

ACTUARIAL STANDARDS OVERSIGHT COUNCIL
Minutes of Meeting # 2-10

WEDNESDAY, SEPTEMBER 1, 2010

Present:

ASOC Chairperson: John Solursh

ASOC Members: Gilles Bernier

Mark Daniels
Emilian Groch
Hugh Mackenzie
Michael Mackenzie
Norma Nielson
Bob Rutherford
Jacques Valotaire
Jill Wagman
Steve Wolff

***Ex officio* Members:** Dave Pelletier
Daniel Lapointe

Also in attendance: Patricia O'Malley, *Chairperson, Accounting Standards Board, for item 2-10.4*
Josée Racette, *CIA Staff*

MEETING SUMMARY

REPORT FROM THE ACTUARIAL STANDARDS BOARD CHAIRPERSON

Dave Pelletier, Chairperson of the Actuarial Standards Board (ASB), updated the ASOC on the progress of the major ASB projects. He presented the ASB's strategic direction for 2010-2011 and provided a thorough update on the project regarding the Capitalized Value of Pension for Marriage Breakdown.

The ASOC encourages the ASB to move ahead with the process and finalize the marriage breakdown standard. The ASOC also encourages the ASB to proceed with the review of its due process and to make changes if they are deemed required.

IMPACT OF IFRS IN CANADA

Dave Pelletier and Patricia O'Malley, Chairperson of the Accounting Standards Board, made a joint presentation on the impact of IFRS in Canada, focusing particularly on insurers.

Ms. O'Malley covered the long history of the insurance project in particular, pointing out that in many respects the upcoming changes brought about by the revised standard to come into effect in 2013 or not long thereafter are less drastic for Canada than for most other countries.

Mr. Pelletier elaborated further on some of the key features of the revised standard, on how they differ from the current approach in Canada, and on the considerable impact they will have on the results of Canadian insurers, in particular higher liabilities and greater volatility in both earnings and surplus.

REPORT FROM THE NOMINATING COMMITTEE

Emilian Groch, Chairperson of the ASOC Nominating Committee (NC), reported on the activities of the committee.

- The ASOC members approved a motion to appoint Bob Baldwin to the ASOC effective January 1, 2011.
- The ASOC members approved a motion that Jacques Valotaire's term be extended to December 31, 2012 and that Mark Daniels' term be extended to December 31, 2011.
- The ASOC members approved a motion to appoint Emilian Groch as chairperson of ASOC for a two-year term effective January 1, 2011.
- The ASOC members approved a motion to appoint Jacques Valotaire as the vice-chairperson of ASOC for a two-year term effective January 1, 2011.

FUNDING MODEL TO SUPPORT ACTUARIAL STANDARD SETTING IN CANADA

The ASOC supports the plan presented for discussion and agrees to play a leadership role in the introduction of a new funding model to support the ASB's efforts to develop standards in light of IFRS.

PROPOSED CHANGES TO THE ASOC TERMS OF REFERENCE

The ASOC agreed on a revised version of its Terms of Reference. This edited version will be presented to the CIA Board for final approval at its September 22, 2010 meeting.

2010 ASOC PUBLIC MEETING

The next ASOC public meeting will be held December 14 at 4:00 p.m. in Québec City.