

ACTUARIAL STANDARDS OVERSIGHT COUNCIL (ASOC)

Meeting # 3-09

THURSDAY, DECEMBER 10, 2009

Present:

ASOC Chairperson: John Solursh

ASOC Members: Mark Daniels
Michael Mackenzie
Josephine Marks (*at 10:30*)
Norma Nielson
Bob Rutherford
Jacques Valotaire
Jill Wagman

Ex officio Members: Charles McLeod
Daniel Lapointe

Absent: Gilles Bernier
Emilian Groch
Hugh Mackenzie

Also in attendance: Bob Howard, *CIA President and Guest Speaker*
Erin Waldegger, *CIA Staff*

MEETING SUMMARY

REPORT FROM THE ACTUARIAL STANDARDS BOARD CHAIRPERSON

Charles McLeod, Chairperson of the Actuarial Standards Board (ASB), updated the ASOC on the progress of the major ASB projects.

- **Preparing for IFRS:** The work on revising the actuarial Standards of Practice regarding Phase I of IFRS is now complete.
- **Pension Funding Standards:** The development of the Standards of Practice is moving along well. A revised exposure draft will be circulated in February 2010 with the end of 2010 as the targeted effective date.
- **Public Personal Injury Compensation Plans:** A notice of intent was issued in June 2009. The objectives of the proposed revisions to the current Standards of Practice are to reflect evolving practice and new developments (including the introduction of IFRS), to clarify the wording and to expand the Standards of Practice to require additional disclosures, to narrow the range of practices, and to set out recommended practices.

- **Capitalized Value of Pensions – Marriage Breakdown:** The mortality table promulgated in September 2009 did not receive many comments. A revised exposure draft with respect to marriage breakdown was approved at the ASB meeting held in early December.

Charles McLeod briefly updated the ASOC on the progress of the other projects:

- Review of the General Standards;
- Property and Casualty Ratemaking;
- Life Insurance – Mortality improvement;
- Subsequent Events;
- Joint Policy Statement between the CIA and the CICA; and
- Due Process (Minor changes to the ASB's Due Process were approved, in principle, at the ASB meeting held in early December).

REPORT FROM THE NOMINATING COMMITTEE

Bob Rutherford, Chairperson of the ASOC Nominating Committee (NC) reported on the activities of the NC.

- The interview process that was followed for the recruitment of the next Chairperson of the ASB was reviewed. The ASOC members approved a motion to appoint Dave Pelletier as Chairperson of the ASB effective July 1, 2010 for a two-year term.
- The ASOC members approved a motion to extend John Brierley's term as a member of the ASB to June 30, 2010.
- The ASOC members approved a motion to appoint Steven Wolff as a member of the ASOC effective January 1, 2010 for a term of three years.
- Potential ASOC candidates are being sought, including an additional actuary.
- The ASOC members approved a motion to appoint Emilian Groch as Chairperson of the NC effective January 1, 2010.

REPORT FROM JOHN SOLURSH ON HIS MEETING WITH THE CIA BOARD AND THE CIA SECRETARY-TREASURER

In November, John Solursh met with the CIA Board of Directors and the CIA Secretary-Treasurer, Hugh White. He reported on the outcome of these two meetings. At his meeting with Hugh White, he had the opportunity to discuss the resources that are available to support the work of the ASB, and to express the view of the ASOC that more resources are needed in the short-term, and that there is a need to develop a strategy for more funding over the long-term.

UK BOARD FOR ACTUARIAL STANDARDS

At the last ASOC meeting, the ASOC had discussed looking at other business models to meet the resource needs of the ASB, and Daniel Lapointe was asked to look into the funding model that the UK actuarial profession uses. Daniel presented a report on a conversation he had with David Andrews, Policy and Planning Manager for the UK Financial Reporting Council (FRC).

REVIEW OF KEY STAKEHOLDER LIST

An updated list of key stakeholders was provided to the ASOC members with a request for revisions/suggestions of additional contacts. The members discussed the revised list and made suggestions.

ASOC BUDGET PROPOSAL FOR 2010-2011

The ASOC members accepted the budget proposed by the CIA for the ASOC operational expenses for the fiscal year 2010-2011.

ASOC 2010 MEETING SCHEDULE

The 2010 meeting dates were set as follows:

- Friday, March 26: ASOC meeting in Toronto;
- Wednesday, September 1: ASOC meeting in Toronto; and
- Tuesday, December 14: ASOC meeting and Public Meeting in Québec City.

2009 ASOC PUBLIC MEETING

The ASOC members discussed the upcoming ASOC Public Meeting, scheduled to start later today at 16:00 (December 10, 2009). A list of the confirmed attendees was circulated.

GUEST SPEAKER: BOB HOWARD, CIA PRESIDENT

Bob Howard, CIA President, joined the meeting as a guest speaker. He thanked the ASOC members for their work in supporting the development of good actuarial Standards of Practice. He stressed the CIA's commitment to support the ASB, to support the Practice Council in its work to provide professional guidance to actuaries, and he emphasized the strength of the CIA's commitment to serving the public interest.

OTHER BUSINESS/ADJOURNMENT

John Solursh thanked Josephine Marks for her contributions to the ASOC, and presented her with a commemorative plaque. This was her last ASOC meeting.

The next ASOC meeting is scheduled for Friday, March 26, 2010 in Toronto.

There being no further business, the meeting was adjourned at 15:30.