings under this

Article shall be confidential and kept secret. This requirement as to confidentiality shall not preclude the ABCD from advising, at its discretion, complainants and members complained of about the progress and outcome of complaints. This requirement of confidentiality shall not preclude the ABCD from reviewing previously closed files as they may relate, in any manner, to the consideration of a new matter before it

SECTION 11 Communications The ABCD shall issue an annual report that will include a description of its activities for the prior fiscal year, including commentary on the types of cases pending, resolved, and dismissed. These reports shall not reveal any information otherwise confidential. The ABCD shall also report quarterly to the President of each participating organization concerning complaints and counseling activities related to members of the organization.

ARTICLE XI Actuarial Standards Board

SECTION 1 Establishment and Purposes There shall be established within the Academy an entity to be known as the Actuarial Standards Board (ASB), whose purposes shall be to:

A (i) Expose, (ii) promulgate or adopt, and (iii) publish actuarial Standards of Practice, within its sole discretion and pursuant to such procedures as it deems appropriate, in all areas of actuarial practice, subject to the specific requirements of this article

B. Provide continuous review of existing Standards of Practice and determine whether they are in need of amendment, alteration, expansion, or elimination C Direct and manage the development of actuarial Standards of Practice by its operating committees in all areas of actuarial practice.

SECTION 2. Members and Appointments.

A. The ASB shall consist of nine members, each of whom shall be appointed for three-year terms. No individual may serve more than two consecutive terms on the ASB. Terms of membership shall be staggered, so that one-third of the members are appointed annually.

B. Members of the ASB shall be broadly representative of all areas of actuarial practice. They shall be appointed by and serve at the pleasure of a Selection Committee composed of the Presidents and the Presidents-Elect of the organizations that participate in the ABCD, or their successor organizations The President of the Academy shall serve as Chairperson of the Selection The Selection Committee Committee shall annually appoint the Chairperson of the ASB An individual appointed Charperson may not serve more than two consecutive terms as Chairperson. If a vacancy arises among the members of the ASB, the Selection Committee shall designate a replacement replacement will complete that term. and may be reappointed for one additional consecutive three-year term

SECTION 3 Meetings. The ASB shall meet at least four times annually Additional meetings of the ASB shall be called whenever the Chairperson or at least four members of the ASB so request At meetings of the ASB, two-thirds of the members of the ASB shall constitute a quorum. At least six affirmative votes are required for the ASB to expose, promulgate, or adopt actuarial Standards of Practice.

SECTION 4 Officers

A Officers of the ASB shall consist of a Chairperson and two Vice Chairpersons. The Vice Chairpersons shall be appointed annually from among the members of the ASB by the Chairperson with the consent of the ASB

- 1. One Vice Chairperson shall be the presiding officer in the absence of the Chairperson and shall have such other duties as may be assigned by the Chairperson
- 2. The other Vice Chairperson shall monitor the disposition and be responsible for the authorization of expenditure of all funds associated with the ASB

B The Chairperson of the ASB shall preside at meetings of the ASB and shall designate operating committee Chairpersons with the consent of the ASB Members of the operating committees shall be appointed by each operating committee Chairperson with the consent of the ASB.

SECTION 5 Committees The ASB shall establish operating committees to prepare and draft Standards of Practice for consideration by the ASB. The number and membership of such committees shall be determined by the ASB. The ASB may establish additional committees, subcommittees, or task forces as it deems appropriate to carry out administrative or advisory functions in support of its operations.

SECTION 6. Finance

A Financial activities pertaining to the ASB will be accounted for separately within the Academy system of accounts. The ASB will submit a budget request to the Secretary-Treasurer, listing all planned income sources and potential expenses, in such form and in such detail as are mutually determined by the Secretary-Treasurer and the ASB. The Academy Board will consider this request when adopting the Academy annual budget and will make provision within such budget for ASB operating expenses

B The ASB will have discretion with regard to the expenditure of all funds allocated to it, subject only to such accounting and audit requirements as are mutually determined by the Secretary-Treasurer and the ASB

SECTION 7 Staff The ASB will utilize the staff of the Academy for all support, within the budgetary constraints of the ASB, and the Academy will make available to the ASB such staff support as may be requested. Costs for such staff support, including overhead expenses ascertained pursuant to a formula mutually determined by the Secretary-Treasurer and the ASB, will be included in the ASB budget.

SECTION 8 Communications with the Actuarial Profession. The ASB shall issue an annual report that will include a description of its activities for the prior fiscal year, including commentary on its standards activities, administrative matters, and finances. The ASB shall cooperate with duly constituted actuarial authorities charged with enforcing standards of professional practice, and respond to inquiries regarding actions of the ASB, including the interpretation of standards promulgated or adopted by the ASB

ARTICLE XII Notice

The requirement that notice be given to members or other persons shall be satisfied when a letter has been deposited in a United States Postal Service mailbox addressed to the last known address of such person

ARTICLE XIII Indemnification

Each person who at any time shall serve or shall have served as an Officer. member of the Board, committee member, or member of any disciplinary board of the Academy (and any such person's heirs, executors, administrators, and personal representatives) shall be indemnified by the Academy against all costs and expenses (including but not limited to legal fees, amounts of judgments paid, and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit, or proceeding, whether civil, criminal, administrative or other in which one or more of them may be involved by virtue of such person being or having been an Officer, member of the Board. committee member, or member of any disciplinary board of the Academy, or in connection with any appeal therein, provided, however, that in the event of a settlement the indemnification herein provided shall apply only when the Board approves such settlement; and provided further that such indemnity shall not be operative with respect to any matter as to which such person shall have been finally adjudged hable in such claim, action, suit, or proceeding on account of willful misconduct

The rights accruing to any person under this Article shall be without prejudice to any rights or benefits given by the Board inconsistent therewith in special cases and shall not exclude any other rights or benefits to which the individual may be lawfully entitled

ARTICLE XIV Use of Financial Resources: Dissolution

The funds of the Academy shall be devoted exclusively to the purposes stated in paragraph 5 of the Articles of Incorporation. No part of the net earnings of the Academy shall ever inure in whole or in part to the benefit of any member or individual. If the Academy is dissolved, all of its remaining assets shall be transferred to one or more organizations organized and operated exclusively for purposes similar to those of the Academy.

ARTICLE XV Amendments

Administrative, editorial, and technical amendments to the Bylaws that do not involve questions of policy or affect the substantive rights of the Academy's members may be made by a vote of two-thirds of the Directors present at a duly convened meeting of the Board Otherwise. amendments to the Bylaws may be proposed either by a vote of two-thirds of the Directors present at a duly convened meeting of the Board or by written request of not less than three percent of the members. The Board shall specify a reasonable period of time within which the proposed amendment shall be transmitted by the Secretary-Treasurer to the members by mail, and the time for votes to be mailed by the members to the Secretary-Treasurer Such proposed amendment shall be accompanied by an appropriate discussion of the issues, and it shall become effective ten days following the end of the voting period upon the affirmative vote of two-thirds of the members voting

Statement of Policy

ADOPTED BY THE EXECUTIVE COMMITTEE OF THE AMERICAN ACADEMY OF ACTUARIES AUGUST 18, 1993

he American Academy of Actuaries ("the Academy") is an equal opportunity employer. It also offers services, membership benefits, and opportunities to its present and prospective members (referred to hereinafter collectively as "members") on a nondiscriminatory basis. It is the Academy's policy to refrain from unlawful discrimination against employees and members on the basis of race. color, national origin, ancestry, personal appearance, age, gender, pregnancy, marital status, sexual orientation, family responsibilities, religious affiliation, matriculation, political affiliation, physical, mental, or emotional disability, source of income, place of residence, or unfavorable discharge from military ser-

vice, as those terms are defined by applicable state and federal law. These characteristics are referred to hereinafter as "protected characteristics".

Further, it is the Academy's policy to provide its employees and members with a working environment that is free from unlawful discrimination based upon any of the protected characteristics described above. No Academy employee or member should be subjected to such discrimination while working for, or engaging in activities conducted by, the Academy

It is also a violation of this policy for an Academy employee or member to seek to retaliate against any individual for complaining of a violation of the Academy's anti-discrimination policy?

¹The list of protected characteristics is compiled from applicable District of Columbia. Illinois, and federal laws

²This statement is not intended to preclude the good-futly exercise of an individual's legal rights

Code of Professional Conduct

Preamble

The Precepts of this Code of Professional Conduct identify the professional and ethical standards with which an actuary must comply. The Annotations provide additional explanatory, educational, and advisory material to members of the actuarial profession on how the Precepts are to be interpreted and applied. An actuary must be familiar with, and keep current with revisions to, the Code of Professional Conduct and its Precepts and Apportations.

Professional Integrity

PRECEPT 1. An actuary shall act honestly and in a manner to uphold the reputation of the actuarial profession and to fulfill the profession's responsibility to the public

ANNOTATION 1-1 An actuary fulfills the profession's responsibility to the public through compliance with this Code, and by offering actuarial advice, recommendations, and opinions that are the product of the actuary's exercise of professional judgment.

ANNOTATION 1-2 An actuary who pleads guilty to or is found guilty of any misdemeanor related to financial matters or any felony shall be presumed to have contravened Precept 1 of this Code, and shall be subject to the profession's counseling and discipline procedures

ANNOTATION 1-3. An actuary shall not use a relationship with a third party to attempt to obtain illegal or materially improper treatment from such third party on behalf of a principal (i.e., present or prospective client or employer).

PRECEPT 2. An actuary shall perform professional services with integrity, skill, and care

ANNOTATION 2-1 "Professional services" refers to the rendering of advice, recommendations, or opinions based upon actuarial considerations, and also includes other services provided to a principal (i.e., present or prospective client or employer) by one acting as an actuary

Qualification Standards

PRECEPT 3. An actuary shall perform professional services only when the actuary is qualified to do so and meets applicable qualification standards

ANNOTATION 3-1 It is the professional responsibility of the actuary to observe applicable qualification standards in the jurisdiction in which the actuary renders professional services, and to keep current regarding changes in these standards. For example, for practice in the United States, the Qualification Standards promulgated by the American Academy of Actuaries apply; for prac-

Effective January 1, 1994. Adopted by the Board of Directors of the American Academy of Acturies in September 1993.

tice in Canada, the eligibility conditions promulgated by the Canadian Institute of Actuaries as set out in the Canadian Institute of Actuaries' bylaws apply

Standards of Practice

PRECEPT 4 An actuary shall ensure that professional services performed by or under the direction of the actuary meet applicable standards of practice.

ANNOTATION 4-1. It is the professional responsibility of the actuary to observe applicable standards of practice in the jurisdiction in which the actuary renders professional services, and to keep current regarding changes in these standards. For example, for practice in the United States, the Standards of Practice promulgated by the Actuarial Standards Board apply, for practice in Canada, the Standards of Practice promulgated by the Canadian Institute of Actuaries apply

ANNOTATION 4-2. Where there is a question regarding the applicability of a standard of practice, the professional judgment of the actuary, taking into account the applicable accepted principles of actuarial practice, shall prevail

Disclosure

PRECEPT 5. An actuary shall, in communicating professional findings, indicate clearly that the actuary is responsible for the findings

ANNOTATION 5-1. An actuary who makes an actuarial communication should indicate clearly the extent to which the actuary or other source(s) are available to provide supplementary information and explanation.

ANNOTATION 5-2. An actuary who makes an actuarial communication assumes responsibility for it except to the extent the actuary disclaims responsibility by stating reliance on other sources. Reliance on other sources means making use of those sources without assuming responsibility therefor. A communication making use of such reliance should define the extent of reliance. An actuary may rely upon other sources for information except where limited or prohibited by applicable standards of practice.

ANNOTATION 5-3. Any written communication of professional findings must be signed with the name of the actuary who is responsible for it. The name of an organization with which the actuary is affiliated may be incorporated into the signature, but the actuary's responsibilities and those of the organization are not affected by the form of the signature.

PRECEPT 6. An actuary shall, in communicating professional findings, identify the principal(s) (i.e., the chent[s] or employer[s]) for whom such findings are made and shall describe the capacity in which the actuary serves

PRECEPT 7 An actuary shall make full and timely disclosure to a principal (i.e., present or prospective client or employer) of the sources of all direct and indirect compensation that the actuary or the actuary's firm may receive in relation to an assignment for which the actuary provides professional services for that principal

ANNOTATION 7-1. An actuary who is not financially and organizationally independent concerning any matter related to the subject of an actuarial communication should dis-

close to the principal any pertinent relationship that is not apparent.

ANNOTATION 7-2 "Indirect compensation" is any material consideration received from any source in relation to an assignment for which the actuary provides professional services, other than direct remuneration for those services.

ANNOTATION 7-3 Actuaries employed by firms that operate in multiple sites are subject to the requirement of disclosure of sources of compensation that the actuary's firm may receive in relation to professional services with respect to a specific assignment for that principal, regardless of the location in which such compensation is received.

Conflict of Interest

PRECEPT 8. An actuary shall not perform professional services involving an actual or potential conflict of interest unless:

- (a) the actuary's ability to act fairly is unimpaired; and
- (b) there has been disclosure of the conflict to all known direct users whose interests would be affected by the conflict, and
- (c) all such known direct users have expressly agreed to the performance of the services by the actuary

ANNOTATION 8-1. A "direct user" of an actuary's services is a principal (i.e., present or prospective client or employer) having the opportunity to select the actuary and able to communicate directly with the actuary about qualifications, work, and recommendations.

ANNOTATION 8-2. If the actuary is aware of any significant conflict

between the interests of the direct user and the interests of another party relative to the actuary's work, the actuary should advise the direct user of the conflict. The actuary should also include appropriate qualifications or disclosures in any related actuarial communication.

Control of Work Product

PRECEPT 9 An actuary shall not perform professional services when the actuary has reason to believe that they may be used to mislead or to violate or evade the law.

ANNOTATION 9-1 Material prepared by an actuary may be used by another party in a way that may influence the actions of a third party. The actuary should recognize the risks of misquotation, misinterpretation, or other misuse of such material and should take reasonable steps to ensure that the material is clear and presented fairly and that the actuary is identified as responsible for the material as required by Precept 5 of this Code

Confidentiality

PRECEPT 10 An actuary shall not disclose to another party any confidential information obtained through professional services performed for a principal (i.e., client or employer) unless authorized to do so by the principal or required to do so by law.

ANNOTATION 10-1 "Confidential information" refers to information not in the public domain of which the actuary becomes aware in conjunction with the rendering of professional services to a principal. It may include information of a proprietary nature, information that is

legally restricted from circulation, or information that the actuary has reason to believe the principal would not wish to be divulged

Courtesy and Cooperation

PRECEPT 11. An actuary shall perform professional services with courtesy and shall cooperate with others in the principal's (1 e., client's or employer's) interest

ANNOTATION 11-1 Differences of opinion among actuaries may arise, particularly in choices of assumptions and methods. Discussions of such differences, whether directly between actuaries or in observations made to a principal by one actuary on the work of another, should be conducted objectively and with courtesy.

ANNOTATION 11-2 An actuary in the course of an engagement or employment may encounter a situation such that the best interest of the principal would be served by the actuary's setting out an alternative opinion to one expressed by another actuary together with an explanation of the factors that lend support to the alternative opinion. Nothing in this Code should be construed as preventing the actuary from expressing such an alternative opinion to the principal

ANNOTATION 11-3 A principal has an indisputable right to choose a professional advisor. An actuary may provide service to any principal who requests it, even though such principal is being or has been served by another actuary in the same manner.

If an actuary is invited to advise a principal for whom the actuary knows or has reasonable grounds to believe that another actuary is already acting in a professional capacity with respect to the same matter or has recently so acted, it may be prudent to consult with the other actuary both to prepare adequately for the assignment and to make an informed judgment whether there are circumstances involving a potential violation of this Code that might affect acceptance of the assignment

The prospective new or additional actuary should request the principal's consent to such consultation. When the principal has given consent, the original actuary may require reasonable compensation for the work required to assemble and transmit the relevant information such as pertinent data, work papers, and documents. The actuary need not provide any items of a proprietary nature, such as computer programs.

Advertising

PRECEPT 12 An actuary shall not engage in any advertising or business solicitation activities with respect to professional services that the actuary knows or should know are false or misleading

ANNOTATION 12-1 "Advertising" encompasses all communications by whatever medium, including oral communications, that may directly or indirectly influence any person or organization to decide whether there is a need for actuarial services or to select a specific person or firm to perform actuarial services

Titles and Designations

PRECEPT 13. An actuary shall make use of membership titles and designations of an actuarial organization only in a manner that conforms to the practices authorized by that organization.

ANNOTATION 13-1 "Title' means any title conferred by an actuarial organization related to a specific position within that organization. "Designation" means a specific reference to membership status within an actuarial organization

Collateral Obligations

PRECEPT 14 An actuary with knowledge of an apparent, unresolved material violation of this Code shall disclose such violation to the appropriate counseling and discipline body of the profession, except where the disclosure would divulge confidential information or be contrary to law

ANNOTATION 14-1 A material violation of this Code is one that is important, has influence or effect, or affects the merits of a situation, as opposed to one that is trivial, does not affect an outcome, or is one merely of form

ANNOTATION 14-2 Except when an actuary is prohibited by law or while the actuary is acting in an adversarial environment involving another actuary or actuaries, when the actuary becomes aware of an apparent material violation of this Code, the actuary is required to undertake promptly the following course of action:

(a) If appropriate, discuss the situation with the other actuary or actuaries and, if necessary, agree upon a course of action to ensure that the apparent violation is resolved,

(b) If (a) is not appropriate or is not successful, bring the apparent violation

to the attention of the appropriate investigatory body. For example, for violations of this Code arising out of practice in the United States, the actuary should refer the matter to the Actuarial Board for Counseling and Discipline, for violations of this Code arising out of practice in Canada, the actuary should follow procedures established by the Canadian Institute of Actuaries.

PRECEPT 15 An actuary or the actuary's representative shall respond promptly in writing to any letter received from a person duly authorized by the appropriate counseling and disciplinary body of the profession to obtain information or assistance regarding possible violations of this Code

PRECEPT 16. An actuary shall abide by this Code of Professional Conduct whenever providing professional services

ANNOTATION 16-1. Laws and regulations may impose obligations upon the actuary. Where the requirements of law or regulation conflict with this Code, the requirements of law or regulation shall take precedence

ANNOTATION 16-2 For professional services rendered in Canada, the rules of the Canadian Institute of Actuaries apply.

ANNOTATION 16-3 For professional services rendered in Mexico, the rules of the Colegio Nacional de Actuarios apply

Professional Standards

This table displays the array of professional standards and activities. Unless otherwise noted, applicable materials are included in the actuarial standards handbooks

	Code of Professional Conduct	General Qualification Standards	Specific Qualification Standards	Continuing Education Requirements
Developing Committee	Joint Committee on Code of Professional Conduct	Committee on Qualifications	Committee on Qualifications	Committee on Qualifications
Published Guidance	Code of Professional Conduct booklet	Qualification Standards booklet	Qualification Standards booklet	Qualification Standards booklet
Guidance toi	Individual actuary	Those qualified to give Public Statements of Actuarial Opinion*	Those qualified to give Public Statements of Actuanal Opinion*	Retention of the actuary's qualifications to give Public Statements of Actuarial Opinion
Practice Areas Covered	All four major practice areas • 1 ife • Health • Pension • Casualty	All four major practice areas • Life • Health • Pension • Casualty	NAIC Annual Statement Opinions for Life & A&H Fire & Casualty Hosp , Mcd , & Dent Serv etc	All Public Statements of Actuarial Opinion
	Standards of Practice	Compliance Guidelines	Counseling and Discipline	
Developing Committee	Actuarial Standards Board	Actuarial Standards Buard	Actuanal Board for Counseling and Discipline	
Published Guidance	Standards of Practice booklets	Compliance Guideline booklets	Academy Bylaws as published in 1998 Yearbook (Procedural guidelines have been separately issued)	
Guidance for	Range of procedures for day-to-day work actuary's own methods	Day-to-day work outside requirements	Compliance with Ethics, Qualification Standards, and Actuarial Standards of Prictice	
Practice Areas Covered	Prietice area described in the Standard	Practice area described in the Guideline	All tour major practice areas • Life • Health • Pension • Casualty	

^{*} Public statements of acturnal opinion are—opinions called for by the or regulation—opinions called for by a standard of practice of a compliance guideline as promulgated by the Actuarial Standards Board or actuarial communications made for purposes of compliance with standards promulgated by the Emineral Accounting Standards Board or the Governmental Accounting Standards Board

PROFESSIONALISM

There are three types of professional standards—the Code of Professional Conduct, which provides ethical guidance, the Qualification Standards which provide guidance to actuaries regarding the necessary education and experience to do work, and Actuarial Standards of Practice to guide actuaries in how to do work. The Actuarial Board for Counseling and Discipline provides advice and guidance to actuaries and investigates actuaries if basic qualifications, practice standards, or ethical requirements have not been met

Actuarial Standards and Guidance

	Professional and Ethical Requirements	Qualifications (Education and Experience to Do Work)	How to Do Work	Advice/ Guidance/ Investigation
Specific Guidance	Code of Professional Conduct	General and specific qualification standards for Public Statements of Actuarul Opinion	Actuarial Standards of Practice	Counseling and investigation on qualifications, actuarial standards and ethics
Provider	Academy Board of Directors	Academy Committee on Qualifications	Actuarial Standards Board	Actuanal Board for Counseling and Discipline

Committee Appointment Guidelines

Preamble

In accordance with the Bylaws of the American Academy of Actuaries, the president appoints committees authorized by the Board of Directors. To aid the president in making such appointments, the board adopted the following guidelines with this preamble at its meeting on October 31, 1980. These guidelines reflect the board's intention to involve as many members as possible in committee activities without sacrificing continuity. However, the effectiveness of committee work is paramount, and as a consequence, strict adherence to the guidelines is not expected, particularly with respect to committees that interface regularly with other professions and/or government

Committees for which specific appointment rules are established by the board (e.g., Nominating Committee, Actuarial Standards Board) are exempt from the guidelines. Appointments to joint committees and haison appointments are subject to the guidelines applicable to standing committees,

although certain of the harson appointments must be board members pursuant to Academy policy and agreements with other organizations

Guidelines

- (1) All members of the Academy are cligible to serve on committees.
- (2) An officer of the Academy should not serve on any committee except in an ex office capacity
- (3) A person should be chairperson of a standing committee for no more than three years and should retire from the committee after serving as chairperson.
- (4) A person should remain on a standing committee for no more than three years unless such person becomes charperson by the end of that period.
- (5) In general, a person should not serve concurrently on more than one standing committee
- (6) In general, a person appointed to a task force or a special committee is expected to serve until the task force or special committee is discharged.

Guidelines for Making Public Statements

A. What Constitutes a Public Statement

A public statement is a formal, written statement on behalf of some Academy entity (board, committee, task force, etc.) to an external group. This does not include a statement representing the views of an individual member. Public statements include.

- 1 Statements to Governmental Entities—such as testimony or other formal comments submitted to regulatory, legislative, and investigative bodies at both the federal and state levels
- 2 Statements to Professional and Other Groups—defined as organizations that effectively have some regulatory powers, even if they are not primarily regulatory bodies, e.g., the Financial Accounting Standards Board, the American Institute of Certified Public Accountants, the National Association of Insurance Commissioners, or the American Bar Association
- 3 Statements to External Publications—including articles and other expository material to newspapers and periodicals, except where such statements would fall under the exception for media communications below

Media communications, including letters to the editor or other editorial and expository comments to newspapers and periodicals, are considered to be a special form of public communication that generally is not subject to the procedural requirements of these guidelines. This special status is in recognition of the fact that media deadlines prevent the utilization of the

review procedures applicable to formal public statements. When letters or other media opportunities (such as radio or television interviews) are anticipated, the spokesperson should consult the Academy's director of communications for special guidance It is generally appropriate in such circumstances for the individual to note that the views expressed are not necessarily those of the Academy media communications related to Forecast 2000, special protocols apply These are presented in Attachment 1. Although the procedural requirements of these guidelines are not applicable to media communications meeting the above definitions, the spokesperson is nevertheless expected to be guided by the section below entitled "The Scope of Public Statements "

B. The Scope of Public Statements

Clearly, a public statement based on the insights of actuanal science should be the primary focus in the profession's public pronouncements. It is important to note, however, that the profession's technical expertise encompasses a broader spectrum than is reflected by the concerns of what normally would be considered pure actuarial science. There are numerous instances when the actuary's knowledge is a valuable addition to the information surrounding a given issue. It would be a disservice to all parties for the profession to make public statements only in the narrow areas where the actuary's knowledge is unique.

Fach situation must be evaluated on its own ments to determine whether a public statement by the Academy is appropriate. The tone and nature of a statement must reflect the dignity and standards of the profession. Statements should contain a clear, concise, and balanced presentation of the significant facts, including relevant benefits and costs. A statement need not, however, limit itself solely to statements of fact.

It is also appropriate for statements to draw inferences from statements of fact, so long as these inferences are valid. To limit a public statement to a mere recitation of facts would deny the public the benefit of the full range of the profession's capabilities.

A public statement generally should not take positions on the social and political implications of issues. It may be appropriate, however, to point out social and political implications insofar as these implications may be objectively determined. In certain circumstances, it may not be possible to divorce social or political implications from actuarial considerations.

There may be some issues that have actuarial implications that are better dealt with by trade associations, companies, or individuals. Public statements that appear to be self-serving will be less effective, but the Academy should not hesitate to speak out on matters that involve legitimate professional interests. In fact, the Academy has a responsibility to do so.

C. Development and Delivery of Public Statements

Academy officers, committees, and staff should generally follow the guide-lines presented below in the development and delivery of public statements. At times, these procedures may need to be modified in order to ensure the time-liness and effectiveness of statements.

1 Identification of Issues—Many people contribute to this activity staff, officers, practice councils, committees, and individual Academy members. When an issue is identified by Academy staff, staff will contact the

appropriate committee or task force chairperson directly and copy the appropriate Academy vice president (hereinafter referred to as supervisory officer), unless there is a jurisdictional question to be resolved (see [2] below). Early identification is critical to the Academy's development of well-prepared, timely statements.

2 Authority to Proceed—If staff or supervisory officers identify an issue that may warrant a public statement, they will assign it to the committee or task force best able to develop the statement. If an issue is significant for more than one practice area, the staff and appropriate supervisory officers will discuss the matter with the appropriate committee charpersons, determine which committee or task force receives the assignment, and assure that proper coordination is established and maintained through the use of joint task forces, committee liaisons, dual practice council reviews, or other appropriate means. Supervisory officers, at their discretion, may seek the advice of their practice council in resolving jurisdictional issues and achieving appropriate coordination.

If a committee or task force identifies a matter that may warrant a public statement, the chairperson will promptly advise the supervisory officer and appropriate staff haison. Unless otherwise instructed by the supervisory officer, the committee/task force chairperson may proceed in the development of a statement. Committees and task forces have the authority to develop statements so long as they are consistent with well-established principles of the profession and so long as the appropriate peer review and approval procedures are followed.

3. Notice of Public Statement Preparation—Members will be kept

apprised of major issues of concern to Academy committees and task forces through articles and announcements in The Actuarial Update, and input from members will be solicited by suggesting that they contact the relevant chairperson. Because of the large number of public statements, not all statements under development can be announced in The Actuarial Update. Reports summarizing committee and task force activities during the previous twelve months will appear in a supplement to The Actuarial Update soon after the end of the Academy year. A complete listing of committee and task force statements for the previous calendar year also will appear in an annual supplement.

- 4 Development of Statements— Committees and task forces will prepare public statements and any supporting background material in accordance with the following guidelines:
 - (a) Public statements generally represent the opinion of a committee or task force. Generally, a public statement will be developed by members of a standing Academy committee, a presidentially appointed task force, or a working group established by one of the Academy's four practice councils. It is always appropriate, however, to involve other Academy members considered by the committee, task force, or working group to have pertinent expertise or experience. From time to time, it may also be appropriate to solicit the input of non-actuaries When and how such input is solicited is at the discretion of the committee chair with the concurrence of the supervisory officer.
 - (b) On major issues that are likely to be highly controversul within the profession, the chairperson and the supervisory officer should seek broader input from Academy mem-

bers and leaders of the profession Options for obtaining such input include requests for comments published in The Actuarial Update, discussions with Academy leadership and the leadership of other actuarial organizations, discussions with appropriate committees of other actuarial organizations, solicitations and special sessions at widely attended actuarial meetings, special seminars on the issue, and discussions with other Academy commuttees, task forces, and working groups. If time allows, the Academy exposure draft procedures also should be considered. The supervisory officer will determine the most appropriate means of obtaining member input in consultation with the area's practice council, the Academy president, the committee chairperson, and the executive director. Academy staff and the supervisory officer are initially responsible for determining if an issue is highly controversial.

- (c) The Academy staff is available to assist in the preparation of public statements. In some instances, it may not be practical to involve the staff directly in statement preparation, although committee chairpersons are strongly encouraged to do so. The involvement of Academy staff can be helpful in assuring the consistency of the statement with previous public statements and policy decisions.
- (d) In some circumstances, the Academy staff may develop a public statement on its own initiative Staff-developed statements must have the approval of the appropriate chairperson and supervisory officer and should be circulated to all committee, task force, or working group members even if the

time for comment is limited. Only under extraordinary circumstances may the chair and supervisory officer release a statement before circulation to the full committee, task force, or working group. Statements developed by staff should reflect previous public statements and policy decisions.

- (e) The chairperson should seek a consensus of the committee, task force, or working group members If there is substantial lack of consensus the chairperson may elect to incorporate the majority and minority perspectives into the statement, to refer the issue to the supervisory officer, or not to issue a public statement. In some cases, time constraints may prevent the entire committee, task force, or working group from participating in the preparation of a particular statement, and the task of drafting the statement may be left to the charperson or the charperson's designee(s). In such cases, the drafters should seek maximum input from available committee, task force, or working group members
- (f) No statement should be presented without appropriate peer review. The level of peer review should depend upon the level of risk and exposure of the statement Before release, statements should generally be reviewed by the supervisory officer, or designee thereof, and Academy staff. For statements that are the work of individuals or small subgroups and that have not had the benefit of the full group's deliberation, peer review should include the committee/task force/working group chair and two semor reviewers in addition to the supervisory officer (or designee) and staff. The senior review persons, to be selected by

- the chairperson with approval of the supervisory officer, should be knowledgeable and experienced in the subject at hand and should be known to reflect broadly held views of the profession. In extraordinary circumstances, the supervisory officer and staff may agree to release a statement before completion of peer review.
- (g) Staff, in consultation with the supervisory officer, are to determine if a statement requires review by the general counsel and will arrange with counsel for such review
- (h) The decision to issue the final statement generally rests with the supervisory officer, who may delegate this responsibility to the committee, task force, or working group chairperson or other designee. For issues of major importance or those deemed highly controversial, the executive director and president also should be consulted before the statement is released to its intended audience.
- (i) When deemed appropriate by the supervisory officer, a recommendation should be made to the president that a proposed statement be submitted to the Board of Directors for review before issuance. The board may modify or disapprove a public statement if it believes such action is in the best interest of the Academy.
- 5. Presentation of Statements—The committee or group issuing a statement must be stated. The group will ordinarily be a practice council working group, task force, committee, or the Board of Directors. Blanket sponsoiship by the Academy is not to be implied.

When the audience is familiar with the Academy and its committee structure, a statement such as the following will usual-

ly be sufficient "This statement was prepared by the American Academy of Actuaries' XYZ Committee."

In instances when further explanation is appropriate, the committee, task force. or working group should consider including additional language such as the following "The committee is made up of representatives from the entire range of (name of actuarial practice area). The committee includes actuaries who work as consultants, are employed by insurance companies, are actuaries for government (specify type of government programs, if appropriate) and the National Association of Insurance Commissioners, and are employed by nonprofit (specify type, if appropriate) organizations. The expertise of other senior (practice area) actuaries knowledgeable of (issue) was drawn upon to prepare this statement."

As a general rule, Academy statements do not identify the individual members of the group that developed them In some cases, however, identifying members of the group may add to the credibility of the statement or serve some other purpose such as meeting the requirements of the intended audience The decision to identify individual authors should be made in consultation with the supervisory officer and Academy staff. Unless there is good reason not to do so, non-actuaries who participated in the formulation of the statement should be identified and their non-Academy-member status and role identified in footnotes or otherwise

Any statement that involves issues of significance to multiple practice areas should clearly identify the practice area to which the statement is intended to apply.

All public statements should be dated and submitted in written form, with an oral presentation as appropriate. Statements should be submitted on Academy letterhead. Even when statements are responses to highly technical methodological inquiries, the general issue

being addressed should be clearly specified in an initial sentence or two. Except when the Academy is well-known to the audience, a formal statement about the Academy (sample below) should be included in the public statement. If an oral statement is to be presented at a formal hearing, the group's chairperson and supervisory officer will select the person or persons to make the presentation.

6. Distribution of Statements—After the statement has been formally submitted, the final statement will be available for broader distribution. Members can request a copy of the statement by writing or calling the Academy's Washington office.

D. Sample Description of the Academy

The American Academy of Actuaries is a national organization formed in 1965 to bring together, in a single entity, actuaries of all specializations within the United States. A major purpose of the Academy is to act as a public information organization for the profession. Academy committees regularly prepare testimony for Congress, provide information to congressional staff and senior federal policy makers, comment on proposed federal and state regulations, and work closely with the National Association of Insurance Commissioners and state officials on issues related to insurance and other forms of risk financing. The Academy establishes qualification standards for the actuarial profession in the United States and houses two independent boards. The Actuarial Standards Board promulgates standards of practice for the profession, and the Actuarial Board for Counseling and Discipline helps to ensure high standards of professional conduct are met.

E. International Statements

From time to time, the Academy may wish to make public statements in the international context, or to join in public statements made by an interna-

tional actuarial organization. Such statements may be reviewed and approved by the appropriate Academy committee or task force in accordance with the preceding sections of these guidelines, except that such statements will generally be issued on behalf of the Academy as a whole Final approval to issue or join in an international public statement is generally granted by the president with advice of the vice president(s) for the relevant practice area(s). When deemed appropriate by the president, the proposed statement will be submitted to the Board of Directors, which may modify or disapprove the statement.

ATTACHMENT 1

Protocol for Forecast 2000 Statements

- Each year the practice councils should discuss *Forcast 2000* priorities for their practice area and give communications staff input and ideas on major points to pursue with media and with policy makers
- Forecast 2000 communications staff are free to use material adapted from any Academy public statement (including statements by committees, task forces, the board, etc.) in preparing material and statements for approved major and minor topic areas. Material adapted from Academy public statements should be appropriately referenced.
- Except when time constraints are overwhelming, the practice councils, through the council chairpersons, should be asked to review any new material or statements that go with the public statements referenced above
- When time constraints preclude the practice council review above, the appropriate vice president must approve any new material before release of such material to the public.
- Costing of proposed legislation (feder-

al and state) should always be subject to practice council review and approval after full consideration of the potential impacts. On the other hand, *Forecast 2000* material should (when commenting on proposed legislation) identify and clearly articulate the relevant critical cost factors and say why actuaries are the professionals best equipped to provide cost estimates of these factors.

■ Communications staff will, to the maximum extent possible, seek to develop all concepts and prepare materials well in advance of their use and seek practice council input during such development and preparation

Protocol for Interaction with Trade and Other Interested Groups Regarding *Forecast 2000* Activity

- Interaction with trade groups or other entities should be governed by two objectives
 - —To maintain both actual and perceived independence for the Academy
 - —To foster cooperative relationships with groups interested in our issues
- Staff will seek input from appropriate groups as necessary in the development and implementation of *Forecast 2000* activities.
- When appropriate, anticipated statements will be discussed with key staff of such groups as the American Council of Life Insurance, Alliance of American Insurers, National Association of Independent Insurers, Health Insurance Association of America, health maintenance organizations, Association of Private Pension and Welfare Plans, ERISA Industry Committee, National Association of Manufacturers, U.S. Chamber of Commerce, and Blue Cross associations.

Guidelines for the Development of Practice Notes

he purpose of Practice Notes is to provide information to actuaries on current actuarial practices in areas that are intended to supplement the available actuarial literature, especially where the areas of practice addressed are subject to emerging technology or recently adopted external requirements. Practice Notes are not interpretations of standards, nor do they convey generally accepted actuarial practices in the same sense that standards of practice do Actuaries are not in any way bound to follow Practice Notes. Notes concerning general questions relating to professionalism may also be issued

Practice Notes are written by groups of actuaries having practical experience and expertise in a particular area of prac-There may be informal exposure of draft Practice Notes by the originating group to meetings of other interested actuaries, but there is no formal process for recording or responding to any comments that might be generated. Practice Notes developed are reviewed and edited by Academy staff and, if approved by the appropriate practice council chairperson, are published and distributed by the Academy. In contrast, actuarial standards of practice and compliance guidelines are promulgated by the Actuarial Standards Board, which adheres to procedures that are intended to provide due process and exposure to professional review

The following guidelines are intended to assist Academy officers, committees, and staff in developing and maintaining the timeliness and effectiveness of Practice Notes. These guidelines are designed to promote consistency of quality and style and to ensure that the practices identified are in conformity with the standards of practice and existing regulatory requirements. Nothing in these guidelines is intended to inhibit other actuarial organizations from publishing materials that provide information on current actuarial practices to assist practicing actuaries.

- 1. Practice Council Oversight—Practice Notes are primarily the responsibility of the practice councils of the Academy, with support from Academy staff, officers, and committees, committees or task forces of other actuarial organizations; and individual actuaries
- 2 Initiation of Request—While the practice councils are charged with monitoring the need for new Practice Notes and the revision of existing Practice Notes, any actuary or entity may request that the development or revision of Practice Notes be considered for a specific area of practice. Such requests may be directed to the appropriate practice council for evaluation of need, approval, and implementation.
- 3 Authority to Proceed—If a practice council determines that a new or revised Practice Note is needed in a particular

- area of practice, the practice council chairperson ("PC chair") will request that an appropriate committee or task force within the profession develop the Practice Note
- 4 Development Procedures-Practice Notes will generally be developed by a committee or task force and will be identified as a product of that group may be appropriate, however, to involve other actuaries believed by the committee or task force to have pertinent expertise or experience. From time to time it may also be appropriate to solicit the input of non-actuaries. When and how such additional input is solicited is at the discretion of the committee chair with concurrence of the PC chair. Practice Notes should describe the known range of practices in use to the fullest extent possible
- 5. Required Disclosures—Each Practice Note should begin with a paragraph stating that the Practice Note is not a promulgation of the Actuarial Standards Board or of any other authoritative body of the American Academy of Actuaries, identifying the group that developed the Practice Note, and explaning that information contained in the Practice Note is not binding on any actuary and is not a definitive statement as to what constitutes generally accepted practice in the area under discussion. Blanket sponsorship by the Academy should not be stated or implied.

- 6 Consensus—The charperson should seek a general consensus of the committee members. If there is substantial lack of consensus, the charperson may elect not to issue a Practice Note, to refer the issue to the PC chair, or to incorporate the alternate perspectives into the Practice Note.
- 7 Review Procedures—No Practice Note should be released without appropriate peer review. At a minimum, Practice Notes should be reviewed by the committee or task force chairperson, the PC chair and/or his or her designee(s) and Academy staff. All Practice Notes must receive legal and editorial review by the Academy staff to assure legality and consistency with previous notes and standards of practice.
- 8 Final Approval—The ultimate decision to issue a Practice Note rests with the PC chair. For issues of major significance, the PC chair may consult with the Academy executive director, as well as the president, prior to the release of the note.
- 9 Production and Distribution— Production and distribution of final Practice Notes will be handled by the Academy staff Distribution may vary depending on the audience for the notes
- 10. Annual Review—The PC chair will initiate a review of the current Practice Notes annually for relevance, purpose, and completeness

Use of Academy Titles and Designations

recept 13 of the Code of Professional Conduct of the American Academy of Actuaries provides that "[a]n actuary shall make use of membership titles and designations of an actuarial organization only in a manner that conforms to the practices authorized by that organization " Aunotation 13-1 of the Code defines "title" as "any title conferred by an actuarial organization related to a specific position within that organization," and "designation" as "a specific reference to membership status within an actuarial organization." The Academy's Board of Directors has authorized only the following practices for use of membership titles and designations:

I. Membership Designations

A member of the Academy may sign or otherwise identify himself or herself orally or in writing by using any of the following designations

- A. Member of the American Academy of Actuaries
- B. Member, American Academy of Actuaries
- C. Member, AAA
- D MAAA

An individual who is not a member of the Academy, or who has ceased to be a member of the Academy through resignation, suspension, expulsion or for any other reason, may not use any Academy designation unless and until that individual becomes or resumes being an Academy member

II. Titles

A Except as provided in Sections II (B) and (C) below, a member may include in written communications only references to

titles held within the Academy when engaged in Academy business or speaking on the Academy's behalf. A member may never speak or act on behalf of the Academy without authorization to do so from the Board of Directors, Executive Committee, or other appropriate authority

- B Academy members who have been duly elected or appointed to the following roles may identify themselves as follows when engaged in Academy business or speaking on behalf of the Academy
- 1 [Officer—specify office]. American Academy of Actuaries
- 2 Member of the Board of Directors, American Academy of Actuaries
- 3 [Chairperson/Vice Chairperson/ Member], [(topic) Practice Council/ Council on Professionalism], American Academy of Actuaries
- 4 [Chairperson/Vice Chairperson/Member], [Committee/Task Force/Work Group] on [topic], American Academy of Actuaries
- 5 [Staff member—specify title], American Academy of Actuaries
- C. A member who holds or has held one or more of the titles identified in Section II(B) above may refer to Academy offices or titles held in the following settings, but only if it is clear that the member is not purporting to speak or act on the Academy's behalf.
- 1. Biographical material, such as resumes or material included in a book or article written by or about the member.
- 2. Testimony in a court of law or before a legislative or regulatory body,
- 3 An announcement or publication of a member's change of employment or promotion

Working Agreement

PREAMBLE TO WORKING AGREEMENT

This Working Agreement sets forth the cooperative goals of the American Academy of Actuaries (Academy), the American Society of Pension Actuaries (ASPA), the Canadian Institute of Actuaries (CIA), the Casualty Actuarial Society (CAS), the Colegio Nacional de Aituarios (CONAC), the Conference of Consulting Actuaries (CCA), and the Society of Actuaries (SOA). This agreement is intended to facilitate the participating organizations' efforts to increase the quality and variety of educational and professional opportunities available to their members, and to eliminate the unnecessary duplication of effort and activity between the organizations, thereby making more efficient use of the participating organizations' resources. This agreement is not intended to restrict in any way the independent business decisions of the participating organizations. Nothing in this agreement

should be construed as limiting the participating organizations' right to take whatever measures they deem necessary, appropriate, or desirable to attract, recruit, and serve their individual members

By our signatures below, we represent that our organization, by resolution of its governing board, agrees to the above goals. Our organization agrees to cooperate under the terms of the Working Agreement and has adopted this agreement as a policy guide for its volunteers (i.e., committees) and professional staff members

The Working Agreement was signed on February 24, 1995, by the president and president-elect of each of the participating organizations. American Academy of Actuaries, American Society of Pension Actuaries, Canadian Institute of Actuaries, Casualty Actuarial Society, Colegio Nacional de Actuarios, Conference of Consulting Actuaries, and Society of Actuaries



Implementation and Amendment

1) The President and the President-Elect of each participating organization shall form the Council of Presidents (COP)—The COP provides a business and social forum to promote coordination, cooperation, and trust among the leadership of the organizations representing actuaries in Canada, Mexico, and the United States

Mexican representation will be conducted through the President or Past President of CONAC or any of the other actuarial organizations associated with CONAC. Asociación Mexicana de Actuanos, Asociación Mexicana de Actuanos Consultores, and Junta de Honor del Colegio Nacional de Actuanos. This yearly designation will be made known in writing to the COP in the month of June

Each President is responsible for implementing the Working Agreement during his or her term of office. Each President will assure that the goals and terms of this Working Agreement are appropriately communicated to members of the Board and to officers and staff of

the organization. Each President will further support the President-Elect of that organization in the development of the evolution of the Working Agreement.

2) A task force of the Presidents-Elect will be established each year to review the Working Agreement [Working Agreement Task Force (WATF)] and other areas of mutual interest, and recommend appropriate amendments to their governing boards. In addition to keeping this Working Agreement current, and optimizing the relationships among the organizations in the future, the very existence of this high-level task force will promote and reinforce the purpose of the Working Agreement.

This task force will be chaired by an actuary appointed by the incoming Presidents. This chairperson should act as a facilitator and should be someone with a knowledge of current and emerging issues.

Communications Among the Organizations

- 3) Each organization shall share upon publication—with—the—President, President-Elect, and professional staff office of the other organizations items of mutual interest, except those considered confidential by the organization, mailed to board members of each organization, including its yearbook, newsletter, calendar of planned events, and board minutes, in addition to other important documents or significant studies that would be of value to the wider audience
- 4) Each organization shall invite the President and President-Elect of the other organizations to all general membership meetings, with the registration fee waived
- 5) Each organization shall invite the top professional staff person (or his or her designate) of each of the other organiza-

tions to all general membership meetings, with the registration fee waived

Public Interface

- 6) Each organization will endeavor to encourage the actuarial profession to speak with one voice in each country on actuarial issues in the public policy arena
- —The CAS, CCA, and SOA recognize the Academy in the United States, the CIA in Canada, and CONAC in Mexico as the organizations responsible for public policy representation—and its coordination
- —The Academy and ASPA will seek mutually supportive roles regarding relevant issues in the public policy pension area in the United States. They agree to coordinate on issues affecting actuaries in both organizations and to seek opportunities to cooperate.
- 7) Each organization will promote and enhance among its members the public policy interface function as a valuable and necessary activity to which all actuaries should contribute, using the national public policy interface bodies

Liaison with Non-Actuarial Organizations

8) Normally, the Academy in the United States, the CIA in Canada, and CONAC in Mexico will have the responsibility to designate representatives of the profession to each relevant non-actuarial organization. However, in those situations where one of the other organizations desires to designate representatives, it should coordinate with the Academy, CIA, or CONAC, as appropriate.

Actuarial Research

9) The SOA and CAS shall generally be responsible for management of actu-

arial research with input from and participation of the other organizations. However, the CIA and CONAC will have responsibility for the management of research issues unique to Canada and Mexico respectively, particularly with regard to their university systems, coordinating with the SOA or CAS where appropriate. The Actuarial Education and Research Fund is one facilitator of research.

Actuarial Principles

10) There should be no conflict or inconsistency among the basic actuarial principles developed by the organizations. To facilitate that outcome, the distribution of discussion drafts of basic actuarial principles developed by an organization should provide adequate opportunity for comments by the actuaries in the other organizations. Under normal circumstances, at the organization level, the CAS and SOA will have the responsibility to manage the development of actuarial principles.

Professional Conduct. Counseling, and Discipline

11) In each nation of practice, the organizations will maintain a common set of guides to professional conduct, including reference to appropriate qualification standards and standards of practice, and a common set of counseling and disciplinary practices designed to be uniform.

Actuarial Standards of Practice

12) Each organization recognizes the Actuarial Standards Board (ASB) in the United States, the CIA in Canada, and CONAC in Mexico as being responsible for promulgating actuarial standards of practice

Qualification Standards

13) The Academy, CIA, and CONAC have the responsibility for maintaining standards for qualification to practice as an actuary that are uniform for actuaries practicing within each nation. Each organization will take the steps necessary to encourage its membership to understand and abide by the qualification standards.

Student Interface and Actuarial Recruiting

14) The CIA, CAS, CCA, and SOA should coordinate efforts and cooperate in the development of materials used to promote the actuanal profession among students. Where appropriate, these materials should also refer to the profession's public policy interface roles played by the Academy, ASPA, CIA, and CONAC.

Basic Education and Examination

15) The CAS and SOA have responsibility for the management of the basic education and examination process provided for the education of actuaries in the United States and Canada However, ASPA, CIA, and CONAC have a responsibility for meeting the unique education needs of their members. Joint communications and cooperation among all organizations should be encouraged for the purpose of minimizing unnecessary duplication.

In order to develop higher-quality educational material for actuaries, the organizations, in particular the CAS and SOA, should work to coordinate their efforts in the education and examination of health actuaries and the finance areas

Continuing Education

16) For actuaries practicing in each nation, continuing education criteria should be compatible. 17) While each organization determines its own continuing education requirements, each is encouraged to accept for credit attendance at meetings and seminars covering appropriate and relevant material sponsored by any of the other organizations

Meetings, Seminars, Symposia, etc.

- 18) An organization sponsoring a specialty meeting, seminar, or other membership activity on a particular topic will consider inviting as a cosponsor other organizations with interest in that topic Cosponsorship does not imply sharing a financial interest, joint sponsorship implies sharing a financial interest
- 19) Opportunities for cosponsored or jointly sponsored activities and meetings on issues of common interest should be found.

SNA Sections

20) Consideration should be given to expanding the mailing list of SOA Sections to include interested members of the other organizations and to encourage, where appropriate, their participation in Section activities

Database

21) Each organization agrees to discuss, develop, and implement as appropriate the use of a common database of members (including students) for the purpose of fostering more efficient communication among the actuaries in North America, e.g., with respect to meetings and other continuing education announcements.

Membership Communications

22) In order to promote better communication among the actuaries in North America, each organization agrees to participate in a discussion on the feasi-

bility of developing and implementing communication devices including, but not limited to:

- —a North American computer bulletin board/mailbox, and
- —a standard of preparing and distributing abstracts for all research being conducted by the actuarial profession

Meetings of the Leadership

- 23) The COP should meet at least three times a year, once in each respective country. Arrangements for the meeting (including location, agenda, and chairing the meeting) will be the responsibility of the host country.
- 24) Generally, there should continue to be a trienmal meeting of the wider leadership of each organization. The primary purpose of such meeting is to discuss the strategic issues affecting the actuarial profession in North America, and nation-specific issues should generally be avoided.

The following is the schedule to assign responsibility for chairing the triennial meeting and making arrangements

199 4– CCA	2006-SOA
1997–CIA	2009-CAS
2000-ASPA	2012–Academy
2003-CONAC	

Committees

- 25) To minimize future overlap, no new committee, task force, or other entity should be established without consideration being given to coordinating the effort with other relevant organizations
- 26) Each organization agrees to discuss, coordinate, and implement, where feasible, a program to eliminate any overlap in the functions performed by various committees and members
- —Where feasible, one person may represent more than one organization.

- —When an individual is designated as a representative of one of the organizations, lines of communication with that organization must be clearly defined.
 - (1) The appointment should be made by the organization to be represented, and that appointment should be in writing;
 - (2) In the appointing document, the line of communication should be clearly established. The individual to whom the representing member should report should be identified, the normal frequency of communication should be established, and the issues expected to be of importance to the represented organization should be specified,
 - (3) If feedback from the representative organization, as well as from the representing member, may be needed, the means of generating that feedback should be suggested
- 27) The Practice Councils of the AAA will include members from the other organizations as appropriate.

Financing Activities on Behalf of the Profession

28) Consideration must be given to the services being provided by each organization on behalf of the entire profession. The multiple dues structures may be causing some actuaries to overpay and some to underpay for support of such services

Staff Communication, Coordination, and Support

- 29) The staffs of the seven organizations will do all in their power and authority to support the goals and facilitate the implementation of the Working Agreement. The staff will maintain a Staff Working Agreement and review its provisions annually in a joint meeting.
- —They will see that all appropriate materials and invitations are distributed as called for by this Working Agreement
- —With respect to member meetings, continuing education seminars, and other similar activities and events, they will coordinate topic and date planning and, as appropriate, cooperate in development of programs and/or support and communication materials, including the implementation of any cosponsorship arrangements.
- —They will coordinate date and location planning, with particular concern toward minimizing leadership travel.
- —They will work together to create a common membership/student database and seek ways to maximize the cooperative and individual uses of that database, particularly in support of the Working Agreement
- —They will support feasibility studies and any resulting implementation activities designed to improve overall member communications, including, but not limited to, publications, computer bulletin boards, and common research abstracts

Membership

Academy Membership

Membership as of Nov. 1, 1996	12,832
Increases	
Admissions	488
Reinstatements	17
Decreases	
Deaths	54
Withdrawals	162
Membership as of Nov. 1, 1997	13 121

Academy Membership by Employment

(As of November 1, 1997)

	Membership			
Employment	1995	1996	1997	
Insurance and related				
organizations	6,025	5,973	6,112	
Consulting practice	4,533	4,622	4 684	
Government	219	219	224	
Academic institutions	45	43	42	
Other	245	486	488	
Retired or not known	1,164	1,203	1.264	
Unaffihated	247	286	307	
Total	12,528	12,832	13,121	

Memberships Held by Academy Members in American Society of Pension Actuaries (ASPA), Casualty Actuarial Society (CAS), Conference of Consulting Actuaries (CCA), and Society of Actuaries (SDA)

(As of November 1, 1997)

	ASPA	CAS	CCA	SOA	Total
In all four	1	1	1	1	1
ASPA, CAS,					
& CCA	1	1	1	_	1
ASPA, CAS,					
& 50A	1	1		1	1
ASPA & CCA	26	_	26	_	26
ASPA, CCA,					
& SOA	33	_	33	33	33
ASPA & SOA	136	_	_	136	136
CAS, CCA,					
& SOA	_	11	11	11	11
CAS & CCA	_	54	54	_	54
CAS & SOA	_	105		105	105
CCA & SOA		_	690	690	690
In one only	357	2 084	154	8,756	11,351
In none	_	_	_	_	712
Total	555	2,257	970	9,733	13,121

Academy Members Who Are Enrolled Actuaries

(As of November 1, 1997)

	ו זט יצון	vovemb	cr 1, 1		
	ASPA	CAS	CCA	SOA	Total
In all four	1	1	I	1	1
ASPA, CAS,					
& CCA	1	1	1	_	1
ASPA, CAS,					
& SOA	1	1	_	1	l
ASPA & CCA	25	_	25	_	25
ASPA, CCA.					
8 SO4	31	_	31	31	31
ASPA & SOA	. 129	_	_	129	129
CAS, CCA,					
& 5OA		2	2	2	2
CAS & SOA	_	5	_	5	5
CCA & SOA	_	_	4 17	+17	417
In one only	340	1	48	1,716	2,105
ln none	_	_	_	_	384
Subtotal	_		_		3,101
Non-Academy					
Enrolled Actuaries 833					833
Total					
Forolled Ac	tuaries				3,934
				-	

Application for Admission

The requirements for admission to the Academy are set forth in Article I of the bylaws. An individual who meets the experience and educational requirements and wishes to apply may request an application form from either the Washington office or the Schaumburg office

The application form is designed to develop sufficient information concerning both the applicant's actuarial education and his experience in responsible actuarial work to enable the Executive Committee to determine whether the established requirements for admission are satisfied The applicant should be sure to give complete information with respect to each section of the application. If insufficient space is provided for this purpose, a supplemental statement should be appended to the application. Applications should be handwritten legibly, preferably typewritten. Applicants should take care to submit references who meet the requirements set forth in the general instructions of the application form. They should also encourage their references to return the reference forms promptly.

In order to aid applicants, certain guidelines have been established in the areas of experience and residency. In the area of experience, the following guidelines apply:

- 1 At least one of the three years of responsible actuarial experience must fall within the five years preceding the date of application
- 2 Teaching experience will count toward the three-year requirement only to the extent that the teaching is at the Parts 4 and 5 level. Higher-level courses may also be considered depending on their actuarial content.
- 3 Summer, part-time, and other intermittent experience may be consid-

ered for the three years, but it is especially important to demonstrate that this is "responsible actuarial work"

- 4 At least two of the three years must have come on a full-time, uninterrupted basis.
- 5 While experience obtained outside the United States may be considered for the three years, it should be similar to the type of "responsible actuarial work" a person would obtain in the United States

In the area of residency, the following guidelines/requirements must be met:

- I. Residents of the United States for less than three years will be subject to the same requirements to which nonresidents are subject.
- 2. Nonresidents must state their need for membership
- 3. Nonresidents must state their familiarity with U.S. laws and practices in their actuarial specialty area.

The above guidelines/requirements are subject to interpretation, and applicants are encouraged to review their answers in light of these guidelines in order to expedite their application.

A nonrefundable application fee of \$75 must accompany the application. This is a charge for processing the application and will not be applied toward the payment of dues for those candidates accepted. Application fees paid by candidates who are not accepted will not be refunded.

Applications and all inquiries should be addressed to:

Membership Manager
American Academy of Actuaries
475 N. Martingale Road, Suite 800
Schaumburg, IL 60173
847 706 3513 Telephone
847 706 3599 Facsimile

Dues

Dues as approved by the Board of Directors are \$360 per year for members, payable on January 1. Admission in the first third of the year will require full payment of dues for that year, admission in the second third of the year will require payment of two-thirds of the annual amount, and admission in the last third of the year will require payment of one-third of the annual amount.

Article VII. Section 1 of the bylaws of the Academy provides that, subject to certain provisions with respect to disability and retirement, each member shall pay such dues for each calendar year as may be established by the Board of Directors of the Academy Under this authority, the Board of Directors has determined that dues may be waived for members who (a) are full-time students. involved in full-time dependent care, or scrving in the military or the Peace Corps, and (b) anticipate no material actuarial income during the forthcoming calendar year. Dues may also be waived for members who have been unemployed for at least one year prior to January 1, 1998, and who have made no more than \$10,000 from actuarial activities or \$25,000 overall in 1997; do not currently anticipate earning any significant income from actuarial activities in calendar year 1998; and are actively seeking work as an actuary or planning reentry into the actuarial profession in the foresceable future. The minimum retirement age has been set by the board as 55. The maximum limit on earned income in order to qualify for dues waiver on account of retirement or other categories shown above between ages 55 and 70 is \$10,000 per year.

Members on dues waiver automatically receive the yearbook and the directory, notices of annual meetings, and voting materials for proposed bylaws amendments. There is an annual charge of \$75 to receive other Academy mailings.

Forms for permanent and temporary dues waiver requests can be obtained from:

Membership Manager American Academy of Actuaries 475 N. Martingale Road, Suite 800 Schaumburg, IL 60173 847 706 3513. Telephone 847 706 3599. Facsimile

Prescribed Examinations

The Academy Board of Directors, in accordance with Article I, Section 2B of the bylaws, prescribes examinations as follows:

A candidate who has attained by examination the indicated status listed below shall be deemed to have met the education requirements for admission to membership:

- 1 Associateship in the Casualty Actuarial Society and the Society of Actuaries.
 - 2. Fellowship in the Canadian

Institute of Actuaries, the Conference of Consulting Actuaries, the Faculty of Actuaries in Scotland, and the Institute of Actuaries.

3 Enrolled Actuary status under Subtitle C of Title III of the Employee Retirement Income Security Act of 1974

In those cases where familiarity with actuarial practices and principles in the Umted States cannot be assumed, the Executive Committee is empowered to call for evidence of such familiarity

Actuarial Organizations

American Society of Pension Actuaries

President President-Flect Past President

Karen A. Jordan Carol R. Sears

Vice Presidents

Richard D. Pearce Craig P. Hoffman

Gwen S. O'Connell Sarah E. Simoneaux

Secretary Treasurer Cynthia A. Groszkiewicz

John P. Parks

4350 North Fairfax Drive, Suite 820 Arlington, VA 22203 (703) 516-9300 Facsimile (703) 516-9308

Executive Director Brian H. Graff

Canadian Institute of Actuaries

President President-Elect Past President User Presidents

Harry H. Pamer Peter Morse Neville S. Henderson

Brian L Burnell Yves Charbonneau David J. Congram Normand Gendron Damel McCaw Stuart F Wason

Constitution Square 360 Albert Street, Suite 820 Ottawa, ON, K1R 7X7 Canada (613) 236-8196 Facsimile (613) 233-4552

Executive Director U (Rick) Neugebauer

Casualty Actuarial Society

President President-Elect Past President Vice Presidents Mavis A Walters Steven G. Lehmann Robert A Anker Gary Dean

Patrick J. Grannan Robert S. Miccolis Susan T Szkoda Kevin B. Thompson

Assistant Secretary

Thomas G Myers

1100 North Glebe Road, Suite 600 Arlington, VA 22201 (703) 276 - 3100Facsimile (703) 276-3108

Executive Director James H. Tinsley

Colegio Nacional de Actuarios

President Adviser

Rosa Ma Farell Campa Juan Carlos Padilla Secretary/Treasurer Marilupe Ugarte

> Avenida Patriotismo 711 Torre A, 4 Piso Col San Juan Mixcoac México D.F., 03730 011-525-598-7690

Executive Director Marilupe Ugarte

Conference of Consulting Actuaries

President President-Elect Past President Vice Presidents

Vince Amoroso William J. Falk Mark V. Mactas Faye Albert

Michael J Tierney Michael L Toothman George B. Wagoner

Secretary Treasurer Robert J Rietz Kenneth A. Kent

1110 West Lake Cook Road, Suite 235 Buffalo Grove, IL 60089 (847) 419-9090 Facsimile (847) 419-9091

Executive Director Rita K DeGraaf

Society of Actuaries

President
President-Elect
Past President
Vice Presidents

Anna M. Rappaport Howard J. Bolmck David M. Holland William F. Bluhm Robert L. Brown A. Norman Crowder III Esther H. Milnes James J. Murphy

Secretary/Treasurer

& Une President Donna R Claire

475 North Martingale Road, Suite 800 Schaumburg, IL 60173 (847) 706–3500 Facsimile (847) 706–3599

Executive Director John E. O'Connor Jr.

Actuarial Education and Research Fund

Chairperson Secretary Treasurer Directors LeRoy A Borson Jr Robert W. Wilson Harold G Ingraham Jr. Mary H Adams Carlos Arocha Douglas C Borton Allan Brender Curtis E Huntington

Stuart Klugman Henry K. Knowlton Robert S. Miccols Brendan O'Fartell Allan J. Stonewall

Managing Director

Linden N Cole

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1998

September 28–29 Philadelphia Marriott Philadelphia

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1998

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