



SOCIETY OF ACTUARIES

2012 Yearbook



Admission Requirements to the SOA

475 N. Martingale Road
Suite 600
Schaumburg, IL 60173
847.706.3500 tel
847.706.3599 fax
www.soa.org

1. Who may be admitted

Anyone pursuing actuarial studies may apply for admission to the SOA. If the Board of Directors (BOD) approves the Application for Admission as Associate, the candidate will be enrolled as an Associate of the Society of Actuaries (ASA) or Chartered Enterprise Risk Analyst (CERA) after completing the educational requirements as prescribed by the BOD, subject to any further requirements that the BOD may prescribe. Membership dues are not charged until the Application is accepted and all requirements prescribed by the BOD have been satisfied.

2. When and how to apply

The Application for Admission as Associate is separate from the candidate's exam registration and will be issued to candidates at the Associateship Professionalism Course (APC). All candidates attending the APC will be required to fill out the Application for Admission as Associate and turn it in to the APC faculty prior to completing the course. Canadian candidates for Associateship in the SOA attending the CIA's Professionalism Course will also be required to fill out the Application for Admission as Associate and turn it in to the CIA Professionalism Course faculty prior to completing the course. Any questions regarding the application should be directed to the Membership Services Administrator at 847.706.3532.

3. ASA and CERA Requirements

To attain the ASA or CERA credential, the candidate must successfully complete the course requirements described below, and must have the



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Application for Admission as an Associate approved by the SOA Board of Directors.

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Candidates earn the ASA designation by completing the following requirements:

1. All candidates must complete Exams P, FM, MLC, MFE and C, collectively known as the preliminary education component. (Credit earned from a passing score on previous administrations of former SOA Courses 1–4 will be converted appropriately.)
2. All candidates shall satisfy Validation by Educational Experience (VEE) for three subjects: economics, corporate finance and applied statistics. (VEE credit earned from a passing score on Course 2 and/or 4 will be converted appropriately.)
3. All candidates must complete the Fundamentals of Actuarial Practice (FAP) Modules 1–8 and all related assessments.
4. All candidates must also complete the Associateship Professionalism Course (APC). Candidates must also have an approved Application for Admission as an Associate on file, as described above.

Fellowship

1. Who may be admitted

An ASA will be admitted as a Fellow of the Society of Actuaries (FSA) after completing the Fellowship educational requirements.



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Candidates must complete all of the preliminary exam requirements, VEE, Fundamentals of Actuarial Practice (FAP) Modules 1–8 and both assessments and

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- I. Three FSA Modules*
- II. Examination Company/Sponsor Perspective (CSP)*
- III. Examination Design & Pricing (DP)*
- IV. Decision Making and Communication (DMAC) Module
- V. Fellowship Admissions Course (FAC)
 - The FSA modules and FSA exams must be taken within a single specialty track.

Candidates specializing in U.S. Retirement Benefits must also complete the EA2A and EA2B examinations prior to qualifying for the Fellowship Admissions Course.

2. For candidates holding the CERA credential who proceed onto Fellowship in the Finance/ERM track, the following educational requirements must be completed:
 - I. VEE for Corporate Finance and Applied Statistics
 - II. Exam MLC
 - III. Fundamentals of Actuarial Practice (FAP) Modules 1–8 and all related assessments
 - IV. Financial Economic Theory and Engineering FSA Exam
 - V. Financial and Health Economics FSA Module
 - VI. Financial Reporting FSA Module
 - VII. Decision Making and Communication (DMAC) Module
 - VIII. Fellowship Admissions Course (FAC)



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Current list of SOA Board of Directors

2011-2012

475 N. Martingale Road
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| President | Term Expires |
|------------------|--------------|
| Bradley M. Smith | 2012 |

| President–Elect | Term Expires |
|------------------|--------------|
| Tonya B. Manning | 2012 |

| Vice–Presidents | Term Expires |
|---------------------|--------------|
| William J. Falk | 2012 |
| Jeremy Gold | 2013 |
| Abraham S. Gootzeit | 2013 |
| Francis P. Sabatini | 2012 |
| Martine Sohier | 2013 |
| Thomas S. Terry | 2012 |



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| Secretary/Treasurer | Term Expires |
|----------------------------|---------------------|
| Thomas S. Terry | 2012 |

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| Past Presidents | Term Expires |
|------------------------|---------------------|
| S. Michael McLaughlin | 2012 |
| Donald J. Segal | 2013 |

| Board Members | Term Expires |
|-----------------------|---------------------|
| Joan C. Barrett | 2014 |
| Jeffrey A. Beckley | 2012 |
| Sue Blanck | 2014 |
| Larry J. Bruning | 2014 |
| Daniel P. Cassidy | 2013 |
| C. Ian Genno | 2012 |
| Gaetano Geretto | 2013 |
| Jennifer L. Gillespie | 2012 |
| Peggy L. Hauser | 2013 |
| Valerie A. Paganelli | 2012 |
| Susan E. Pantely | 2014 |



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| | |
|----------------------|------|
| Ronald L. Poon-Affat | 2012 |
| Craig W. Reynolds | 2014 |
| Marcus A. Robertson | 2013 |
| Susan R. Sames | 2014 |
| Jim Toole | 2012 |
| Darryl G. Wagner | 2013 |
| Donna K. Weninger | 2013 |

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SOA BYLAWS

APPROVED BY THE SOA VOTING FELLOWS, SEPTEMBER 2011

ARTICLE I - NAME AND OFFICES

This organization shall be called the "Society of Actuaries," an Illinois not-for-profit corporation (the "SOA").

The SOA shall have and continuously maintain in the State of Illinois a registered office and a registered agent whose office is identical with that registered office and may have such other offices, within or outside the State of Illinois, as the Board of Directors may, from time to time, determine.

ARTICLE II - PURPOSES

The purposes of the SOA are to advance the knowledge of actuarial science and to promote the maintenance of high standards of competence and conduct within the actuarial profession. In furtherance of these ends, it shall hold meetings; publish papers, discussions and studies; make or sponsor investigations; promote educational activities for students and members; and undertake such other activities consistent with its purposes as may seem desirable.

ARTICLE III - MEMBERSHIP

SECTION 1. *Classes of Members.* SOA's membership is composed of two classes:

a) **Associates.** Associates are entitled to attend meetings of the SOA, join in discussions, participate on Committees, and join Sections. In addition, Associates who have been members of the Society for 5 years or more are entitled to vote in elections for President Elect, Vice Presidents, and elected members of the Board of Directors. Associates are authorized to append to their names the initials "ASA." Associates shall have no other membership rights.

ARTICLE III - MEMBERSHIP

CONTINUED

b) **Fellows.** Fellows shall have the same rights as Associates and, in addition, are entitled to vote, hold office, make nominations, and generally exercise the rights of full membership. Fellows are authorized to append to their names the initials "FSA."

Membership may be granted to any individual who: (i) meets the criteria set forth in Article III, Section 2 for each category of membership in the SOA; (ii) shares interest in and supports the purposes of the SOA; (iii) abides by these Bylaws, the SOA's Code of Professional Conduct and such other policies, rules and regulations as the SOA may adopt; and (iv) meets such additional criteria for each category of membership in the SOA as the Board of Directors may from time to time establish. Only members in good standing may use the designations "ASA" and "FSA."

SECTION 2. Requirements for Admission to Membership.

a) **Associate Membership.** The admission of an applicant as an Associate is subject to the following requirements:

- (i) The applicant must present a written application for admission to Associate membership;
- (ii) The application must be approved by the Board of Directors;
- (iii) The applicant must pass the examinations prescribed by the Board of Directors for Associate membership; and
- (iv) The applicant must comply with any further requirements the Board of Directors may prescribe.

b) **Fellow Membership.** An Associate shall be enrolled as a Fellow when he or she has passed the additional examinations prescribed by the Board of Directors for fellowship, subject to any further requirements the Board of Directors may prescribe.

An individual also may be enrolled as a Fellow of the SOA and granted the FSA designation under policies established by the SOA for mutual recognition of fellowship status.

c) **Waiver of Examinations.** The Board of Directors may waive, subject to such other requirements as it may prescribe, any examinations of the SOA which it deems to be substantially equivalent to examinations required by another recognized actuarial organization and which have been passed by an applicant.

SECTION 3. Resignation.

Any member who is not in default in payment of dues and against whom no complaints or charges are pending may at any time file his resignation in writing with the Secretary/Treasurer, and it will become effective as of the date it was filed when accepted by the Board of Directors.

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

SECTION 4. Eligible Voting Members.

An Eligible Voting Member is a member who, for a given matter under consideration by the membership, is entitled to vote on the matter as defined in the Bylaws.

ARTICLE IV - MEETINGS OF THE SOA

SECTION 1. *Annual and Other Meetings.* There will be an annual meeting of the SOA. Special or other meetings may be called by the Board of Directors or the President. Upon written request of not less than five (5) percent of the Fellows, the President shall call a meeting of the membership. The Board of Directors shall adopt rules for attendance of nonmembers at meetings.

SECTION 2. *Place and Time.* The place and time of any meeting will be set by the Board of Directors or its designee except that a meeting called upon the request of not less than five (5) percent of the Fellows will be set by the President.

SECTION 3. *Notice.* Notice must be given to each member not less than twenty days before each meeting, specifying the place, date, and hour of the meeting. At a meeting called at the request of not less than five (5) percent of the Fellows, only matters specifically set out in the notice of the meeting may be considered and acted upon, and the President will determine the order of business.

SECTION 4. *Voting.* Each Eligible Voting Member has only one vote. Votes to be cast at any regular or special meeting are limited to Eligible Voting Members who are present in person or by proxy when a vote is taken. Voting for the election of directors may be conducted in writing by mail, by facsimile or by any other means of electronic communication, or in person at any regular or special meeting, as determined by the Board of Directors.

SECTION 5. *Quorum.* One hundred (100) Fellows constitutes a quorum at any annual meeting, and fifty Fellows at any other meeting of the SOA, provided that if less than a quorum is present, a majority of the Fellows present may adjourn the meeting to another time without further notice.

SECTION 6. *Manner of Acting.* The act of a majority or more of the Eligible Voting Members present at a duly called meeting at which a quorum is present is considered the act of the members, unless the act of a greater number is required by law, the Articles of Incorporation, or these Bylaws.

SECTION 7. *Mail Voting.* Voting by mail, including electronic mail, is permitted in lieu of a vote at a duly called meeting for any item of business, including the election of officers and directors. For the election of officers and directors, the act of a majority of one hundred (100) or more Eligible Voting Members returning ballots by a date certain is an act of the membership. For matters other than the election of officers and directors, the act of a majority or more Eligible Voting Members returning ballots by a date certain is an act of the membership, unless the action of a greater number is required by law, the Articles of Incorporation, or these Bylaws.

ARTICLE V - BOARD OF DIRECTORS

SECTION 1. *Authority of Board of Directors.* The Board of Directors shall have supervision, control and direction of the affairs of the SOA; shall determine its policies or changes therein within the limits of these Bylaws; shall actively promote its purposes; and shall have discretion in the

ARTICLE V - BOARD OF DIRECTORS

CONTINUED

administration of its assets. The Board of Directors may adopt such rules and regulations for the conduct of its business as it deems advisable and may, in executing the powers granted, appoint such agents as it may consider necessary. The Board of Directors may delegate to Officers, the Executive Director, committees or sections authority to make expenditures and incur obligations to cover the routine operations of the SOA or for specific purposes.

SECTION 2. *Composition.* The Board of Directors is composed of the President, the President Elect, the two most recent Past Presidents, six Vice Presidents, and fifteen to twenty other members elected from among the Fellows and referred to as "elected members."

SECTION 3. *Election, Qualifications and Term of Office.* The Eligible Voting Members will elect five to seven Fellows each year as elected members of the Board of Directors, to serve from the close of the annual meeting held in the calendar year of their election until the close of the third succeeding annual meeting thereafter. Each elected member serves for the term for which he or she is elected or until his or her successor has been duly elected and qualified. The Eligible Voting Members elect three or more Vice Presidents each year to serve from the close of the annual meeting held in the calendar year of their election. Three Vice Presidents elected in a calendar year serve until the close of the second annual meeting thereafter, and any additional Vice Presidents elected in that year serve until the close of the next annual meeting thereafter. No individual may serve more than two (2) terms as a Vice President or elected member. A past President is not eligible for re-election to the Board of Directors in any position.

SECTION 4. *Regular Meetings.* The Board of Directors will meet at least three (3) times each year, including one meeting associated with the annual meeting of the SOA. Meetings other than the meeting associated with the annual meeting of the SOA may be called whenever the Leadership Team or at least five (5) members of the Board so request, and may be held either within or outside the State of Illinois. Notice of a regular meeting must be given at least 60 days before the meeting.

SECTION 5. *Special Meetings.* Special meetings of the Board of Directors may be called by, or at the request of, the President or upon a written request to the Secretary/Treasurer of five (5) members of the Board of Directors or if less than five (5) directors are then in office, by a majority of the Board of Directors. Notice of any special meeting of the Board of Directors must state the time, date, and place of the meeting and be delivered at least five (5) days before the meeting; but notice of a teleconference meeting must be delivered at least one business day before the call. Attendance of a Director at any meeting constitutes a waiver of notice of the meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called and convened.

SECTION 6. *Quorum.* A majority of the Board of Directors constitutes a quorum for the transaction of business at any duly-called meeting of the Board of Directors; but if less than a quorum is present at the meeting, a majority of the Directors present may adjourn the meeting without further notice.

SECTION 7. *Manner of Acting.* The act of a majority of Directors present at a duly-called meeting at which a quorum is present is considered the act of the Board of Directors, unless the act of a greater number is required by law, the Articles of Incorporation, or these Bylaws.

ARTICLE V - BOARD OF DIRECTORS**CONTINUED**

SECTION 8. *Action by Written Consent.* Any action required to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the members of the Board entitled to vote with respect to the subject matter thereof.

SECTION 9. *Meeting by Conference Call.* Members of the Board of Directors may participate in and act at any meeting of the Board through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such a meeting is considered attendance and presence in person at the meeting of the person or persons so participating.

SECTION 10. *Resignation.* Any member of the Board may resign at any time by giving written notice to the Leadership Team.

SECTION 11. *Removal.* Any member of the Board may be removed by a vote of two-thirds of those Eligible Voting Members present and voting, in person or by proxy, provided a quorum is present, whenever, in their judgment, the best interests of the SOA would be served by his or her removal. Any director who is no longer qualified to serve for the position for which he or she was elected will be automatically removed, unless such removal is stayed by the Board for good reason.

SECTION 12. *Vacancies.* If a vacancy occurs in the elected membership of the Board of Directors, it will be filled for the unexpired term at the next regular election or by an election held at the annual meeting coincident with or next following the vacancy's occurrence. The Board may, in its discretion, appoint an individual to serve in the interim prior to such election.

ARTICLE VI - OFFICERS

SECTION 1. *Officers.* The Officers of the SOA, all of whom must be Fellows, are a President, a President Elect, the two most recent Past Presidents, and a Secretary/Treasurer. The Board of Directors may elect or appoint such other officers as it deems desirable, and such officers will have the authority and perform the duties prescribed from time to time by the Board of Directors. No individual may hold more than one office at any time.

SECTION 2. *President.* The President, in general, supervises and directs all of the business affairs of the SOA, subject to the direction and control of the Board of Directors and with consideration given to the advice and counsel of the Executive Director. The President, the Secretary/Treasurer or any other proper officer of the Board of Directors authorized by the Board of Directors may sign any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except documents the execution of which are expressly delegated by law, the Articles of Incorporation, these Bylaws, or the Board of Directors to some other officer or agent of the Board of Directors. The President, in general, performs all duties customarily incident to the office of President and such other duties as the Board of Directors prescribes.

ARTICLE VI - OFFICERS

CONTINUED

SECTION 3. *President Elect.* The President Elect performs such duties as the President or the Board of Directors assigns. The President Elect assumes the duties of the President in the absence of the President, and automatically succeeds to the office of President at the conclusion of his or her term in office as President Elect or in the event of the death, resignation, removal, or incapacity of the President.

SECTION 4. *Immediate Past President.* The Immediate Past President serves as the Chair of the Board and presides at all meetings of the Board. In the absence of the Immediate Past President, the President assumes the duties of the Immediate Past President.

SECTION 5. *Secretary/Treasurer.* The Secretary/Treasurer keeps minutes of the meetings of the Board of Directors and the membership in one or more books maintained for that purpose; sees that all notices are duly given in accordance with applicable law, the Articles of Incorporation, and these Bylaws; is custodian of the corporate records; keeps a record of the mailing address of each member of the SOA; is the principal accounting and financial officer of the SOA; has charge of and responsibility for the maintenance of adequate books of account for the SOA; has charge and custody of, and responsibility for, all funds and securities of the SOA, and for their receipt and disbursement; deposits all funds and securities of the SOA in banks, trust companies or other depositories selected in accordance with these Bylaws; and, in general, performs all duties customarily incident to the office of Secretary/Treasurer and such other duties as the President or the Board of Directors assigns. The duties of the Secretary/Treasurer may be delegated in whole or in part to the Executive Director or other designated staff member.

SECTION 6. *Election and Term of Office.* Each year the Eligible Voting Members elect a President Elect to serve from the close of the annual meeting held in the calendar year of his or her election. The Leadership Team designates one of the Vice Presidents to serve as Secretary/Treasurer from among the elected Vice Presidents for a term of one year. Each Officer holds office for the term for which he or she is elected and until his or her successor has been duly elected and qualified.

SECTION 7. *Vacancies.* Except as hereinafter provided, the President Elect automatically succeeds the President at the close of the annual meeting held in the calendar year after the year in which he or she was elected, and serves as President until the close of the next annual meeting.

If the office of the President becomes vacant, the President Elect automatically succeeds to fill the vacancy for the unexpired term, and the Board of Directors will appoint a Vice President or an elected member to fill the office of President Elect until a successor has been elected. If the President Elect so succeeds the President after the close of the first SOA meeting of the calendar year following election as President Elect, he or she will serve as President through the end of the President's unexpired term and for his or her own term as President.

In the event of vacancy in both the offices of President and President Elect, the Board of Directors shall appoint a Vice President or an elected member to fill the office of President until a successor has been elected.

SECTION 8. *Removal.* Any officer may be removed by the persons entitled to elect or appoint the officer whenever in their judgment the best interests of the SOA would be

ARTICLE VI - OFFICERS**CONTINUED**

served thereby. Such removal is without prejudice to the contract rights, if any, of the person removed. Election or appointment of an officer or agent does not of itself create any contract rights.

ARTICLE VII - EXECUTIVE DIRECTOR

The administrative and day-to-day management and operations of the SOA are the responsibility of a salaried staff head employed or appointed by, and responsible to, the Board of Directors. The salaried staff head has the title "Executive Director." The Executive Director has the authority to execute contracts on behalf of the SOA and as approved by the Board of Directors. The Executive Director, in general, performs all duties customarily performed by an executive director of a professional association, as defined by a job description adopted by the Board of Directors from time to time, and such other duties as the President or the Board of Directors delegates. The Executive Director employs and may terminate the employment of members of the staff necessary to carry out the work of the SOA.

ARTICLE VIII - COMMITTEES OF THE BOARD**SECTION 1. Committees Having the Authority of the Board**

a) **Leadership Team.** The Leadership Team consists of the President, the President Elect, the two most recent Past Presidents, the Secretary/Treasurer, and the Executive Director. The President serves as the chair of the Leadership Team.

(i) **Authority.** The Leadership Team has the authority to carry out the business and functions of the SOA between meetings of the Board of Directors, except as otherwise set forth in these Bylaws or the Illinois General Not For Profit Corporation Act of 1986, as may be amended from time to time; but the delegation of authority to the Leadership Team does not operate to relieve the Board of Directors or any individual officer or director of any responsibility imposed by law. The Leadership Team is the principal committee for the oversight and management of the work of the SOA, and in doing so it will a) report to the Board of Directors; b) attend to operations issues; c) provide advice and support to the Executive Director; d) help to determine the agenda and critical issues to be addressed by the Board of Directors; e) evaluate and determine the compensation of the Executive Director; and f) perform other functions as delegated by the Board of Directors.

(ii) **Meetings and Voting.** The Leadership Team meets in person or by conference call upon the request of the President or a majority of the Leadership Team. Each member has one vote. Three

ARTICLE VIII - COMMITTEES OF THE BOARD

CONTINUED

(3) members of the Leadership Team constitute a quorum for the transaction of business at any duly called meeting of the Leadership Team; provided, that, if less than a quorum is present at a meeting, a majority of the members present may adjourn the meeting without further notice. The act of a majority of the members present at a duly called meeting at which a quorum is present is the act of the Leadership Team.

b) **Audit Committee.** The Audit Committee is responsible for reviewing the SOA's internal controls, compliance with investment policy and related matters. The Audit Committee is composed of at least three (3) Board members who are not serving on the Finance Committee. The Audit Committee meets at least annually with the independent auditors to review their annual audit report of the SOA.

SECTION 2. *Standing Committees.*

a) **Admissions Committee.** The Admissions Committee is responsible for reviewing all applications for admission to membership in the SOA, applications for reinstatement of membership, requests for waiver of examination, and requests for resignation. The Secretary/Treasurer chairs the Committee.

b) **Finance Committee.** The Finance Committee is responsible for the general administration of the SOA finances and financial affairs. The Secretary/Treasurer chairs the Committee.

c) **Leadership Development Committee.** The Leadership Development Committee is responsible for nominations, elections and leadership identification and development.

d) **Other Standing Committees.** The Board of Directors may establish by resolution other committees not having the authority of the Board of Directors to carry out the SOA's purposes. The resolution establishing a committee will set forth the committee's purpose, composition, and authority.

SECTION 3. *Appointment.* Unless otherwise provided by these Bylaws or the resolution establishing the committee, the President, subject to the approval of the Leadership Team, appoints the chairpersons and the members of each Committee of the Board. Standing Committees and other committees not having the authority of the Board may include SOA members who are not members of the Board. Any member of any committee may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the SOA would be served thereby.

SECTION 4. *Vacancies.* Except as otherwise provided herein, vacancies in the membership of a committee will be filled by appointments made in the same manner as the original appointments to that committee.

SECTION 5. *Quorum and Manner of Acting.* Unless otherwise provided in these Bylaws or the resolution establishing a committee, a majority of the whole committee, at least one of whom is the chair or vice-chair of the committee, constitutes a quorum, and the act of a majority of the members present and voting at a duly called meeting at which a quorum is present is the act of the committee.

ARTICLE VIII - COMMITTEES OF THE BOARD**CONTINUED**

SECTION 6. *Policies and Procedures.* The Board of Directors is responsible to develop and approve general policies applicable to all committees. All Committees of the Board will report to the Board of Directors.

SECTION 7. *Other Committees of the SOA.* In addition to Committees of the Board, the SOA may provide for and establish other committees of the SOA to carry out the work of the SOA. The names, purposes, membership and other matters relating to those other committees will be as determined by policy or practice of the SOA.

ARTICLE IX - NOMINATIONS AND ELECTIONS

SECTION 1. *Conduct of Elections.* The SOA will establish policies for conducting elections. In any election, the candidate or candidates for any office or offices receiving the highest number of valid votes under the guidelines of the Nominating Committee will be elected.

SECTION 2. *Nominating Committee.* The Nominating Committee is responsible for nominating candidates for election in accordance with SOA policies and may establish guidelines for conducting elections consistent with SOA policies. The Nominating Committee is composed of Fellows appointed by the Leadership Development Committee, with input from the Board of Directors and the Leadership Team. Nominating Committee members may not be candidates for election. No person may serve concurrently both as a member of the Nominating Committee and the Board of Directors. The membership of the Committee should be reasonably representative of the geographical distribution and occupational interests of the membership. The Committee selects the chair and vice-chair of the Committee, subject to the approval of the Board of Directors. Each member of the Nominating Committee serves a three-year term. No individual may serve more than two (2) terms on the Committee.

ARTICLE X - SECTIONS

SECTION 1. *Formation.* The Board of Directors of the SOA may authorize the establishment of sections of interest to the membership ("Sections"), subject to requirements as to membership, organization, policies, procedures, and financial responsibility that the SOA Board of Directors prescribes.

SECTION 2. *Activities.* Each Section may engage in activities it deems appropriate in accordance with SOA policies, the Section's Bylaws, and the limits of the Section's authority as a part of the SOA.

SECTION 3. *Termination.* Any Section may be terminated at any time and in a manner the SOA Board of Directors deems necessary or desirable.

ARTICLE XI - FINANCES AND CONTRACTS

SECTION 1. *Dues and Assessments.* Except as hereinafter provided, each Associate or Fellow must pay dues and assessments established by the Board of Directors. The Board of Directors may defer or waive the payment of dues for any Associate or Fellow in accordance with policy established by the Board of Directors. The SOA must notify by mail any member whose dues are three months in arrears. If the dues remain unpaid three months following the time of mailing the notice, the name of the member will automatically be stricken from the rolls, and the member cease to be an Associate or Fellow of the SOA; but the member's name may not be so stricken until all pending disciplinary action has been finally resolved. The Board of Directors may, however, vote to reinstate the person's membership upon payment of unpaid dues that the Board directs.

SECTION 2. *Contracts.* The Board of Directors may authorize any Officer or Officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name and on behalf of the SOA, and such authority may be general or confined to specific instances.

SECTION 3. *Checks.* All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the SOA must be signed by an authorized Officer or Officers, agent or agents, of the SOA and in a manner determined by resolution of the Board of Directors.

SECTION 4. *Deposits.* All funds of the SOA not otherwise employed or invested must be deposited from time to time to the credit of the SOA in banks, trust companies, and other depositories that the Board of Directors selects.

SECTION 5. *Bonding.* The Board of Directors may provide for the bonding of SOA officers and employees as it determines.

SECTION 6. *Books and Records.* The SOA will keep accurate and complete books and records of account and also keep minutes of the proceedings of its members, the Board of Directors, and any committees having the authority of the Board of Directors.

SECTION 7. *Fiscal Year.* The fiscal year of the SOA is determined from time to time by the Board of Directors.

ARTICLE XII - INDEMNIFICATION

The SOA will indemnify anyone who serves, or has served, as an Officer, member of the Board of Directors, committee member or member of any disciplinary board of the SOA, or who is, or was, an employee of the SOA, and his or her respective heirs, executors, administrators and personal representatives, 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 civil, criminal, administrative or other claim, action, suit or proceeding, or in connection with any appeal therein, in which they may be involved by virtue of the person being or

ARTICLE XII - INDEMNIFICATION**CONTINUED**

having been an Officer, member of the Board of Directors, committee member, member of any disciplinary board or employee of the SOA. In the event of a settlement, this indemnification will apply only when the Board of Directors approves such settlement, and the indemnification will not be in effect with respect to any matter as to which a person has been finally adjudged liable in a claim, action, suit or proceeding on account of his or her own gross negligence or willful misconduct. The rights accruing to any person under this Article are without prejudice to any rights or benefits given by the Board of Directors inconsistent therewith in special cases and do not exclude any other rights or benefits to which he or she may be lawfully entitled.

ARTICLE XIII - DISCIPLINE

SECTION 1. Scope. A complaint against a member alleging a violation of the SOA's Bylaws, Code of Professional Conduct, policies, rules, or regulations ("SOA Rules") or any questions concerning the conduct of a member in the member's relationship to the SOA or its members, in the member's professional practice, or in actions affecting the interest of the actuarial profession, are matters for disciplinary consideration by the SOA and/or the Actuarial Board for Counseling and Discipline ("ABCD"); except that: (i) the Canadian Institute of Actuaries ("CIA"), not the ABCD, shall consider matters concerning the alleged violation of the applicable rules of professional conduct or standards of practice by a member practicing in Canada; and (ii) a matter involving an alleged violation of SOA Rules relating to examinations, e-learning or the Code of Conduct for Candidates are governed by the education disciplinary procedures and rules approved by the SOA.

SECTION 2. Disciplinary Action. Disciplinary action may include, but is not limited to, private or public reprimand by the SOA, suspension of membership, or expulsion from the SOA. No discipline may be imposed except upon the affirmative vote of at least two-thirds of those sitting as the initial disciplinary panel or committee.

SECTION 3. Cross-Border Agreements. Upon approval by the Board of Directors, the SOA may enter into cross-border discipline agreements with other actuarial organizations outside the United States, providing for cooperation or comity with respect to disciplinary investigations or proceedings relating to alleged violations of applicable rules or standards of practice in their respective countries.

SECTION 4. Joint Disciplinary Proceeding (US). Upon approval by the Board of Directors, the SOA may enter into a joint discipline agreement with other US-based actuarial organizations, providing for the joint administration of disciplinary proceedings and joint determinations of discipline relating to disciplinary recommendations from the ABCD or CIA or otherwise within the scope of such agreement. Such matters will be referred to a Joint Disciplinary Council, comprised of representatives of each organization adopting the agreement, which will appoint panels to conduct hearings and/or appeals in accordance with the terms of the joint discipline agreement and procedures to be established by the Council, provided that:

ARTICLE XIII - DISCIPLINE

CONTINUED

- a) No discipline may be imposed upon a member except upon an affirmative vote by a supermajority of the initial disciplinary panel (as defined in the joint discipline agreement,) which shall in no event be less than a two-thirds majority.
- b) No member, by virtue of such proceedings, may be expelled from the SOA or be suspended from membership for a period of more than two years except upon a review of the disciplinary determination by a special discipline committee of the SOA. The special discipline committee may uphold the discipline, or may reduce it to a suspension of not less than two years, by the affirmative vote of two-thirds of the special committee.
- c) Any amendment of a joint discipline agreement, once adopted by the SOA, must be approved by the SOA, by action of its Board of Directors.

SECTION 5. *Other Disciplinary Proceedings.* Matters for disciplinary consideration not within the scope of a joint discipline agreement under Section 4, or at any time when no such agreement is in effect, will be referred for consideration to an ad hoc committee on discipline established by the Leadership Team (the "Committee"). A statement of the charges must be sent by certified mail or other reliable courier service to the last recorded address of the member at least thirty (30) days before final action is to be taken, notifying the member of the time and place of the hearing at which the charges will be considered. The member will have the opportunity to respond in writing and (except where not reasonably feasible) to appear in person at the hearing to present a defense to such charges before action is taken by the Committee, and may be assisted by counsel at such a hearing. Notice of the Committee's determination will be given to the member and must advise the member that he or she may appeal an adverse disciplinary determination to an Appellate Tribunal ("Tribunal"). The Tribunal may, by the affirmative vote of at least a majority of the entire Tribunal, affirm the disciplinary determination of the Committee or reduce or set aside the penalty determined by the Committee. Notice of the Tribunal's decision on the appeal will be given to the member as soon as reasonably practicable after the decision has been made.

SECTION 6. *Policies and Procedures.* Policies and procedures for disciplinary proceedings pursuant to this Article may be established from time to time by the Board of Directors.

SECTION 7. *Rights and Privileges; Reinstatement.*

- a) All rights and privileges of membership are retained during the pendency of disciplinary proceedings and during any appeals or reviews of a disciplinary determination by a Tribunal or special discipline committee.
- b) The Board may, by the affirmative vote of at least a majority of the whole Board, reinstate to membership at any time a member suspended or expelled under this article.

ARTICLE XIV - PUBLIC EXPRESSION OF PROFESSIONAL OPINION

Where it is in the public interest, a public expression of opinion within the professional competence of actuaries may be issued on behalf of the SOA through the Board of Directors, or by any committee of the SOA, any Section of the SOA, or any committee of a Section. Any such public expression of opinion may be issued only in accordance with authority given and procedures determined, in each instance, by the Board of Directors.

ARTICLE XV - WAIVER OF NOTICE

Whenever any notice is required to be given under applicable law, the Articles of Incorporation, or these Bylaws, waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, is deemed equivalent to the giving of such notice.

ARTICLE XVI - DISSOLUTION

In the event of the dissolution of the SOA, the Board of Directors, after paying or making provision for the payment of all of the liabilities of the SOA, must dispose of all of the remaining assets of the SOA (except any assets held by the SOA upon condition requiring return, transfer or other conveyance in the event of dissolution, which assets must be returned, transferred or conveyed in accordance with such requirements) exclusively for the purposes of the SOA in a manner, or to an organization or organizations which at the time are recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or the corresponding provisions of any future United States Internal Revenue statute, that the Board of Directors determines. Any assets not so disposed of will be disposed of by the court of general jurisdiction of the county in which the principal office of the SOA is then located, exclusively for SOA purposes, or to an organization or organizations, which are organized and operated exclusively for those purposes, as the court determines.

ARTICLE XVII - AMENDMENTS

Amendments to the Bylaws may be proposed either by resolution of the Board of Directors or by written request of not less than 100 Fellows of the SOA. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by an affirmative vote of two-thirds of the entire Board of Directors; but provisions affecting the substantive rights of the SOA's members also require the affirmative vote of two-thirds of at least twenty-five percent (25%) of Fellows, if at a meeting, or a

ARTICLE XVII - AMENDMENTS**CONTINUED**

majority of Fellows entitled to vote, if in writing. The substance of any alteration, amendment or repeal must be submitted in writing to the Board of Directors at least twenty (20) days in advance of any vote on the Bylaws, and/or to the Fellows, as appropriate, at least 31 days but not more than 60 days in advance of any vote.

ARTICLE XVIII - USE OF ELECTRONIC COMMUNICATION

Unless otherwise prohibited by law, (i) any action to be taken or notice delivered under these Bylaws may be taken or transmitted by electronic mail or other electronic means; and (ii) any action or approval required to be written or in writing may be transmitted or received by electronic mail or other electronic means.



Code of Professional Conduct

On October 15, 2000, the SOA Board of Governors adopted a revised Code of Professional Conduct as presented by the Joint Committee on the Code of Professional Conduct to be applicable to all Fellows and Associates of the Society of Actuaries effective January 1, 2001.

The Code of Professional Conduct sets forth what it means for an actuary to act as a professional. It identifies the responsibilities that actuaries have to the public, to their clients and employers, and to the actuarial profession.

The Society of Actuaries Board thanks the Joint Committee on the Code of Professional Conduct for their hard work and perseverance in drafting the Code and obtaining the approval of all five U.S.-based actuarial organizations.

Effective Date: January 1, 2001

The purpose of this Code of Professional Conduct ("Code") is to require Actuaries to adhere to the high standards of conduct, practice, and qualifications of the actuarial profession, thereby supporting the actuarial profession in fulfilling its responsibility to the public. An Actuary shall comply with the Code. An Actuary who commits a material violation of the provisions of the Code shall be subject to the profession's counseling and discipline procedures.

The Precepts of the Code identify the professional and ethical standards with which an Actuary must comply in order to fulfill the Actuary's responsibility to the public and to the actuarial profession. The Annotations provide additional explanatory, educational, and advisory material on how the Precepts are to be interpreted and applied.

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In addition to this Code, an Actuary is subject to applicable rules of professional conduct or ethical standards that have been promulgated by a Recognized Actuarial Organization for the jurisdictions in which the Actuary renders Actuarial Services. Actuarial Services are considered to be rendered in the jurisdictions in which the Actuary intends them to be used unless specified otherwise by an agreement between a Recognized Actuarial Organization for any such jurisdiction and the organizations that have adopted the Code.

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Laws may also impose obligations upon an Actuary. Where requirements of Law conflict with the Code, the requirements of Law shall take precedence.

An Actuary must be familiar with, and keep current with, not only the Code, but also applicable Law and rules of professional conduct for the jurisdictions in which the Actuary renders Actuarial Services. An Actuary is responsible for securing translations of such Laws or rules of conduct as may be necessary.

Definitions:

As used throughout the Code, the following terms are capitalized and have the meanings indicated:

Actuarial Communication:

A written, electronic, or oral communication issued by an Actuary with respect to Actuarial Services.

Actuarial Services:

Professional services provided to a Principal by an individual acting in the capacity of an actuary. Such services include the rendering of advice, recommendations, findings, or opinions based upon actuarial considerations.



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Actuary:

An individual who has been admitted to a class of membership to which the Code applies by action of any organization having adopted the Code. When the term "actuary" is used without being capitalized, it refers to any individual practicing as an actuary, regardless of organizational membership or classification.

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Confidential Information:

Information not in the public domain of which an Actuary becomes aware as a result of providing Actuarial Services to a Principal. It includes information of a proprietary nature and information that is legally restricted from circulation.

Law:

Statutes, regulations, judicial decisions, and other statements having legally binding authority. Principal: A client or employer of the Actuary.

Recognized Actuarial Organization:

An organization that has been accepted for full membership in the International Actuarial Association or a standards setting, counseling, or discipline body to which authority has been delegated by such an organization.

Professional Integrity

PRECEPT 1. An Actuary shall act honestly, with integrity and competence, and in a manner to fulfill the profession's responsibility to the public and to uphold the reputation of the actuarial profession.

ANNOTATION 1–1. An Actuary shall perform Actuarial Services with skill and care.



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ANNOTATION 1–2. An Actuary shall not provide Actuarial Services for any Principal if the Actuary has reason to believe that such services may be used to violate or evade the Law or in a manner that would be detrimental to the reputation of the actuarial profession.

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ANNOTATION 1–3. An Actuary shall not use a relationship with a third party or with a present or prospective Principal to attempt to obtain illegal or materially improper treatment from one such party on behalf of the other party.

ANNOTATION 1–4. An Actuary shall not engage in any professional conduct involving dishonesty, fraud, deceit, or misrepresentation or commit any act that reflects adversely on the actuarial profession.

Qualification Standards

PRECEPT 2. An Actuary shall perform Actuarial Services only when the Actuary is qualified to do so on the basis of basic and continuing education and experience and only when the Actuary satisfies applicable qualification standards.

ANNOTATION 2–1. It is the professional responsibility of an Actuary to observe applicable qualification standards that have been promulgated by a Recognized Actuarial Organization for the jurisdictions in which the Actuary renders Actuarial Services and to keep current regarding changes in these standards.

ANNOTATION 2–2. The absence of applicable qualification standards for a particular type of assignment or for the jurisdictions in which an Actuary renders Actuarial Services does not relieve the Actuary of the responsibility to perform such Actuarial Services only when qualified to do so in



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accordance with this Precept.

Standards of Practice

PRECEPT 3. An Actuary shall ensure that Actuarial Services performed by or under the direction of the Actuary satisfy applicable standards of practice.

ANNOTATION 3–1. It is the professional responsibility of an Actuary to observe applicable standards of practice that have been promulgated by a Recognized Actuarial Organization for the jurisdictions in which the Actuary renders Actuarial Services, and to keep current regarding changes in these standards.

ANNOTATION 3–2. Where a question arises with regard to the applicability of a standard of practice, or where no applicable standard exists, an Actuary shall utilize professional judgment, taking into account generally accepted actuarial principles and practices.

ANNOTATION 3–3. When an Actuary uses procedures that depart materially from those set forth in an applicable standard of practice, the Actuary must be prepared to justify the use of such procedures.

Communications and Disclosure

PRECEPT 4. An Actuary who issues an Actuarial Communication shall take appropriate steps to ensure that the Actuarial Communication is clear and appropriate to the circumstances and its intended audience and satisfies applicable standards of practice.

ANNOTATION 4–1. An Actuary who issues an Actuarial Communication shall ensure that the Actuarial Communication clearly identifies the Actuary as being responsible for it.

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ANNOTATION 4–2. An Actuary who issues an Actuarial Communication should indicate the extent to which the Actuary or other sources are available to provide supplementary information and explanation.

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PRECEPT 5. An Actuary who issues an Actuarial Communication shall, as appropriate, identify the Principal(s) for whom the Actuarial Communication is issued and describe the capacity in which the Actuary serves.

PRECEPT 6. An Actuary shall make appropriate and timely disclosure to a present or prospective Principal of the sources of all direct and indirect material compensation that the Actuary or the Actuary's firm has received, or may receive, from another party in relation to an assignment for which the Actuary has provided, or will provide, Actuarial Services for that Principal. The disclosure of sources of material compensation that the Actuary's firm has received, or may receive, is limited to those sources known to, or reasonably ascertainable by, the Actuary.

ANNOTATION 6–1. An Actuary who is not financially and organizationally independent concerning any matter related to the performance of Actuarial Services should disclose to the Principal any pertinent relationship that is not apparent.

ANNOTATION 6–2. An Actuary employed by a firm that operates in multiple locations is subject to the requirement of disclosure of sources of compensation that the Actuary's firm may receive in relation to Actuarial Services with respect to a specific assignment for that Principal, regardless of the location in which such compensation is received.



Conflict of Interest

PRECEPT 7. An Actuary shall not knowingly perform Actuarial Services involving an actual or potential conflict of interest unless:

1. the Actuary's ability to act fairly is unimpaired;
2. there has been disclosure of the conflict to all present and known prospective Principals whose interests would be affected by the conflict;
and
3. all such Principals have expressly agreed to the performance of the Actuarial Services by the Actuary.

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Control of Work Product

PRECEPT 8. An Actuary who performs Actuarial Services shall take reasonable steps to ensure that such services are not used to mislead other parties.

ANNOTATION 8–1. An Actuarial Communication 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 the Actuarial Communication and should therefore take reasonable steps to present the Actuarial Communication clearly and fairly and to include, as appropriate, limitations on the distribution and utilization of the Actuarial Communication.

Confidentiality

PRECEPT 9. An Actuary shall not disclose to another party any Confidential Information unless authorized to do so by the Principal or required to do so by Law

Courtesy and Cooperation

PRECEPT 10. An Actuary shall perform Actuarial Services with courtesy and professional respect and shall cooperate with others in the Principal's interest.



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ANNOTATION 10–1. Differences of opinion among actuaries may arise, particularly in choices of assumptions and methods. Discussions of such differences between an Actuary and another actuary, or in observations made by an Actuary to a Principal on the work of another actuary, should be conducted objectively and with courtesy and respect.

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ANNOTATION 10–2. 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 matter.

ANNOTATION 10–3. 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 the Code should be construed as preventing the Actuary from expressing such an alternative opinion to the Principal.

ANNOTATION 10–4. An Actuary may be requested to advise a Principal for whom the Actuary knows or has reasonable grounds to believe that another actuary has provided, or is providing, Actuarial Services with respect to the same matter. In such event, the Actuary may choose to consult with such other actuary both to prepare adequately for the assignment and to make an informed judgment as to whether there are circumstances involving a potential violation of the Code that might affect acceptance of the assignment. The Actuary should request the Principal's consent prior to such consultation.



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ANNOTATION 10–5. When a Principal has given consent for a new or additional actuary to consult with an Actuary with respect to a matter for which the Actuary is providing or has provided Actuarial Services, the Actuary shall cooperate in furnishing relevant information, subject to receiving reasonable compensation for the work required to assemble and transmit pertinent data and documents. The Actuary shall not refuse to consult or cooperate with the prospective new or additional actuary based upon unresolved compensation issues with the Principal unless such refusal is in accordance with a pre-existing agreement with the Principal. The Actuary need not provide any items of a proprietary nature, such as internal communications or computer programs.

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Advertising

PRECEPT 11. An Actuary shall not engage in any advertising or business solicitation activities with respect to Actuarial Services that the Actuary knows or should know are false or misleading.

ANNOTATION 11–1. Advertising and business solicitation activities encompass all communications by whatever medium, including oral communications, that may directly or indirectly influence any person or organization in deciding whether there is a need for Actuarial Services or in selecting a specific Actuary or firm to perform Actuarial Services.

Titles and Designations

PRECEPT 12. An Actuary shall make use of membership titles and designations of a Recognized Actuarial Organization only in a manner that conforms to the practices authorized by that organization.

ANNOTATION 12–1. "Title" refers to any title conferred by a Recognized Actuarial Organization related to a specific position within that organization.



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"Designation" refers to a specific reference to membership status within such organization.

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Violations of the Code of Professional Conduct

PRECEPT 13. An Actuary with knowledge of an apparent, unresolved, material violation of the Code by another Actuary should consider discussing the situation with the other Actuary and attempt to resolve the apparent violation. If such discussion is not attempted or is not successful, the Actuary shall disclose such violation to the appropriate counseling and discipline body of the profession, except where the disclosure would be contrary to Law or would divulge Confidential Information.

ANNOTATION 13–1. A violation of the Code is deemed to be material if it is important or affects the outcome of a situation, as opposed to a violation that is trivial, does not affect an outcome, or is one merely of form.

ANNOTATION 13–2. An Actuary is not expected to discuss an apparent, unresolved material violation of the Code with the other Actuary if either Actuary is prohibited by Law from doing so or is acting in an adversarial environment involving the other Actuary.

PRECEPT 14. An Actuary shall respond promptly, truthfully, and fully to any request for information by, and cooperate fully with, an appropriate counseling and disciplinary body of the profession in connection with any disciplinary, counseling or other proceeding of such body relating to the Code. The Actuary's responsibility to respond shall be subject to applicable restrictions on Confidential Information and those imposed by Law.



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Notice of Disciplinary Determination

Notices are published pursuant to Article XIII of the By-Laws of the Society of Actuaries.

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MEMORANDUM

TO: The Members of the American Academy of Actuaries, the American Society of Pension Actuaries, the Casualty Actuarial Society, the Conference of Consulting Actuaries, and the Society of Actuaries

FROM: The Joint Committee on the Code of Professional Conduct

RE: Revised Code of Professional Conduct

DATE: December 1, 2000

The accompanying booklet contains the final revised *Code of Professional Conduct* ("the Code") adopted by the American Academy of Actuaries, the American Society of Pension Actuaries, the Casualty Actuarial Society, the Conference of Consulting Actuaries, and the Society of Actuaries (collectively "the U.S.-based organizations"). The Code was adopted by these organizations effective January 1, 2001.

Background

Prior to 1992, each of the U.S.-based organizations had its own rules to govern the conduct of its members (e.g., the Guides and Interpretative Opinions as to Professional Conduct of the Academy). Those rules were not entirely consistent between the organizations, creating potential conflicts for actuaries who were members of more than one organization. To address these potential conflicts, the U.S.-based organizations developed and adopted Codes of Professional Conduct (with some variations between the organizations), all effective January 1, 1992. The differences in the Codes were resolved by a Joint Committee on the Code of Professional Conduct, and a single Code was adopted by the Boards of the U.S.-based organizations effective January 1, 1994.

Since that time, small differences have again crept into the Codes of the U.S.-based organizations, and need to be eliminated. As well, the increasing internationalization of actuarial practice has suggested the need for modification of the Code. Additionally, the Actuarial Board for Counseling and Discipline has identified areas where the Code would benefit from clarification or revision. To address these points, the current Joint Committee on the Code of Professional Conduct was established in 1997.

In May of 1999, with the approval of the Boards of the U.S.-based organizations, the Joint Committee released an exposure draft of proposed revisions to the Code. More than sixty comments containing excellent suggestions to improve the Code were received. The Joint Committee studied the comments with care, and prepared a second exposure draft in light of the suggestions offered by the commenters. With the approval of the Boards of Directors of the U.S.-based organizations, the Joint Committee released the second exposure draft on April 1, 2000, with a comment deadline of July 15, 2000.

Thirty-seven sets of comments on the second exposure draft, again containing excellent suggestions to refine the Code further, were received. The Joint Committee carefully reviewed all of the comments and prepared a proposed final Code reflecting the commenters' suggestions. Specific responses to comments received on the second exposure draft appear immediately below. The Joint Committee thanks all of those who submitted comments on the two exposure drafts.

Comments on Exposure Draft

Comments received on the second exposure draft are broadly summarized in regular typeface; the Joint Committee's responses appear in **boldface**.

Many commenters offered general observations on the exposure draft. A number of the commenters expressed their agreement with the revisions that had been made and stated their overall satisfaction with the exposure draft. **The Joint Committee appreciated the positive response.** Some commenters expressed concern that the Code does not address specifically enough how it should be applied in the context of international practice. **The Joint Committee believes that the application of professional standards in the international context is an important topic, and has incorporated clarifying language into the introductory paragraphs of the Code. The Joint Committee believes, however, that the profession would benefit from more detailed guidance in this area than can be provided in the Code, and will therefore recommend to the leadership of the U.S.-based organizations that such additional guidance be provided in another forum.** One commenter opined that the proposed changes made the revised Code "more bureaucratic." **The Joint Committee disagrees, and believes that the revised Code is clearer in both structure and expression of intent than its predecessor.** Another commenter offered several editorial

suggestions; **the Joint Committee agreed with many of them and added them to the Code.**

With respect to the introductory paragraphs, one commenter asked that the Code include a list of "Recognized Actuarial Organizations." **The Joint Committee believes it would be preferable for each U.S.-based organization to publish such a list in its Yearbook and on its Web site, and has made that recommendation to the leadership of the U.S.-based organizations.** Some commenters asked that terms in the introductory paragraphs such as "material violation" and "responsibility to the public" be separately defined; **the Joint Committee believes that these terms are understandable in context.** A few commenters offered specific editorial suggestions to the introductory paragraphs; **the Joint Committee incorporated those suggestions as appropriate.**

With respect to the definitions, a few commenters suggested changes to the definition of "Actuarial Communication"; **the Joint Committee revised the definition.** One commenter offered an alternative definition of "Principal"; **the Joint Committee found the suggested definition too complex, and did not make the suggested change.** Two commenters offered changes to the definition of "Actuary"; **the Joint Committee felt that the proposed changes were inappropriate and no change was made.** Several commenters offered changes to the definition of "Actuarial Services"; **the Joint Committee revised the definition.** Two commenters offered changes to the definition of "Confidential Information"; **the Joint Committee chose instead to address the comments by modifying Precept 9.** Other commenters offered revisions to the definition of "Recognized Actuarial Organization"; **the Joint Committee discussed the proposed revisions but, ultimately, elected to retain its original definition with one minor revision.**

With respect to Precept 1, no comments were offered on the precept or on Annotation 1-1. However, a few commenters suggested clarifying changes to Annotation 1-2; **the Joint Committee revised the annotation.** A few commenters also suggested revisions to Annotation 1-3; **the Joint Committee did not agree with the suggestions, but did make one clarifying change.** Several commenters addressed Annotation 1-4; some felt that it demanded too much of the actuary, while others suggested that it be made even more rigorous. **The Joint Committee revised the annotation to clarify the scope of the actuary's responsibility, particularly with respect to maintaining the reputation of the profession.** One commenter suggested adding an annotation dealing with "moral turpitude"; **the Joint Committee believes that Annotation 1-4, as revised, is sufficient to address the commenter's concerns.**

With respect to Precept 2, one commenter suggested a clarifying edit; **the Joint Committee agreed with the suggestion.** Two commenters questioned the application of the precept to international practice; **the Joint Committee believes this topic can be better addressed in another context (see responses to General Comments above).** One commenter asked whether the precept applies to work that has not traditionally been "actuarial"; **the Joint Committee believes the revised definition of "Actuarial Services" addresses this question.**

With respect to Precept 3, one commenter questioned the application of this precept to international practice; **the Joint Committee believes this topic can be better addressed in another context (see responses to General Comments above).** Two commenters asked whether the precept requires compliance with common law, accounting standards or other generally-accepted, but not formally adopted, actuarial practices; **the Joint Committee believes these issues go beyond the scope of what should be addressed in the Code.** Two commenters objected to the inclusion of Annotation 3-3, which parallels language commonly included in the Actuarial Standards of Practice as adopted by the Actuarial Standards Board; **the Joint Committee believes this language enhances the value of the Code and elected to retain it.** Two commenters made minor editorial suggestions regarding Annotation 3-3; **the Joint Committee agreed with the suggestions.**

With respect to Precept 4 and its annotations, many commenters offered a wide range of comments and observations concerning the scope and phrasing of the Code's requirements for actuarial communications. However, one commenter observed that Precept 4 and its annotations were far too specific and argued that the Code should deal generally with actuarial communications but should leave the specifics to actuarial standards of practice. **The Joint Committee was persuaded by this latter argument, noting that the requirements for actuarial communications may often be nation-specific and that actuarial standards of practice are a better vehicle to address those requirements. Accordingly, the Joint Committee revised Precept 4 to require clearly that the actuary comply with applicable actuarial standards of practice on communications and deleted the annotations to the precept, except for the two annotations required by the International Actuarial Association of member organizations' codes of ethics.**

With respect to Precept 5, one commenter asked why the precept made references to "findings"; **the Joint Committee agreed with this comment and revised the precept.** Another commenter disagreed with the inclusion of the phrase, "as appropriate"; **the Joint Committee believes the phrase clarifies the scope of the precept and elected to retain it.**

With respect to Precept 6, some commenters expressed concern that the actuary's obligations could not reasonably be met. **The Joint Committee revised the precept to reflect the actuary's obligations more**

clearly and appropriately.

With respect to Precept 7, several commenters objected to the proposed scope and implementation of the precept, particularly with regard to past principals and prospective principals who are currently unknown. **The Joint Committee was persuaded by the comments and revised the precept to eliminate references to past principals and prospective principals who are not currently known by the actuary.**

With respect to Precept 8, a few commenters questioned the scope of the precept and one commenter offered a proposed revision to Annotation 8-1. **The Joint Committee believes that the precept is reasonable in scope and does not impose excessive burdens upon the actuary. The Joint Committee agreed with and incorporated the suggested alternative annotation with a few editorial revisions.**

No comments were received on Precept 9.

With respect to Precept 10, one commenter questioned the phrasing of the precept; **the Joint Committee revised the precept to address the commenter's concerns.** A few commenters questioned how an actuary can comply with Annotations 10-4 and 10-5 absent consent of the principal; **the Joint Committee recognizes that the Code cannot bind the actuary's principal and, therefore, elected not to attempt to do so in the annotations.** A few commenters expressed concern that Annotation 10-5 might require the actuary to provide actuarial work product without compensation; **the Joint Committee revised the annotation to clarify the actuary's obligations.**

One commenter objected to Precept 11 as being too onerous. **The Joint Committee disagreed, noting that the precept imposes no additional obligations beyond the current Code, and made no changes.**

No comments were received on Precept 12, although one commenter suggested moving Annotation 12-1 to the Definitions section. **The Joint Committee elected to leave the position of the annotation unchanged, but revised the annotation to make it less like a definition.**

Several commenters expressed approval with the proposed changes to Precept 13 and its annotations; others offered various suggested changes to clarify further the scope of the actuary's obligations. **The Joint Committee recognizes that the obligations imposed by this precept are particularly sensitive and that the precept therefore must be articulated as clearly as possible. The Joint Committee revised the precept and its annotations, incorporating many of the commenters' suggested revisions, in an effort to explain the scope and nature of the actuary's responsibilities as precisely as possible.**

No comments were received on Precept 14.

Conclusion

The Joint Committee on the Code of Professional Conduct wishes to thank all those who participated in this important project.

Joint Committee on the Code of Professional Conduct

Jack M. Turnquist, Chairperson
William J. Falk Howard M. Phillips
Michael Fusco Morris W. Chambers (CIA liaison)
Sam Gutterman Luis Huerta (CONAC liaison)
Kenneth A. Kent

Committee Structure – 2012

Board of Directors Committees

- Actuaries on Boards Task Force
- Admissions Committee
- Audit Committee
- Finance Committee
- International Committee
- Issues Advisory Council
- Leadership Development Committee
- Leadership Team
- Longevity Strategy Task Force
- Nominating Committee
- Pension ERM Task Force
- Policy Committee
- Public Plan and Reputational Risk Task Force
- Research Executive Committee
- Risk Committee
- Strategic Planning Task Force

Interorganizational Leadership

- Interorganizational Task Force
- North American Actuarial Council

Issues Advisory Council

- Cultivate Opportunities Team
- Develop Knowledge Team
- Transfer Knowledge Team

Cultivate Opportunities Team

- Joint CAS/SOA Committee on Actuarial Diversity
- Joint SOA/CAS Committee on Career Encouragement

Develop Knowledge Team

- Research Project Oversight Subcommittee

Education System-Leadership Committees

- Appointments Committee
- Education Steering and Coordinating Committee

Education System-Curriculum Committees

- Preliminary Examinations Curriculum Committee
- Corporate Finance and ERM Curriculum Committee
- Enterprise Risk Management Examination Curriculum Committee
- Finance, Enterprise Risk Management and Investments Curriculum Committee
- General Insurance Curriculum Committee
- Group and Health Curriculum Committee
- Individual Life and Annuities Curriculum Committee
- Retirement Benefits Curriculum Committee

Education System-E-Learning Committees

- Assessment Development Committee
- Corporate Finance & ERM (CFE) e-Learning Module Committee
- Decision Making and Communication Module Committee
- Decision Making and Communication Module Grading Committee
- Financial and Health Economics Module Committee
- Financial Reporting Module Committee
- Fundamentals of Actuarial Practice (FAP) Curriculum Committee
- Fundamentals of Actuarial Practice (FAP) Final Assessment Grading Committee
- Fundamentals of Actuarial Practice (FAP) Interim Assessment Grading Committee
- Health Foundations Module Committee
- Investment Strategy Module Committee
- Pricing, Reserving and Forecasting Module Committee
- Quantitative Financial Investments Module Committee
- Regulation and Taxation Module Committee
- Social Insurance Module Committee

Education System-Examination Committees

- Validation by Educational Experience (VEE) Administration Committee
- Examination P Committee
- Examination FM Committee
- Examination M Life Contingencies Segment Committee
- Examination M Financial Economics Segment Committee
- Examination C Committee
- Joint Examination Administration Committee (JEAC)
- EA-1 Examination Committee
- EA-2 (Segment A) Examination Committee
- EA-2 (Segment B) Examination Committee
- Financial Economic Theory and Engineering Examination Committee
- Advanced Finance and Enterprise Risk Management Examination Committee
- Advanced Finance Examination Committee
- Advanced Portfolio Management Examination Committee
- Enterprise Risk Management (ERM) Examination Committee
- Group and Health Company/Sponsor Perspective Examination Committee
- Group and Health Design/Pricing Examination Committee
- Individual Life and Annuities U.S. and Canada Company/Sponsor Perspective Examination Committee
- Individual Life and Annuities U.S. and Canada Design/Pricing Examination Committee
- Retirement Benefits U.S. and Canada Company/Sponsor Perspective Examination Committee
- Retirement Benefits U.S. and Canada Design/Pricing Examination Committee

Education System-Professionalism Committee

- Professionalism Education Management Committee

Academic Committees

- Centers of Actuarial Excellence Appeals Board (CAB)
- Centers of Actuarial Excellence Evaluation Committee (CEC)
- Centers of Actuarial Excellence Grants Committee (CGC)
- James C. Hickman Scholar Program Awards Committee

Publications Committees

Editorial Boards:

- *ARCH*
- *The Actuary*
- *The Future Actuary*
- *North American Actuarial Journal*

Professional Development Committees

- Professional Development Committee
- Health Meeting Program Committee
- Life and Annuity Symposium Committee
- Annual Meeting Program Committee
- Valuation Actuary Symposium Committee

Research Committees

- Committee on Knowledge Extension Research
- Committee on Life Insurance Company Expenses
- Committee on Life Insurance Mortality and Underwriting Surveys
- Committee on Life Insurance Research
- Committee on Living to 100 Research Symposia
- Credit Insurance Experience Committee
- Group Annuity Experience Committee
- Group Disability Insurance Experience Committee
- Group Life Insurance Experience Committee
- HCCI Scorecard Committee
- Individual Annuity Experience Committee
- Individual Disability Insurance Experience Committee
- Individual Life Insurance Experience Committee
- Joint AAA/SOA Cancer Experience Study and Table Committee
- Joint AAA/SOA Payout Annuity Valuation Table Committee
- Long-Term-Care Experience Committee
- Mortality and Morbidity Liaison Committee
- Private Placement Experience Committee
- Retirement Plans Experience Committee
- Task Force on Long-Term-Care Insurance Valuation Issues

International Committees

- International Actuarial Association (IAA) Committee
- International Committee
- China Region Committee

Committee Structure – 2012

Actuaries on Boards Task Force

This task force will seek to understand the opportunities for experienced actuaries to serve on boards of directors for the purpose of sharing actuarial insights and risk expertise, and for the benefit of the organizations the boards serve.

Officer

W. James MacGinnitie, *Chairperson*

Staff Liaisons

Lisamarie Lukas

Sara Teppema

Sheree Baker

Members

Nancy E. Bennett

Amanda C. Fox*

Max J. Rudolph

Vinaya K. Sharma

Thomas S. Terry

John G. Turner


*Partner, SpencerStuart

Committee Structure – 2012

Admissions Committee

This committee reviews all applications for admission to the Society of Actuaries or for reinstatement of membership and all requests for resignation and makes recommendations to the Board of Directors for its approval. If an applicant has passed examinations in another actuarial body, the committee recommends to the Board of Directors which, if any, of the parts of the SOA examinations are to be waived. The committee processes requests for waiver of dues in accordance with the policy established by the Board of Directors. The Vice-President who serves as Treasurer is Chairperson.

Officer

Thomas S. Terry,  ^'•[}Á

Staff Liaison

Stacy Lin

Members

Ronald L. Poon-Affat

Susan R. Sames

Darryl G. Wagner

Staff Support Persons

Tiffany Berger

Dorothy Pedroza

Committee Structure – 2012

Audit Committee

This committee is made up of board members who are not serving on the Finance Committee. It is to meet at least annually with the independent auditors to review their annual audit report of the Society of Actuaries. It is responsible for reviewing the SOA's internal controls, compliance with investment policy and related matters.

Officers

Valerie A. Paganelli, vpaganelli@soa.org

Peggy L. Hauser, plhauser@soa.org

Staff Liaison

Stacy Lin

Member

Joan C. Barrett

Staff Support Persons

Tiffany Berger




David Nahulak

Committee Structure – 2012

Finance Committee

This committee has general responsibility for administration of the Society of Actuaries finances and financial affairs.

Officer

Thomas S. Terry,   

Staff Liaisons

Stacy Lin

Gregory W. Heidrich

Members

Daniel P. Cassidy

William J. Falk

Tonya B. Manning

Craig W. Reynolds

Bradley M. Smith

Martine Sohler

Staff Support Persons

Tiffany Berger

David Nahulak

Committee Structure – 2012

International Committee

The SOA's International Committee is responsible for establishing and maintaining cross-functional international policy oversight and direction for activities of the Society of Actuaries outside the USA and Canada.

Officer

Darryl G. Wagner, *Chairperson*

Staff Liaison

Martha E. Sikaras

Members

Sue Blanck

Larry J. Bruning

Rod L. Bubke

Alan Cooke

Theodoros Iaponas

Wai Keung Lo

Ronald L. Poon-Affat

Craig W. Reynolds

Donald J. Segal

Thomas S. Terry

Kathleen R. Wong

Committee Structure – 2012

Issues Advisory Council

Officer

Martine Sohler, *Chairperson*

Staff Liaison

Margaret Ann Jordan

Members

C. Ian Genno

Gaetano Geretto

Jennifer L. Gillespie

Peggy L. Hauser

Gregory W. Heidrich*

Stacy Lin*

Francis P. Sabatini

Darryl G. Wagner

Donna K. Weninger

*SOA Staff Member.

Committee Structure – 2012

Leadership Development Committee

This committee is responsible to identify and develop leaders for the SOA and the actuarial profession. The committee assesses leadership needs, develops leadership criteria, defines leadership roles, establishes a leadership recruitment plan and ensures that leaders are trained and evaluated. The committee may be utilized by the Nominating Committee as necessary. This work will be done in support of the strategic plan and to improve the efficiency and effectiveness of the organization.

Officer

Donna K. Weninger, *Chairperson*

Staff Liaison

Sheree Baker

Members

Jeffrey A. Beckley

William J. Falk

Jennifer L. Gillespie

Abraham S. Gootzeit

Susan E. Pantely

Susan R. Sames

Staff Support Person

Sofi Garcia

Committee Structure – 2012

Leadership Team

This team is the principal committee for the oversight and management of the work of the Society of Actuaries. The team shall a) Report to the Board of Directors; b) Attend to operations issues; c) Provide advice and support to the Executive Director; d) Help to determine the agenda and critical issues to be addressed by the Board of Directors; e) Evaluate and determine the compensation of the Executive Director; and f) Perform other functions as delegated by the Board of Directors.

Officer

Bradley M. Smith, 

Staff Liaisons

Stacy Lin

Richard Veys

Members

Gregory W. Heidrich*

Tonya B. Manning

S. Michael McLaughlin

Donald J. Segal

Thomas S. Terry

*Executive Director

Committee Structure – 2012

Longevity Strategy Task Force

This task force will develop reports and presentations to assist the Board in setting an SOA strategy with regard to longevity.

Officer

Christopher M. Bone, *Chairperson*

Staff Liaisons

Emily K. Kessler

Andrew J. Peterson

Members

Noel John Abkemeier

Sue Blanck

Robert L. Brown

Guy D. Coughlan*

William R. Horbatt

Edward B. Martin

Marcus A. Robertson

Thomas S. Terry

Robert A.J. Waddingham

*Nonmember

Committee Structure – 2012

Nominating Committee

The primary responsibility of the Nominating Committee is to create a ballot of qualified candidates for the annual Board of Directors election. This will be accomplished by following the election process, by being familiar with the guiding documents (the SOA Bylaws, the election policies and the election guidelines) and by partnering with the Director of Governance.

Officers

Mary R. Hardy, *Chairperson*

Anne M. Button, *Vice-Chairperson*

Staff Liaison

Sheree Baker

Members

Nancy A. Behrens

Peter C. Hayes

Neville S. Henderson

Darrell D. Knapp

John C. Lloyd

Godfrey Perrott

Larry N. Stern

Staff Support Person

Sofi Garcia

Committee Structure – 2012

Pension ERM Task Force

This task force is to define and articulate the science of ERM for the pension area and develop a high level strategy for making this knowledge practical for pension actuaries and CERAs.

Officer

Jeremy Gold, *Chairperson*

Staff Liaiso

Andrew J. Peterson

Members

Gavin S. Benjamin

Jessie Reid Bunting

James M. Forbush

Eric S. Friedman

Gary A. Hatfield

Ethan E. Kra

Minaz Haiderali Lalani

Thomas B. Lowman

Henry M. McMillan

Robert C. North, Jr.

Francis P. Sabatini

Gary G. Venter

Kathleen R. Wong

Staff Support Person

Susan Martz

Committee Structure – 2012

Policy Committee

The Policy Committee is responsible for (i) maintaining and updating a comprehensive set of policies providing guidance to the Board, its committees and task forces, the SOA Section Councils and SOA Staff, and (ii) advising the Board with respect to proposed amendments to the SOA Bylaws.

Officer

William J. Falk, *Chairperson*

Staff Liaisons

Sheree Baker

Richard Veys

Members

Larry J. Bruning

Valerie A. Paganelli

Susan E. Pantely

Marcus A. Robertson

Jim Toole

Staff Support Person

Cathy Powers

Committee Structure – 2012

Public Plan and Reputational Risk Task Force

Officer

William J. Falk, *Chairperson*

Staff Liaison

Emily K. Kessler

Members

Anne M. Button

Cecil D. Bykerk

Jeremy Gold

R. Evan Inglis

Thomas B. Lowman

Alan W. Milligan

Francis P. Sabatini

Staff Support Person

Susan Lamczyk

Committee Structure – 2012

Research Executive Committee

The Research Executive Committee acts on behalf of the Board to set and oversee the strategy for practice research by supporting the Sections, research committees and other groups actively involved in research and setting agendas and budgets.

Officer

C. Ian Genno, *Chairperson*

Staff Liaisons

Sara Corrough Teppema

Steven C. Siegel

Ronora E. Stryker

Members

Mark E. Alberts

J.J. Lane Carroll

Wai Sum Chan

Thomas Getzen*

Jennifer L. Gillespie

Minaz Haiderali Lalani

Marcus A. Robertson

Zenaida M. Samaniego

Staff Support Person

Barbara Scott

*Health Economics

Committee Structure – 2012

Risk Committee

The Risk Committee is responsible for establishing and maintaining the risk management framework for the SOA that supports the Board's strategic planning process, strategic decision-making and management of key risks. The committee is responsible for the following ongoing ERM processes:

- Identifying key risks and quantifying key risk exposures in terms of potential impact to the strategic plan.
- Defining risk information to support strategic decisions presented to the Board.
- Assisting the Board in defining risk tolerance and proposing options for managing risk exposures within the risk tolerance.

When the Risk Committee becomes aware of risks that need immediate attention, the committee will bring them to the attention of the Leadership Team and the Board of Directors in a timely fashion. The committee shall provide its counsel to the Leadership Team and Board regarding the development of appropriate mitigation actions.

The committee will work with SOA staff and other volunteers as necessary to carry out these responsibilities. The committee will provide reports to the Board on a regular basis, and risk governance will remain the full responsibility of the Board.

Officer

Gaetano Geretto, *Chairperson*

Staff Liaison

Stacy Lin

Members

Sue Blanck

Larry J. Bruning

Richard J. Lauria

S. Michael McLaughlin

Marcus A. Robertson

Francis P. Sabatini

Kathleen R. Wong

Staff Support Persons

Cheri Howe

Susan Mart

Committee Structure – 2012

Strategic Planning Task Force Officer

Mark J. Freedman, *Chairperson*

Staff Liaison

Margaret Ann Jordan

Members

Anne M. Button

Christian J. DesRochers

Stephen A. Eadie

Jennifer L. Gillespie

Jeremy Gold

Gregory W. Heidrich*

Ellen Z. Lamale

Stacy Lin†

Jennifer Lynn McGinnis

Cynthia S. Miller

Martine Sohier

Genghui Wu

*Executive Director.

†Deputy Executive Director and Chief Financial Officer.

Committee Structure – 2012

Interorganizational Task Force

US – Based Actuarial Organizations Form Profession Wide Task Force

The Council of US Presidents (CUSP), comprised of the Presidents and Presidents-Elect of the US-Based Actuarial Organizations, has agreed to form a profession-wide task force whose charge is to:

- Evaluate the functions carried out on behalf of the U.S.-based actuarial profession;
- Develop fundamental principles and use them to evaluate the pros and cons of various alternative organizational structures;
- Develop a potential roadmap to formulate or affirm the optimal structure of the U.S.-based profession in order to meet the needs of its members and the public it serves.

Members of the task force represent past and current leadership from all of the US based actuarial organizations. In alphabetic order, they are as follows:

Robert A. Anker

Sue Ann Collins

William J. Falk

Mark J. Freedman

Kenneth A. Kent

Mary D. Miller

Joseph L. Nichols

John P. Tierney

The task force is expected to complete its work by August 15, 2012.

It is understood that all recommendations made by this task force are not binding on any of the US based actuarial organizations and any policy decisions and actions to be taken would be left to the sole discretion and authority of the respective organizations to do as they wish.

Committee Structure – 2012

North American Actuarial Council

This is an informal body whose purposes are to coordinate activities of the actuarial organizations on this continent and to exchange views on current and long-term professional questions. Its membership consists of the 2012 presidents and presidents-elect of the following actuarial organizations:

Staff Liaison

Gregory W. Heidrich

American Academy of Actuaries

David K. Sandberg, *President*

Cecil D. Bykerk, *President-Elect*

American Society of Pension Professionals and Actuaries

Joseph A. Nichols, ACOPA, *President*

Mark K. Dunbar, ACOPA, *President-Elect*

Asociacion Mexicana de Actuarios

Luis Jesus Marcen Alvarez, *President*

Crisoforo Suarez, *Vice President*

Asociacion Mexicana de Actuarios Consultores, A.C.

Armando Orta, *President*

Jorge Fonseca, *Vice President*

Canadian Institute of Actuaries

James K. Christie, *President*

Simon R. Curtis, *President-Elect*

Casualty Actuarial Society

Patricia A. Teufel, *President*

Gary R. Josephson, *President-Elect*

Colegio Nacional de Actuarios, A.C.

Jesus Zuniga, *President*

Gerardo Sanchez, *Vice President*

Conference of Consulting Actuaries

Dale H. Yamamoto, *President*

Patricia A. Rotello, *President-Elect*

Society of Actuaries

Bradley M. Smith, *President*

Tonya B. Manning, *President-Elect*

Committee Structure – 2012

Issues Advisory Council

This is an informal body whose purposes are to coordinate activities of the actuarial organizations on this continent and to exchange views on current and long-term professional questions. Its membership consists of the 2012 presidents and presidents-elect of the following actuarial organizations:

Committee Structure – 2012

Cultivate Opportunities Team

Officer

C. Ian Genno, *Chairperson*

Staff Liaisons

Patrick Gould

Mike A. Boot

Members

Jeffrey A. Beckley

Gaetano Geretto

Jeremy Gold

Abraham S. Gootzeit

Michael K. McDermid

Susan E. Pantely

Susan R. Sames

Thomas S. Terry

Jim Toole

Committee Structure – 2012

Develop Knowledge Team

Officer

Jennifer L. Gillespie, *Chairperson*

Staff Liaisons

Emily K. Kessler

Ken Guthrie

Bruce Iverson

Members

Joan C. Barrett

J.J. Lane Carroll

Daniel P. Cassidy

C. Ian Genno

Jeremy Gold

Marcus A. Robertson

Tia Goss Sawhney

Fred Tavan

Committee Structure – 2012

Transfer Knowledge Team

Officer

Francis P. Sabatini, *Chairperson*

Staff Liaisons

Ken Guthrie

Mike A. Boot

Emily K. Kessler

Stuart Klugman

Gena Long

Members

Rod L. Bubke

Daniel P. Cassidy

Stephen A. Eadie

Peggy L. Hauser

John I. Mange

Barbara P. Niehus

Ronald L. Poon-Affat

Marcus A. Robertson

Genghui Wu

Advisors]

Samuel H. Cox

James E. Trimble

Committee Structure – 2012

Joint CAS/SOA Committee on Actuarial Diversity

This committee's mission is to facilitate the evolution of a multi-dimensional actuarial profession by recruiting quality mathematical and analytical talent from the African-American, Hispanic and Native American communities. The committee supports selected summer actuarial programs for high school students. The committee also reimburses qualified minority students who pass their first exam and offers mentoring opportunities. It shares editorial board responsibilities of the joint SOA/CAS actuarial career website: BeAnActuary.org with the Joint SOA/CAS Committee on Career Encouragement.

Officers

David M. Terne*, *Chairperson*

Fritzie Rose Archuleta, *Vice-Chairperson*

Staff Liaison

Kathryn Baker (SOA)

Members

Nicola P. Barrett

Kimberly A. Boxell

Robert F. Conger*

Lilian Y. Giraldo*

Victoria Ashley Gomez*

Brian E. Johnson*

Ramona C. Lee*

Valerie M. Lopez

Barry J. McKeown

Aran Jee-Yun Paik*

Joy-Ann C. Payne*

Arthur R. Randolph II*

James B. Rowland*

Ruth Zea*

Staff Support Person

Megan O'Neill (CAS)

*Representative of the Casualty Actuarial Society.

Committee Structure – 2012

Joint SOA/CAS Committee on Career Encouragement

This committee is responsible for increasing the recognition of the actuarial profession among students, educators and career counselors in high schools, colleges and universities. The committee develops ways to provide information on actuarial careers, such as printed and electronic recruiting material and career fairs. It shares editorial board responsibilities of the joint SOA/CAS actuarial career website: BeAnActuary.org with the Joint CAS/SOA Committee on Actuarial Diversity.

Officer

Michael John Noble, Jr., *Chairperson*

Staff Liaison

Kathryn Baker (SOA)

Members

Johnathan D. Chernick

Christian J. Coleianne*

Thomas J. DeFalco*

Jeffrey F. Deigl*

Richard Charles Frese*

Wesley John Griffiths*

R. Dale Hall

Michael James Hartshorn*

Kelly J. Hernandez*

Gary Irwin Koupf*

Erin M. Olson*

Kirk Alan Peter

David A. Pitts

Wee Keat Tan*

Erin Winters*

Staff Support Person

Megan O'Neill (CAS)

*Representative of the Casualty Actuarial Society.

Committee Structure – 2012

Develop Knowledge Team

Volunteer/Staff Partnership Responsible for this Area

Jennifer L. Gillespie, *Board Member, Board Partner for Academia*

Marcus A. Robertson, *Board Member, Board Partner for Research*

Emily K. Kessler, *Senior Fellow-Intellectual Capital*

Ken Guthrie, *Managing Director–Education*

Bruce Iverson, *Managing Director of Actuarial Research*

Committee Structure – 2012

Research Project Oversight Subcommittee

This subcommittee is responsible for coordinating budgets, planning, establishing priorities and addressing management issues specific to research projects. The chairpersons of the major research area committees are members of the subcommittee.

Officer

Marcus A. Robertson, *Chairperson*

Staff Liaison

Bruce Iverson

Members

Charles S. Fuhrer

Curtis E. Huntington

Cynthia J. Levering

Stephen L. Marco

Donna Christine Megregian

Glenn Meyers

Anna M. Rappaport

Ross A. Winkelman

Staff Support Person

Steven C. Siegel

Committee Structure – 2012

Education System-Leadership Committees

Volunteer/Staff Partnership Responsible for this Area

Francis P. Sabatini, *Vice-President*

Ken Guthrie, *Managing Director-Education*

Committee Structure – 2012

Appointments Committee

The Appointments Committee is responsible for signing off on all applicants for Education committee membership and leadership. The committee will also work with SOA staff to continuously improve the volunteer recruitment and management system and will work with the committees to recruit volunteers.

Officer

Marcus A. Robertson, *Chairperson*

Members

Ian G. Duncan

James E. Trimble

Staff Support Person

Sarah Phelps

Committee Structure – 2012

Education Steering and Coordinating Committee

This committee manages the curriculum, examination and e-Learning systems of the Society of Actuaries, including the management of all committees in the examination, curriculum and e-Learning function areas. It is proactive in the area of education policy, recommending appropriate policy actions to the Board of Directors.

Executive Group

John I. Mange, *General Chairperson*

Kathleen R. Wong, *Immediate Past General Chairperson*

Robert G. Sanford, Jr., *Curriculum Chairperson*

Brian L. Louth, *Examination Chairperson*

Stephen A. Eadie, *e-Learning Chairperson*

Mary R. Hardy, *Academic Partner*

Francis P. Sabatini, *Education Board of Directors Partner*

Gregory W. Heidrich, *Executive Director*

Ken Guthrie, *Managing Director-Education*

General Officers

Robert A. Alps, *Curriculum, Exams P, FM, MLC, MFE and C*

Karen L. Anway, *Curriculum, Retirement Benefits U.S. and Canada*

Linley Kay Baker, *e-Learning, Individual Life and Annuities U.S. and Canada*

Joan C. Barrett, *Curriculum, Group and Health*

Jeremy J. Brown, *Professionalism*

Jill K. Carpenter, *Curriculum, Fundamentals of Actuarial Practice (FAP)*

Nancy D. Davis, *Examinations, Finance/ERM*

Yan Fridman, *e-Learning, Finance, ERM and Investments*

Gary A. Hatfield, *Curriculum, Finance, ERM and Investments*

Paul S. Judd, *Examinations, Exams P and FM*

Steve J. Kopp, *Examinations, Exam C*

Minaz Haiderali Lalani, *Enterprise Risk Management Examination Curriculum Committee*

John C. Lloyd, *e-Learning, Group and Health*

William Lonergan, *Examinations, Investments*

Warren R. Luckner, *Decision Making & Communication (DMAC) and Operational Risk*

Eileen F. Luxton, *Examinations, Retirement Benefits U.S. and Canada*

James A. Miles, *Training Chairperson*

Kory J. Olsen, *e-Learning, Finance, ERM and Investments*

Daniel S. Pribe, *Examinations, Group and Health*

Dirk Sack, *Examinations, Individual Life and Annuities U.S. and Canada*

Lorne W. Schinbein, *Curriculum, Individual Life and Annuities U.S. and Canada*

Robert J. Stokes, *Examinations, Exams MLC and MFE*

Staff Support Person

Sarah Phelps

Committee Structure – 2012

Education System-Curriculum Committees

Volunteer/Staff Partnership Responsible for this Area

Francis P. Sabatini, *Vice-President*

Ken Guthrie, *Managing Director-Education*

Committee Structure – 2012

Preliminary Examinations Curriculum Committee

This joint Society of Actuaries and Casualty Actuarial Society committee is responsible for determining the course content and associated study material for the examinations on Probability (P), Financial Mathematics (FM), Actuarial Models for Financial Economics (MFE) and Construction and Evaluation of Actuarial Models (C). The SOA portion of this committee is responsible for the course content and associated study material for Actuarial Models for Life Contingencies (MLC). All these examinations are jointly known as the Preliminary Examinations (PE).

Officers

Robert A. Alps, *General Officer*

Justin J. Brenden*, *Chairperson*

Amy R. Waldhauer*, *Vice-Chairperson*

Staff Liaison

Sarah Phelps

Members

Tak Wai Chan*

Toby L. Hall

Syed Afzal Hossain

Bruce Leonard Jones

Adam Kevin Niebrugge*

Thomas Struppeck

Staff Support Person

Thomas Downey (CAS)

*F.C.A.S.

Committee Structure – 2012

Corporate Finance and ERM Curriculum Committee

This committee is responsible for determining the course content and associated study material for the Corporate Finance and ERM examination.

Officer

Jason Christopher Alleyne, *General Officer and Chairperson*

Staff Liaison

Sarah Phelps

Members

Rita Arora

Timothy C. Cardinal

Christopher M. Conrad

Nancy D. Davis

Paul G. Ferrara

Geoffrey Henry Hancock

Mary R. Hardy

Gary A. Hatfield

Stuart Klugman

Minaz Haiderali Lalani

Qiang Liu

B. John Manistre

Maria A. Milazzo

Kyle Daniel Mulholland

Kory J. Olsen

Robert G. Sanford, Jr.

Michael Wayne Schmuker

Ryan Joel Stowe

Justin Kane Swick

Kathleen R. Wong

Si Xie

Mercy T.Y. Yan

Jingjing Vicki Zhang

Renzhi Zhang

Committee Structure – 2012

Enterprise Risk Management Examination Curriculum Committee

This committee is responsible for determining the course content and associated study material for the Enterprise Risk Management examination to be first offered in Fall 2012.

Officer

Minaz Haiderali Lalani, *General Officer and Chairperson*

Henry M. McMillan, *Vice-Chairperson*

Julie A. Perks, *Vice-Chairperson*

Marcus A. Robertson, *Vice-Chairperson*

John W.C. Stark, *Vice-Chairperson*

Leston Radworth Welsh, *Vice-Chairperson*

Staff Liaison

Sarah Phelps

Committee Structure – 2012

Finance, Enterprise Risk Management and Investments Curriculum Committee

This committee is responsible for determining the course content and associated study material for courses that constitute the examinations on Finance, Enterprise Risk Management and Investment.

Officer

Gary A. Hatfield, *General Officer and Chairperson*

Staff Liaison

Sarah Phelps

Members

Jason Christopher Alleyne

Rohana S. Ambagaspitiya

Charles V. Ford

Daniel C.F. Hui

Minaz Haiderali Lalani

William Lonergan

Julie A. Perks

Pawel Piesowicz

Michael I. Wiesne

Committee Structure – 2012

General Insurance Curriculum Committee

This committee is responsible for determining the course content and associated study material for the examinations in the General Insurance fellowship track.

Officers

Joan C. Barrett, *Co-General Officer*

Clive L. Keatinge*, *Co-General Officer*

Staff Liaisons

Stuart Klugman

Sarah Phelps

Aleshia Zionce

Members

W. Scott Lennox

Jim Toole

*F.C.A.S.

Committee Structure – 2012

Group and Health Curriculum Committee

This committee is responsible for determining the course content and associated study material for the Group and Health Company/Sponsor Perspective and Design and Pricing Examinations.

Officer

Joan C. Barrett, *General Officer and Chairperson*

Staff Liaison

Sarah Phelps

Members

Laura Elizabeth Barrows

Nicolas Boutin

Thomas P. Carlson

Robert Gordon Cosway

Glenn E. Crouse

Jordan Wesley Erp

Paul Andrew Kennedy

Amy Pahl

Rick S. Pawelski

Daniel Brian Schnur

Karen A. Shelton

Kwame Mario Hew Smart

Michael D. Sydlaske

Ali A. Zaker-Shahrak

Committee Structure – 2012

Individual Life and Annuities Curriculum Committee

This committee is responsible for determining the course content and associated study material for the Individual Life and Annuities Company/Sponsor Perspective Examination and the Design and Pricing Examination.

Officer

Lorne W. Schinbein, *General Officer and Chairperson*

Staff Liaison

Sarah Phelps

Members

John Michael Ah-Fat

Elizabeth Chen

Joseph Edward Farrell

Jia Ge

Michelle Gibbs

Dwayne S. McGraw

Michael W. Santore

Hannah Lily Suh

Douglas S. Van Dam

Kenneth S. Vande Vrede

Leston Radworth Welsh

Committee Structure – 2012

Retirement Benefits Curriculum Committee

This committee is responsible for determining the course content and associated study material for the Retirement Design and Pricing and Company/Sponsor Perspective Examinations for the U.S. and Canada.

Officer

Karen L. Anway, *General Officer and Chairperson*

Staff Liaison

Sarah Phelps

Members

Richard C. Fulljames

Geoffrey M. Gibson

Kayee Ng

Andrew J. Peterson

Robert G. Sanford, Jr.

Josh A. Shapiro

David W. Vanderweide

Alexandru Zaharia

Committee Structure – 2012

Assessment Development Committee

This committee is responsible for developing, updating, maintaining and grading the Interim and Final Assessments.

Officers

Jacob O. McCoy, *General Officer*

Mark E. Bracher, *Chairperson*

Staff Liaison

Stuart Klugman

Members

Jeffrey Paul Dotterer

Paul G. Ferrara

Andrew Elliott Gillies

Nicholas Anthony Jacobi

Carly E. Lavin

Kathryn Anne Watts

Staff Support Person

Leslie Fausher

Committee Structure – 2012

Corporate Finance & ERM (CFE) e-Learning Module Committee

This committee is responsible for developing, updating and maintaining module content and activities.

Officer

Kory J. Olsen, *General Officer*

Staff Liaison

Sherri Blyth

Members

Rita Arora

B. John Manistre

Ryan Joel Stowe

Staff Support Person

Jeffrey Ryan

Committee Structure – 2012

Decision Making and Communication Module Committee

This committee is responsible for developing, updating and maintaining module content and assessments.

Officers

Warren R. Luckner, *General Officer*

William S. Bade, *Chairperson*

Staff Liaisons

Judy Powills

Sherri Blyth

Staff Support Person

Jeffrey Ryan

Committee Structure – 2012

Decision Making and Communication Module Grading Committee

This committee is responsible for grading the Decision Making and Communication assignments submitted by candidates.

Officer

Debra S. Liebeskind, *Chairperson*

Staff Liaison

Stuart Klugman

Staff Support Persons

Leslie Fausher

Kim Tice

Committee Structure – 2012

Financial and Health Economics Module Committee

This committee is responsible for developing, updating and maintaining module content and activities.

Officers

Yan Fridman, *General Officer*

To be determined, *Chairperson*

Staff Liaison

Stuart Klugman

Staff Support Person

Sherri Blyth

Committee Structure – 2012

Financial Reporting Module Committee

This committee is responsible for developing, updating and maintaining module content and activities.

Officers

Kory J. Olsen, *General Officer*

Kristin A. Schaefer, *Chairperson*

Staff Liaison

Sherri Blyth

Staff Support Person

Jeffrey Ryan

Committee Structure – 2012

Fundamentals of Actuarial Practice (FAP) Curriculum Committee

This committee is responsible for developing, updating and maintaining course content and activities and for monitoring the online discussion forum.

Officers

Jill K. Carpenter, *General Officer*

Adrienne Whetstone, *Chairperson, Module 1*

Mark J. Jamilkowski, *Chairperson, Module 2*

Marcus A. Robertson, *Chairperson, Module 3*

Paul Thomas Lupica, *Chairperson, Module 4*

James Head and Michael C. Ryan, *Co-Chairpersons, Module 5*

David M. Liner, *Chairperson, Module 6*

Matthew James Hayes, *Chairperson, Module 7*

Adrienne Whetstone, *Chairperson, Module 8*

Matthew James Hayes, *Vice-Chairperson*

Staff Liaisons

Judy Powills

Stuart Klugman

Sherri Blyth

FAP Module Committee Members

Kareen Rose-Anne Dorsett

Ryan Patrick Morgan

Staff Support Person

Jeffrey Ryan

Committee Structure – 2012

Fundamentals of Actuarial Practice (FAP) Final Assessment Grading Committee

This committee is responsible for grading the course Final Assessment.

Officer

Raymond Sy Liu, Chairperson

Staff Liaison

Stuart Klugman

Staff Support Persons

Leslie Fausher

Kim Tice

Committee Structure – 2012

Fundamentals of Actuarial Practice (FAP) Interim Assessment Grading Committee

This committee is responsible for grading the course Interim Assessment.

Officer

Peter Gerard Rossi, *Chairperson*

Staff Liaison

Stuart Klugman

Staff Support Persons

Leslie Fausher

Kim Tice

Committee Structure – 2012

Health Foundations Module Committee

This committee is responsible for developing, updating and maintaining module content and activities.

Officer

Heather A. Waldron, *General Officer*

Staff Liaison

Sherri Blyth

Staff Support Person

Jeffrey Ryan

Committee Structure – 2012

Investment Strategy Module Committee

This committee is responsible for developing, updating and maintaining module content and activities.

Officer

Yan Fridman, *General Officer*

Staff Liaison

Sherri Blyth

Staff Support Person

Jeffrey Ryan

Committee Structure – 2012

Pricing, Reserving and Forecasting Module Committee

This committee is responsible for developing, updating and maintaining module content and activities.

Officer

Heather A. Waldron, *General Officer*

Members

Juan Lazaro Herrera

Ngoc Trang

Yu Zheng

Staff Liaison

Sherri Blyth

Staff Support Person

Jeffrey Ryan

Committee Structure – 2012

Quantitative Financial Investments Module Committee

The purpose of this committee is to create an e-Learning module that is part of the FSA:
Quantitative Financial track.

Officer

Yan Fridman, *General Officer*

Staff Liaison

Sherri Blyth

Members

Barry Freedman

Qiang Liu

Dongyue Zhang

Staff Support Person

Jeff Ryan

Committee Structure – 2012

Regulation and Taxation Module Committee

This committee is responsible for developing, updating and maintaining module content and activities.

Officers

Linley Kay Baker, *General Officer*

Kenneth E. Westover, *Chairperson*

Staff Liaison

Sherri Blyth

Staff Support Person

Jeffrey Ryan

Committee Structure – 2012

Social Insurance Module Committee

This committee is responsible for developing, updating and maintaining module content and activities.

Officers

To be determined, *General Officer*

Staff Liaison

Judy Powills

Member

Karen P. Glenn

Staff Support Persons

Sherri Blyth

Jeffrey Ryan

Committee Structure – 2012

Validation by Educational Experience (VEE) Administration Committee

This committee oversees the administration of the VEE requirement including the review and approval of appropriate VEE courses/experiences and sets policy with regard to special VEE requests.

Officer

Richard Cambran Soulsby*, *Chairperson*

Staff Liaisons

Stuart Klugman

Gena Long

Judy Carney

Thomas Downey (CAS)

Members

Bruce Leonard Jones

Aaron Tenenbein

Rebecca Williams*

*Member of AAA and CAS.

Committee Structure – 2012

Examination P Committee

This committee is responsible for the development of the examination for P.

Officers

Paul S. Judd, *General Officer*

Glenn M. Walker*, *General Officer*

George L. De Graaf, *Chairperson*

Jennifer Lynn Meyer,* *Vice–Chairperson*

Staff Liaison

Brett Rogers

Members

Robert A. Alps

Kevin Christopher Conway*

John S. Giles*

Leslie Marie Jarvi

Clive L. Keatinge*

George G. Morrison III

Ho Kuen Ng

Arthur C. Placek*

Anthony L. Render

Consultants

Ralph P. Russo†

Gerald J. Shaughnessy‡

Staff Support Person

Sarah Phelps

Examinations P, FM, MFE and C are jointly administered with the Casualty Actuarial Society.

*Representative of Casualty Actuarial Society.

†Department of Statistics, University of Iowa.

‡Department of Mathematics and Statistics, University of Dayton.

Committee Structure – 2012

Examination FM Committee

This committee is responsible for the development of the examination for FM.

Officers

Paul S. Judd, *General Officer*

Stephen L. Kossman, *Chairperson*

Fernando Alberto Alvarado*, *Vice–Chairperson*

Staff Liaison

Brett Rogers

Consultant

John Sauter

Members

Jonathan P. Abraham

Robert A. Alps

Scott Gerard Burke*

Frank H. Chang*

Alice Cheng*

Ling Gu

Lily K.L. Harger*

Randall A. Jacobson*

Megan Sue Johnson*

Adrian Kryszak

Vinu Kuriakose*

Robert Lamarche

Raymond Sy Liu

Xin Lu

Benjamin Lynch*

Vahan A. Mahdasian*

Christina Abbott McArthur*

Terence R. Narine

Glenn M. Walker*

Tiffany Lu Wang

Staff Support Person

Sarah Phelps

Examinations P, FM, MFE and C are jointly administered with the Casualty Actuarial Society

*Representative of Casualty Actuarial Society.

Committee Structure – 2012

Examination M Life Contingencies Segment Committee

This committee is responsible for the development of the life contingencies segment of Examination M.

Officers

Robert J. Stokes, *General Officer*

Kenneth Bonvallet, *Chairperson*

Thomas Karoly, *Vice-Chairperson*

Barry M. Koklefsky, *Vice-Chairperson*

Michel Montambeault, *Vice-Chairperson*

Staff Liaison

Brett Rogers

Members

Jessica Ou Dang

Simon Dumas

Trevor Arthur Fuhrman

Christopher Groendyke

Leonard K. Helfgott

Russell Jay Hendel

Michael D. Kula

Louis-Marie Pomainville

Daria Romanov

Thomas Struppeck*

Anthony J. Torelli

Emiliano Andres P. Valdez|

Stephen L. White

Staff Support Person

Sarah Phelps

*Liaison, Casualty Actuarial Society.

Committee Structure – 2012

Examination M Financial Economics Segment Committee

This committee is responsible for the development of the financial economics segment of examination M.

Officers

Robert J. Stokes, *General Officer*

Christopher John Olsen*, *Chairperson*

Andrew Ching Ng, *Vice–Chairperson*

Staff Liaison

Brett Rogers

Consultants

Phelim Boyle

Adam W. Kolkiewicz

Members

Hungchi Andy Chang*

Paul Chow

Alberto Luis Dominguez\

Kent Holbrook

Liang Hong

Natalia A. Humphreys

William J. Klunk

Liming Lin*

Bell F. Ouelega

S. Conor Rankin

William Paige Rudolph*

Karen Ann Scott*

Jiyang Song*

Toby A. White

Yulai Yang*

Yue Zhang*

Staff Support Person

Sarah Phelps

Examinations P, FM, MFE and C are jointly administered with the Casualty Actuarial Society.

*Representative of Casualty Actuarial Society.

Committee Structure – 2012

Examination C Committee

This committee is responsible for the development of the examination for C.

Officers

Steve J. Kopp, *General Officer*

Nasser Hadidi,* *Chairperson*

Kristopher K. Presler, *Vice–Chairperson*

Staff Liaison

Brett Rogers

Consultants

Sudhakar Dharmadhikari†

Robert B. Miller‡

Members

Kevin Scot Burke*\

Olga Golod*

Jason Israel*

Walter B. Lowrie

Teresa K. Paffenback*

Anne L. Treankler

Tony A. Van Berkel*

Zorast Wadia

Staff Support Person

Sarah Phelps

Examinations P, FM, MFE and C are jointly administered with the Casualty Actuarial Society.

*Representative of Casualty Actuarial Society.

†Consultant; Professor of Mathematics, Southern Illinois University at Carbondale.

‡Consultant; Professor of Business and Statistics, University of Wisconsin at Madison.

Committee Structure – 2012

Joint Examination Administration Committee (JEAC)

This SOA/CAS committee is responsible for administrative issues for jointly administered examinations: Courses P/1, FM/2, MFE/3F and C/4. The committee reviews administrative procedures to ensure that rules are compatible with the rules of each society and that rule modifications are approved by both societies.

Officers

Arthur C. Placek*, *Chairperson*

Steve J. Kopp, *Vice-Chairperson*

Staff Liaisons

Thomas Downey (CAS)

Brett W. Rogers (SOA)

Members

Robert A. Alps

Paul S. Judd

Robert J. Stokes

Thomas Struppeck*

*F.C.A.S.

Committee Structure – 2012

EA-1 Examination Committee

This committee is responsible for the development of questions for the EA–1 examination. These questions are then submitted to the Joint Board Advisory Group on Actuarial Examinations, the American Society of Pension Professionals and Actuaries and the Society of Actuaries for creating the final examinations.

Officers

John J. Whitaker, *Chairperson*

Steve A. Lemanski, *Vice–Chairperson*

Staff Liaison

Brett Rogers

Members

Eric Boyd Feinstein

Ralph Garfield

Daniel E. Kirner

Thomas S. Tredway

Advisor

Carl Shalit

Staff Support Person

Jane Lesch

*EA–1 is also the basic enrollment examination jointly administered with the Joint Board for the Enrollment of Actuaries and the American Society of Pension Professionals and Actuaries.

Committee Structure – 2012

EA-2 (Segment A) Examination Committee

This committee is responsible for the development of questions for the EA–2 (Segment A) examination. These questions are then submitted to the Joint Board Advisory Group on Actuarial Examinations, the American Society of Pension Professionals and Actuaries and the Society of Actuaries for creating the final examinations.

Officers

Robert K. Beideman, Co-Chairperson

Guodong Li, Vice–Co-Chairperson

Staff Liaison

Brett Rogers

Members

Raymond D. Berry

Andrew C. Forgrave†

Steven Michael Hastings

Jong Geol Kim

Wendy Tucker Ludbrook

Laura L. Mitchell†

Rebecca M. Picotte

Randy Mathew Pothier‡

Steven E. Ruiter

Julius Smetona†

Briana S. Summers

Zorast Wadia

Advisor

Carl Shalit

Staff Support Person

Jane Lesch

*EA-2 (Segment A) is also the pension enrollment examination jointly administered with the Joint Board for the Enrollment of Actuaries and the American Society of Pension Professionals and Actuaries.

†Representative of American Society of Pension Professionals and Actuaries.

‡Enrolled Actuary.

Committee Structure – 2012

EA-2 (Segment B) Examination Committee

This committee is responsible for the development of questions for the EA–2 (Segment B) examination. These questions are then submitted to the Joint Board Advisory Group on Actuarial Examinations, the American Society of Pension Professionals and Actuaries and the Society of Actuaries for creating the final examinations.

Officers

Keith L. Nicholst, *Chairperson*

Jewel B. Barlow, Jr., *Vice–Chairperson*

Staff Liaison

Brett Rogers

Members

Glen A. Archinal†

Bethany Axtman

John C. Baratka†

Martin A. Burger

Anna Christine Chiocca

William Jason Connolly‡

Joshua Alton Davis

Steven M. Goldman

Griffin John Bennett Lothrop

Kathleen Ann Schroedert†

Michael W. Spaid

Peggy Anne Thibault‡

Advisor

Carl Shalit

Staff Support Person

Jane Lesch

*EA-2 (Segment B) is also the pension enrollment examination jointly administered with the Joint Board for the Enrollment of Actuaries and the American Society of Pension Professionals and Actuaries.

†Representative of American Society of Pension Professionals and Actuaries.

‡Enrolled Actuary.

Committee Structure – 2012

Financial Economic Theory and Engineering Examination Committee

This committee is responsible for the development and grading of the Financial Economic Theory and Engineering Examination.

Officers

William Lonergan, *General Officer*

Charles V. Ford, *Chairperson*

Rohana S. Ambagaspitiya, *Vice-Chairperson*

Ching-Chen Chen, *Vice-Chairperson*

Craig A. Doughty, *Vice-Chairperson*

Jonathan S. Hede, *Vice-Chairperson*

John Daniel Mahoney, *Vice-Chairperson*

Staff Liaison

Sarah Phelps

Committee Structure – 2012

Advanced Finance and Enterprise Risk Management Examination Committee

This committee is responsible for the development and grading of the Advanced Finance and Enterprise Risk Management Examination.

Officers

Nancy D. Davis, *General Officer*

Ravi K. Bhandari, *Chairperson*

Sean J. Conrad, *Vice-Chairperson*

Arthur Craig DeAlmeida, *Vice-Chairperson*

John G. Di Meo, *Vice-Chairperson*

Yan Fridman, *Vice-Chairperson*

Kip F. Headley, *Vice-Chairperson*

Jeanette Elizabeth Manning, *Vice-Chairperson*

Staff Liaison

Sarah Phelps

Committee Structure – 2012

Advanced Finance Examination Committee

This committee is responsible for the development and grading of the Advanced Finance (AdvF) Examination.

Officers

Nancy D. Davis, *General Officer*

Arthur Craig DeAlmeida, *Chairperson*

Timothy C. Cardinal, *Vice-Chairperson*

Kip F. Headley, *Vice-Chairperson*

Jeanette Elizabeth Manning, *Vice-Chairperson*

Matthew A. Monson, *Vice-Chairperson*

Staff Liaisons

Sarah Phelps

Aleshia Zionce

Committee Structure – 2012

Advanced Portfolio Management Examination Committee

This committee is responsible for the development and grading of the Advanced Portfolio Management Examination.

Officers

William Lonergan, *General Officer*

Pawel Piesowicz, *Chairperson*

Rohana S. Ambagaspitiya, *Vice-Chairperson*

Michael Kwan Yu Chan, *Vice-Chairperson*

Shaoping Ted Chang, *Vice-Chairperson*

Frederick Yiu Fai Ngan, *Vice-Chairperson*

Timothy Yi, *Vice-Chairperson*

Henry Yim, *Vice-Chairperson*

Staff Liaison

Sarah Phelps

Committee Structure – 2012

Group and Health Company/Sponsor Perspective Examination Committee

This committee is responsible for the development and grading of the Group and Health Company/Sponsor Perspective (CSP) Examination.

Officers

Daniel S. Pribe, *General Officer*

Jeffrey J. Drzazgowski, *Chairperson*

Gregory G. Fann, *Vice-Chairperson*

Olga T. Jacobs, *Vice-Chairperson*

Clarence E. Tipton, *Vice-Chairperson*

Staff Liaison

Sarah Phelps

Committee Structure – 2012

Group and Health Design/Pricing Examination Committee

This committee is responsible for the development and grading of the Group and Health Design and Pricing Examination.

Officers

Daniel S. Pribe, *General Officer*

Stella–Ann Menard, *Chairperson*

Harry Hotchkiss, *Vice–Chairperson*

Mark E. McGuire, *Vice–Chairperson*

James P. Meidlinger, *Vice–Chairperson*

Maureen A. Premdas, *Vice–Chairperson*

David M. Tuomala, *Vice–Chairperson*

Staff Liaison

Sarah Phelps

Committee Structure – 2012

Individual Life and Annuities U.S. and Canada Company/Sponsor Perspective Examination Committee

This committee is responsible for the development and grading of the Individual Life and Annuities U.S. and Canada Company/Sponsor Perspective (CSP) Examination.

Officers

Dirk Sack, General Officer

Suzette L. Huovinen, *Chairperson*

John L. Blocher, *Vice-Chairperson*

Margaret Ingrid Brandl, *Vice-Chairperson*

Brad Crafton, *Vice-Chairperson*

M. Kirk Hutchison, *Vice-Chairperson*

Theresa H. Lee, *Vice-Chairperson*

Donna L. Mann-Campbell, *Vice-Chairperson*

Selina S. McDonald, *Vice-Chairperson*

Lan P. Tong, *Vice-Chairperson*

Lisa N. Zwicker, *Vice-Chairperson*

Staff Liaison

Sarah Phelps

Committee Structure – 2012

Individual Life and Annuities U.S. and Canada Design/Pricing Examination Committee

This committee is responsible for the development and grading of the Individual Life and Annuities U.S. and Canada Design and Pricing Examination.

Officers

Dirk Sack, *General Officer*

M. Kirk Hutchison, *Chairperson*

Quentin M. Doll, *Vice-Chairperson*

Brian W. Fardy, *Vice-Chairperson*

Donna L. Mann-Campbell, *Vice-Chairperson*

Diane Mastronardi, *Vice-Chairperson*

Albert Richard Na, *Vice-Chairperson*

Eric H. Petersen, *Vice-Chairperson*

Amanda E. Young, *Vice-Chairperson*

Staff Liaison

Sarah Phelps

Committee Structure – 2012

Retirement Benefits U.S. and Canada Company/Sponsor Perspective Examination Committee

This committee is responsible for the development and grading of the Retirement Benefits U.S. and Canada Company/Sponsor Perspective Examination.

Officers

Eileen F. Luxton, *General Officer*

Brad Edward Ramirez, *Chairperson*

Ken K.F. Choi, *Vice-Chairperson*

David Louis Palmerino, *Vice-Chairperson*

John Robert Richards, *Vice-Chairperson*

Shaun K. White, *Vice-Chairperson*

Staff Liaisons

Sarah Phelps

Joseph J. Silvestri

Committee Structure – 2012

Retirement Benefits U.S. and Canada Design/Pricing Examination Committee

This committee is responsible for the development and grading of the Retirement Benefits U.S. and Canada Design and Pricing Examination.

Officers

Eileen F. Luxton, *General Officer*

Karen Marlayne Burnett, *Chairperson*

Karen L. Anway, *Vice-Chairperson*

Terry S. Chan, *Vice-Chairperson*

King-Chong Karen Cheung, *Vice-Chairperson*

Ian Claveau, *Vice-Chairperson*

Christopher Eric Flohr, *Vice-Chairperson*

Takami Ganaha, *Vice-Chairperson*

Jeffrey Royal Holloway, *Vice-Chairperson*

Nathan Royce LaPierre, *Vice-Chairperson*

Simeon H. Ling, *Vice-Chairperson*

Faisal Siddiqi, *Vice-Chairperson*

Chad Spence, *Vice-Chairperson*

Zorast Wadia, *Vice-Chairperson*

Maria Zaharia, *Vice-Chairperson*

Staff Liaisons

Sarah Phelps

Joseph J. Silvestri

Committee Structure – 2012

Education System-Professionalism Committee

Volunteer/Staff Partnership Responsible for this Area

Francis P. Sabatini, *Vice-President*

Ken Guthrie, *Managing Director-Education*

Committee Structure – 2012

Professionalism Education Management Committee

This committee maintains, updates and develops material used (including case studies) and manages the Associateship Professionalism Course and the Fellowship Admissions Course.

Officer

Jeremy J. Brown, *Chairperson*

Staff Liaison

Martha E. Sikaras

Members

Andrea Bykerk Christopherson

Linden N. Cole

Peter Hepokoski

John M. Higgins

Debra S. Liebeskind

Charly J. Pazdor

Jason A. Vary*

Staff Support Person

Doreen Tan

*CIA Liaison.

Committee Structure – 2012

Academic Committees

Volunteer/Staff Partnership Responsible for this Area

Jennifer L. Gillespie, *Board Member*

Ken Guthrie, *Managing Director-Education*

Committee Structure – 2012

Centers of Actuarial Excellence Appeals Board (CAB)

Officer

Kathleen R. Wong, *Chairperson*

Staff Liaisons

Emily K. Kessler

Gena Long

Members

Christopher M. Bone

Thomas P. Edwalds

Jeremy Gold

Martine Sohier

Staff Support Person

Antonia Coffelt

Committee Structure – 2012

Centers of Actuarial Excellence Evaluation Committee (CEC)

Officer

Valerie A. Paganelli, *Chairperson*

Staff Liaisons

Emily K. Kessler

Stuart Klugman

Gena Long

Members

Andrea Bykerk Christopherson

C. Ian Genno

R. Dale Hall

Christian-Marc Panneton

Tia Goss Sawhney

Faculty Advisors

Claire Bilodeau

Emiliano Andres P. Valdez

Staff Support Persons

Antonia Coffelt

Wai Ling Yung

Committee Structure – 2012

Centers of Actuarial Excellence Grants Committee (CGC)

Officer

Jennifer L. Gillespie, *Chairperson*

Staff Liaisons

Emily K. Kessler

Stuart Klugman

Members

Rodney J. Chandler

Edward W. Frees

Stephen G. Kellison

Jeffrey S. Pai

Marcus A. Robertson

P.J. Eric Stallard

Kathleen R. Wong

Virginia Ruth Young

Staff Support Persons

Jan Schuh

Ronora Stryker

Sara Corrough Teppema

Committee Structure – 2012

James C. Hickman Scholar Program Awards Committee

The James C. Hickman Scholar Program Awards Committee is charged with overseeing the SOA's James C. Hickman Scholar Awards Program. The program is designed to increase the number of academic actuaries who hold a PhD and an actuarial designation, and who intend to pursue academic careers in the United States or Canada. Renewable stipends are provided to doctoral candidates who through their studies address research and education needs of the profession (both theoretical and practical aspects). The committee oversees the annual application process, reviews the applications and makes final recommendations regarding award recipients.

Officer

Nariankadu D. Shyamalkumar, *Chairperson*

Staff Liaisons

Gena Long

Stuart Klugman

Members

Claire Bilodeau

Andrea Bykerk Christopherson

Christopher Groendyke

Warren R. Luckner

Staff Support Person

Antonia Coffelt

Committee Structure – 2012

ARCH

This board edits and publishes ARCH, the Actuarial Research Clearing House, under the direction of the Education and Research Section Council.

Editors

Charles S. Fuhrer, *Co-Editor*

Arnold F. Shapiro, *Co-Editor*

Staff Liaison

Erika Schulty

Members

Jacques F. Carriere*

Samuel H. Cox

Walter B. Lowrie

S. David Promislow

Elias S. Shiu

*Nonmember.

Committee Structure – 2012

Editorial Board – The Actuary

This board edits and publishes The Actuary, the SOA's magazine.

Staff Liaisons

Karen Perry

Sam Phillips

Contributing Editors

Corin R. Chapman

Peter C. Hayes

David N. Ingram

Catherine Denise Lyn

Thomas A. Phillips

James Ramenda

Susan R. Sames

Ross A. Winkelman

Ruth Ann Woodley

Committee Structure – 2012

Editorial Board – The Future Actuary

This board reviews and publishes The Future Actuary, the student newsletter of the Casualty Actuarial Society and the Society of Actuaries.

Officer

Claire Bilodeau, *Chairperson*

Staff Liaison

Kathryn Baker (SOA)

Members

Wei Zou Ang*

Jerome Boucher†

Terrence Yi Fung Chint

Manisha Dias†‡

Yang Russell Gao

Jessica Lynne Kachur

Ran Li†

Maambo Mujala†

Hyun-Kyung Rachel Min

Zijun Song*

Staff Support Person

Thomas Downey (CAS)

*Candidate Representative.

†Student Representative.

‡ASNA Representative.

Committee Structure – 2012

Editorial Board – North American Actuarial Journal

This board processes papers submitted for publication in the North American Actuarial Journal by assigning referees, making decisions regarding the suitability of papers in accordance with the Submission Guidelines for Authors, assisting with technical editing and recruiting discussants. The board also awards the Annual Prize.

Editor

Mary R. Hardy

Staff Liaison

Kathryn Baker

Co-Editors

Enrique de Alba

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A. Grant Hemphill

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Marjorie A. Rosenberg

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*F.F.A., F.I.A.A.

†Associate Dean and Head of Faculty, City University, London, England

‡Director, Risk Management and Insurance Program, and Gus Wortham Memorial Chair in
Risk Management and Insurance, University of Texas at Austin.

Committee Structure – 2012

Professional Development Committees

Volunteer/Staff Partnership Responsible for this Area

Peggy L. Hauser, *Board Member*

Ken Guthrie, *Managing Director-Education*

Committee Structure – 2012

Professional Development Committee

The Professional Development Committee is charged with ensuring that the SOA's Professional Development Program meets the diverse development needs of the profession and provides the highest quality learning experiences. The PDC shall ensure that the program is focused on both current and forward-looking technical and non-technical content, making appropriate use of instructional technologies to assure timeliness of, and broad access to, relevant and engaging programming.

Officer

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Judy Powills*

Robert G. Sanford, Jr., *Curriculum Chairperson*

Lisa A. Schilling, *Pension*

*Senior Director-Curriculum and Content Development.

Committee Structure – 2012

Health Meeting Program Committee

This committee plans programs for Society of Actuaries health meetings in accordance with policies established by the Board of Directors, and advises and assists in presentation of the programs.

Officers

Daniel W. Bailey, *Chairperson*

Karl Glen Volkmar, *Vice-Chairperson*

Staff Liaisons

Meg Weber

Kristi M. Bohn

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Parshva Rajendra Shah*, *Actuary of the Future Section*

Charles S. Fuhrer, *Education and Research Section*

D. Joeff Williams, *Entrepreneurial Actuaries Section*

Brian Charles Grossmiller, *Forecasting and Futurism Section*

Theodoros Iaponas, *International Section*

Susan M. Cleaver†, *Joint Risk Management Section*

Laurel A. Kastrup, *Long-Term Care Insurance Section*

Olga T. Jacobs, *Management and Personal Development Section*

David Nussbaum, *Reinsurance Section*

Erik Matthew Gravelle, *Smaller Insurance Company Section*

Janet M. Carstens, *Social Insurance and Public Finance Section*

Albert Jeffrey Moore, *Technology Section*

Staff Support Persons

Kerri Leo

Jill Leprich

*Nonmember.

†F.C.A.S.

Committee Structure – 2012

Life and Annuity Symposium Committee

This committee plans programs for Society of Actuaries life and annuity symposia in accordance with policies established by the Board of Directors, and advises and assists in presentation of the programs.

Officer

Terry M. Long, *Chairperson*

Staff Liaisons

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Meg Weber

Members

Peter Adam Brot, *Actuary of the Future Section*

Hezhong Ma, *Actuary of the Future Section*

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Derek Michael Kueker, *Entrepreneurial Actuaries Section*

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Ben H. Wolzenski, *Forecasting and Futurism Section*

Lina Xu, *International Section*

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Ryan Joel Stowe, *Investment Section*

Jason Christopher Alleyne, *Joint Risk Management Section*

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Stephanie Anne Grass, *Product Development Section*

Kurt A. Guske, *Product Development Section*

Mitchell R. Katcher, *Product Development Section*

Joseph Kordovi, *Product Development Section*

Vera Ljucovic, *Product Development Section*

Timothy L. Rozar, *Product Development Section*

Robert P. Stone, *Product Development Section*

Jeremy Lee Lane, *Reinsurance Section*

Philip Ferrari, *Smaller Insurance Company Section*

To be determined, *Taxation Section*

Albert Jeffrey Moore, *Technology Section*

To be determined, *Professional Development Committee*

Donna Christine Megregian, *Life Product Team Leader*

Staff Support Person

Amy Wojcik

Committee Structure – 2012

Annual Meeting Program Committee

This committee plans programs for Society of Actuaries annual meetings in accordance with policies established by the Board of Directors, and advises and assists in presentation of the programs.

Officer

Susan J. Saip, *Chairperson*

Jennifer Lynn McGinnis, *Professional Development Committee Representative*

Staff Liaisons

Mike A. Boot

Meg Weber

Members

Brian Charles Grossmiller, *Actuary of the Future Section*

Thomas N. Herzog, *Education and Research Section*

Joseph M. Weiss, *Entrepreneurial Actuaries Section*

Matthew P. Clark, *Financial Reporting Section*

Alberto A. Abalo, *Forecasting and Futurism Section*

Valerie F. Nelson, *Health Section*

Dewayne E. Ullsperger, *Health Section*

Sunil W. Sen, *International Section*

Lina Xu, *International Section*

Jonathan Hobbs, *Investment Section*

David Serge Schraub, *Joint Risk Management Section*

Sivakumar Desai, *Long-Term Care Insurance Section*

Jennifer M. Fleck, *Management and Personal Development Section*

Olga T. Jacobs, *Management and Personal Development Section*

Richard C. Pretty, *Marketing and Distribution Section*

Thomas M. Sablak, *Pension Section*

Rhonda R. Elming, *Product Development Section*

Mitchell R. Katcher, *Product Development Section*

Eric J. Carlson, *Reinsurance Section*

Philip Ferrari, *Smaller Insurance Company Section*

Jeffrey Mark Rykhus, *Social Insurance and Public Finance Section*

Ali A. Zaker-Shahkar, *Social Insurance and Public Finance Section*

Stephanie Lynn Burmester, *Taxation Section*

Christopher David Olechowski, *Technology Section*

Staff Support Person

Amy Wojcik

Committee Structure – 2012

Valuation Actuary Symposium Committee

This committee plans programs for Society of Actuaries Valuation Actuary Symposia in accordance with policies established by the Board of Directors, and advises and assists in presentation of the programs.

Officer

Craig W. Reynolds, *Chairperson*

Staff Liaison

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Members

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Peter Adam Brot

Nathan A. Campbell

Steven C. Chamberlin

Jerry F. Enoch

Peter S. Hou

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Albert Jeffrey Moore

Douglas L. Robbins

William M. Sayer

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Norman M. Storwick

Donald M. Walker

Stephanie M. Weist

Staff Support Person

Kerri Leo

Committee Structure – 2012

Committee on Knowledge Extension Research

This committee initiates and manages research for the Society of Actuaries beyond the scope of current recognized major practice areas.

Officers

Curtis E. Huntington, *Chairperson*

Virginia Ruth Young, *Vice-Chairperson*

Staff Liaison

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Members

Douglas C. Borton

Sarah L.M. Christiansen

Ronald Gebhardtsbauer

Richard W. Gorvett*

Gary Parker

S. David Promislow

Marjorie A. Rosenberg

David P.M. Scollnik

Staff Support Person

Erika Schulty

*Liaison Representative from Casualty Actuarial Society.

Committee Structure – 2012

Committee on Life Insurance Company Expenses

This committee investigates and evaluates various aspects of life insurance company expenses to further knowledge with respect to these expenses. These efforts may be directed at updating the "Generally Recognized Expense Table" for use in sales illustrations in the United States.

Officers

Sam Gutterman, *Co–Chairperson*

Timothy F. Harris, *Co–Chairperson*

Staff Liaison

Steven C. Siegel

Members

Mary J. Bahna-Nolan

John Thomas Condo

John L. Dark*

Armand M. de Palo

Robert A. DiRico

John M. Fenton

Sharon Giffen

Diana Lynn Goodman

R. Dale Hall

Robert J. Johansen

Joseph A. Kenny

Kathy Krozel†

Michael D. Kula

Leon L. Langlitz

Philip Mark Nelson

Kamran Quavi

Thomas E. Rhodes

John P. Richardson

Staff Support Person

Barbara Scott

*Liaison representative from the Canadian Institute of Actuaries.

†Liaison representative from LIMRA International.

Committee Structure – 2012

Committee on Life Insurance Mortality and Underwriting Surveys

This committee is to oversee and conduct surveys on topics related to underwriting practices and mortality experience on life insurance and annuities.

Officers

David N. Wylde, *Chairperson*

Richard L. Bergstrom, *Vice–Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

Roger K. Annin

Mary J. Bahna–Nolan

David M. Bruggeman

Suzanne E. Chapa

Michael H. Choate

Nadeem Chowdhury

Rodney P. Cordle

Constance E. Dewar

Mark Dion*

Gordon A. Gibbins

Anna Hart*

Allen M. Klein

Everett Kunzelman*

Thomas D. McCarthy*

Sharon Smith*

Mark Swanson

William Tilford*

Staff Support Person

Korrel Rosenberg

*Underwriting professional.

Committee Structure – 2012

Committee on Life Insurance Research

This committee initiates the development of technical studies and analyses primarily for the purpose of providing the membership with information that will be of utility and interest, particularly to actuaries specializing in the practice area of life insurance.

Officer

Donna Christine Megregian, *Chairperson*

Staff Liaison

Ronora Stryker

Members

Mark E. Alberts

Jeffrey A. Beckley

J.J. Lane Carroll

Prannoy Chaudhury

Audrey A. Chervansky

Susan T. Deakins

Thomas P. Edwalds

Jeffrey C. Harper

Paul D. Laporte

John J. Palmer

Karen K. Rudolph

William M. Sayre

David N. Wylde

Staff Support Person

Jan Schuh

*This committee is shared with the following sections: Life Insurance Company Financial

Reporting Section, Product Development Section, Reinsurance Section, Smaller Insurance Company Section and Taxation Section.

Committee Structure – 2012

Committee on Living to 100 Research Symposia

This committee encourages and initiates the development and publication of research and organizes the programs for the Society of Actuaries' international Living to 100 research symposia.

Officer

Timothy F. Harris, *Chairperson*

Staff Liaison

Ronora Stryker

Members

Faye Albert

Arnold A. Dicke

Thomas P. Edwalds

Jean-Marc Fix

John E. Foley

Sam Gutterman

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Stephen John Kramer*

Barbara J. Lautzenheiser

Joseph Lu*

J. Bruce MacDonald

John W. Paddon

Robert Pokorski*

Anna M. Rappaport

Henk van Broekhoven*

Staff Support Person

Jan Schuh

*Nonmember of the Society of Actuaries.

Committee Structure – 2012

Credit Insurance Experience Committee

This committee is responsible for conducting intercompany studies and publishing periodic reports on the topic of experience under credit-related insurance contracts. The committee also works with the American Academy of Actuaries in the development of recommendations to the NAIC toward the adoption of common reserving tables for use by all states.

Officer

Christopher H. Hause, *Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

Brian Clingerman*

Thomas J. Dokken

Jay M. Jaffe

Jonathan Philip Jannarone

James Richard Kennedy*

Gary S. Lange

Elaine N. Pelletier

Candace F. Richter

Scott Jacob Silverman*

Staff Support Person

Korrel Rosenberg

*Credit Life Specialist.

Committee Structure – 2012

Group Annuity Experience Committee

This committee is responsible for the ongoing reporting of mortality experience under group annuity contracts issued by life insurance companies.

Officers

Kristin K. Gustafson, *Chairperson*

Elizabeth Baker*, *Vice-Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

William R. Albright

Derek C. Colinet

Deborah Sue Faltin

Zachary Granovetter

Meredith Mascali Henriques*

Christina Ann Lee*

Diane M. Lloyd

Lindsay J. Malkiewich

Nathan Daniel Wilbanks

Richard K. Wong

Staff Support Person

Korrel Rosenberg

*Group Annuity Reserve Specialist.

Committee Structure – 2012

Group Disability Insurance Experience Committee

The Group LTD Experience Committee gathers, analyzes and publishes group disability experience. The purpose is to facilitate valuation and pricing approvals for insurance regulators; monitor and provide experience trends to the insurance industry; and to facilitate a detailed understanding of participating companies' business. Goals include new valuation table development assistance, the monitoring of emerging disability trends including new disabilities and the assessment of the impact of claim management practices.

Officer

Roger L. Martin, *Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

Barry T. Allen

Edward G. Bailey

Andre C. Baillargeon

Warren M. Cohen

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John B. Davenport

Frederick J. Flores

Stephen A. Garfield

Geoffrey Y. Gerow

Scott D. Haglund

Delaine B. Hare

Paul D. Hitchcox

Richard Carlson Leavitt

Allen D. Livingood

Jacob O. McCoy

Eric Poirier

Raymond A. Siwek

Ali Ahmed Zaidi*

Fengkun Zhao

Staff Support Person

Korrel Rosenberg

*Group disability insurance specialist.

Committee Structure – 2012

Group Life Insurance Experience Committee

This committee is concerned with the development and gathering of experience associated with group life insurance. In addition, this committee keeps the actuarial community abreast of emerging trends and issues, both domestic and international, as they relate to group life insurance.

Officers

Robert B. Hardin, *Chairperson*

John A. Bettano, *Vice-Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

Nicholas Mark Allen

Lori Comeau Cote

Jeremy W. Fleischer

Michelle S. Goldstein

John J. Kaspar

Martin J. Loughlin

Timothy B. Moran

John Robert Murphy

Gary M. Piccolo

Michal Ryduchowski

John G. Schwegel

Ahmed Shaher

Kenyon Stevenson

Kevin James Trapp

Amy Suzanne Whinnett

Staff Support Person

Korrel Rosenberg

Committee Structure – 2012

HCCI Scorecard Committee

This committee is to assist the Health Care Cost Institute with their scorecard report.

Staff Liaison

Sara Corrough Teppema

Members

Andrea Bykerk Christopherson

Elaine T. Corrough

David Dranove†

Martin Gaynor†

Carolina Herrera*

Erika Deann Holmes

David Newman*

Stephen T. Parente†

Lisa F. Tourville

Robert Town†

Jia Wang

Dale H. Yamamoto

Staff Support Person

Barbara Scott

*HCCI Staff Member.

†Health Economist.

Committee Structure – 2012

Individual Annuity Experience Committee

This committee is responsible for the ongoing reporting of mortality experience under individual annuity contracts in payment status. The committee studies the experience of both retirement annuities and the life contingent payouts associated with structured settlements from court cases.

Officer

William R. Albright, *Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

Barry C. Corday

Douglas C. Doll

Judy K. Ewing

Richard B. Girard

Zachary Granovetter

Robert J. Johansen

Keri Booth Lehman

Earl Francis Martin

Eric C. Sherman

Joel C. Sklar

Staff Support Person

Korrel Rosenberg

Committee Structure – 2012

Individual Disability Insurance Experience Committee

This committee gathers and analyzes experience of individual disability insurance policies. The committee is guided by the needs of both the Society of Actuaries and the individual disability insurance industry.

Officers

Robert W. Beal, *Co-Chairperson*

Douglas W. Taylor, *Co-Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

David Morgan Andrae

Jay A. Barriss

Kathryn A. Campbell

William R. Claypool

Carl Desrochers

Brian D. Holland

Anne G. Mitchell

Todd M. Petersen

Marianne C. Purushotham

Paul George Ziobrowski

Staff Support Person

Korrel Rosenberg

Committee Structure – 2012

Individual Life Insurance Experience Committee

This committee is responsible for the ongoing reporting of mortality experience under standard, fully underwritten life insurance policies.

Officers

Richard L. Bergstrom, *Chairperson*

Dieter S. Gaubatz, *Vice–Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

Mary J. Bahna–Nolan

Sharon S. Brody

Jeffery T. Dukes

Barry Edenbaum

Jill A. Garofalo

Anna Hart*

Catherine Ho

Edward Hui

Douglas A. Ingle*

Paul Robert Langevin†

Kevin P. Larsen

Mark W. Malnati

Melvin C. McFall

Tony R. Phipps

Mark P. Rosa

Lynn A. Ruezinsky

Nicholas James Sales

Edward J. Wright

Staff Support Person

Korrel Rosenberg

*Underwriting professional.

†Quantitative specialist.

Committee Structure – 2012

Joint AAA/SOA Cancer Experience Study and Table Committee

This committee is responsible for the ongoing reporting of claim and other experience under contracts that provide benefits in the event of defined diagnoses related to cancer. The committee also has been charged with developing an updated table that might be used for the valuation of such benefits.

Officer

Bradley C. Spenny, *Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

Alex Faynberg

Monique N. Hacker

Li Hwan Hwang

Darrell D. Knapp

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Jason Thomas Mulligan

Mien Steve Niu

James T. O'Connor

Lynn Pogas

Scott K. Randles

Anita Marie Recchio

Frank G. Reynolds

Timothy K. Robinson

Andreea Nicoleta Savu

Richard D. Schaefer

Tomasz Serbinowski

Michelle D. Spartz

D. Joeff Williams

Robert K. Yee

Ali A. Zaker-Shahrak

Staff Support Person

Korrel Rosenberg

Committee Structure – 2012

Joint AAA/SOA Payout Annuity Valuation Table Committee

This committee will examine the recent Payout Annuity Study results with the intention of developing a table to replace the Annuity 2000 Table as a valuation standard.

Officer

Mary J. Bahna-Nolan, Chairperson

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

William R. Albright

Frederick James Andersen

William B. Carmello, Jr.

Barry C. Corday

Douglas C. Doll

Bruce A. Friedland

Zachary Granovetter

Robert J. Johansen

Joseph Lu*

Linn K. Richardson

Eric C. Sherman

Joel C. Sklar

Martin Snow

James R. Thompson

David Tovson

Staff Support Person

Korrel Rosenberg

*Mortality Researcher.

Committee Structure – 2012

Long-Term-Care Experience Committee

This committee is concerned with the development and gathering of experience associated with long-term care. This may include experience from intercompany long-term-care policies, continuing care retirement communities and public data and data used to establish long-term care valuation tables.

Officers

Barry M. Koklefsky, *Co-Chairperson*

Jonathan David Prince, *Co-Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

Michael J. Francescone

Catherine Ho

Susan Oberman Smith

Eric W. Perry

Eric Poirier

Marianne C. Purushotham

Maureen Ann Shaughnessy

Kevin B. Waterman

Perry L. Wiseblatt

Robert K. Yee

Alexander Zaidlin

Staff Support Person

Korrel Rosenberg

Committee Structure – 2012

Mortality and Morbidity Liaison Committee

This joint committee of actuaries, medical directors and underwriters investigates experience of various facets of the insurance and disability underwriting process, especially those reflecting extra mortality.

Officers

Anna Hart, M.S., S.R.M., *Chairperson*

Nancy Westfall Winings, F.S.A., *Vice-Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

Thomas Ashley, M.D.

Richard L. Bergstrom, FSA

Paul Howman, F.L.M.I.

Douglas A. Ingle, F.A.L.U., F.L.M.I.

Anthony Milano, M.D.

Thomas E. Rhodes, FSA

Bradley T. Roudebush, F.S.A.

Clifton P. Titcomb, Jr., M.D.

David Winsemius, M.D.

David N. Wylde, F.S.A.

Staff Support Person

Korrel Rosenberg

Committee Structure – 2012

Private Placement Experience Committee

This committee is in the current phase of the ongoing analysis of characteristics of loss experience under private placement bond investments.

Officer

James G. Stoltzfus, *Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

Filipe Cunha*

Allen Dick*

Angelika Feng

John M. Hubenschmidt

Alla Kleyner

Qian Ma

Brian Roelke*

Kin O. Tam

Ai Lin Wong

Deidra Zablocki*

Staff Support Person

Korrel Rosenberg

*Private Placement Specialist.

Committee Structure – 2012

Retirement Plans Experience Committee

This committee is responsible for the ongoing reporting of mortality and other experience of pension benefits provided directly by employers with services provided by actuarial consulting firms.

Officer

Laurence Pinzur, *Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Andrew J. Peterson

Members

Sherry S. Chan

Paul Bruce Dunlap

Andrew D. Eisner

Timothy J. Geddes

Edwin C. Husted

David T. Kausch

Lindsay J. Malkiewich

Barthus J. Prien

Patricia A. Pruitt

Robert A. Pryor

William E. Roberts

Greg Schlappich

Diane M. Storm

Peter M. Zouras

Staff Support Person

Korrel Rosenberg

Committee Structure – 2012

Task Force on Long-Term-Care Insurance Valuation Issues

This task force is to address current regulatory concerns with respect to the valuation of long-term-care insurance, including, but not limited to, the need for a standard table, or set of tables.

Officer

Robert K. Yee, *Chairperson*

Staff Liaisons

John A. Luff

Cynthia MacDonald

Members

Catherine A. Charles

Steven M. Clayburn

Robert W. Darnell

Wesley J. DeNering

Robert A. Hanes

Peggy L. Hauser

Warren R. Jones

Laurel A. Kastrup

E. Perry Kupferman

Shawna A. Meyer

Daniel A. Nitz

James M. Robinson

Allen J. Schmitz

Steven W. Schoonveld

James G. Stoltzfus

John Leo Timmerberg

William C. Weller*

Staff Support Person

Korrel Rosenberg

*Long-term care specialist.

Committee Structure – 2012

International Committees

Volunteer/Staff Partnership Responsible for this Area

Darryl G. Wagner, *Board Member*

Martha Sikaras, *Director of International Activities*

Committee Structure – 2012

International Actuarial Association (IAA) Committee

This committee will coordinate and manage SOA activities within the IAA. Under the direction of the board, the committee will seek input on IAA issues and represent SOA interests accordingly.

Officer

S. Michael McLaughlin, *Chairperson*

Staff Liaison

Martha E. Sikaras, *IAA Correspondent*

Members

Joseph Austin Applebaum, *IAA Social Security Committee*

Rejean S. Besner, *IAA Reinsurance Subcommittee*

Stephen A. Eadie, *IAA Accreditation Committee and IAA Education Committee*

Mark J. Freedman, *IAA Insurance Accounting Standards Committee*

Dieter S. Gaubatz, *IAA Mortality Working Group*

Allen M. Klein, *IAA Mortality Working Group*

James B. Milholland, *IAA Professionalism Committee*

Harry H. Panjer, *IAA Insurance Regulation Solvency Subcommittee*

Godfrey Perrott, *IAA Insurance Regulation Committee*

Francis P. Sabatini, *IAA Financial Risks Committee*

Donald J. Segal, *Pensions and Employee Benefits and IAA Council Delegate*

Bradley M. Smith, *IAA Council Alternate Delegate*

Darryl G. Wagner, *IAA Advice and Assistance Committee and Asia Subcommittee*

Randi E. Woods, *IAA Latin America Subcommittee*

Committee Structure – 2012

International Committee

The SOA's International Committee is responsible for establishing and maintaining cross-functional international policy oversight and direction for activities of the Society of Actuaries outside the USA and Canada.

Officer

Darryl G. Wagner, *Chairperson*

Staff Liaison

Martha E. Sikaras

Members

Sue Blanck

Larry J. Bruning

Rod L. Bubke

Alan Cooke

Theodoros Iaponas

Wai Keung Lo

Ronald L. Poon-Affat

Craig W. Reynolds

Donald J. Segal

Thomas S. Terry

Kathleen R. Wong

Committee Structure – 2012

China Region Committee

Under the direction of the board, this committee will coordinate and manage Society of Actuaries activities in the China Region (Peoples Republic of China, Hong Kong and Taiwan, Republic of China) with the support of the Actuaries Office in Hong Kong. The mandates of the committee for their geographic region are (1) to represent the Society of Actuaries in promoting actuarial education; (2) to provide services to members in the development of educational programs, research and other professional support; and (3) to build the image and awareness of the profession in China, including the formation or support of national organizations which will complement the SOA's education and research activities in coordination with the International Actuarial Association.

Officer

Wai Keung Lo, *Chairperson*

Staff Liaisons

Patricia Kum

Martha E. Sikaras

Members

Bosco L. Chan

Kin Chung Chan

Alice Shu-Fang Cheng

Estella S.F. Chiu

Robert Tak-Pun Fok

Matthew Ha

Xueyun Huang

Richard H.M. Ip

Stuart Hamilton Leckie

Dominic T.O. Lee

Edward Haidong Li

Duanhong Lin

Sheng-Lun Lin

Shu-Yen Liu

Xue Qing Sherry Lu

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Shirley Hwei-Chung Shao

Ken Seng Tan

Ka Man Wong

Kin Pong Wong

Sheng-Tza Wu

Pak Kin Yu

Xiao Yu Zhang

Xiaojing Jonathan Zhao



SOCIETY OF ACTUARIES

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Class of Membership and Year Enrolled

1. FSA 1984 Mary V. Anderson
2. ASA 2004 Fisnik Bardulla
3. FSA 2001 Daniel Bass
4. FSA 1969 Herb Beiles
5. FSA 1967 A. Michael Byrne
6. FSA 2004 Christian P. Ciavarro
7. ASA 1953 Paul C. Cowan
8. FSA 1973 William C. Cutlip
9. FSA 1963 William F. Dice
10. FSA 1974 Roland Dieter
11. FSA 1993 Lisa C. Drake
12. FSA 1940 Samuel Eckler
13. ASA 1948 E. Ward Emery
14. FSA 1985 Steven J. Ferruggia
15. FSA 1955 Louis Garfin
16. FSA 1984 Joseph F. Grant
17. FSA 1965 Peter G. Grant
18. FSA 1981 Ruthann Hall
19. FSA 1974 Alfred B. Harper

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20. ASA 1975 David C. Heavilin
21. ASA 1981 Timothy Herr
22. FSA 1984 Jim Hotvet
23. FSA 1955 Wilfred A. Kraegel
24. FSA 1957 William R. Lones
25. ASA 1959 Glen H. Lovekamp
26. FSA 1969 Michael J. Mahoney
27. FSA 1968 Clair S. Manson
28. FSA 1959 Daniel McGinn
29. FSA 1987 Caroleen K. Midura
30. FSA 1983 Charles E. Moes, Jr.
31. ASA 1962 Charles P. Moore
32. FSA 1965 Stewart G. Nagler
33. FSA 1952 Paul E. Sarnoff
34. FSA 1976 William H. Sharkey, Jr.
35. FSA 1985 William A. Spare
36. ASA 1973 Michael R. Virga
37. ASA 1994 Catherine A. Wagner
38. FSA 1945 George N. Watson

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SOCIETY OF ACTUARIES

The work of science is to substitute facts for appearances and demonstrations for impressions. – Ruskin

Historical Background

In 1889 the total actuarial population on this continent numbered between 80 and 100 persons. Five of these—four company actuaries and one consulting actuary—having decided amongst themselves to create an organization, invited selected others to become charter members. The initial complement of the Actuarial Society of America was 38. Of the actuaries not so invited, those omitted because they were not chief actuaries of well-established companies were in most cases elected during the next five years. Invitations never were, however, extended to a group of about 25 actuaries, some of marked distinction within the profession, who had moved into general management posts or had retired from active work. This seems unfortunate, depriving the young Society of the ideas that those experienced heads would have contributed.

The profession's heritage in North America, then of about 80 years duration, had been built upon European foundations dating back to the establishment of probability theory in the mid-seventeenth century, to Edmond Halley's 1693 mortality table, to James Dodson's pioneer work on the level premium system that led to formation of the Society for Equitable Assurances on Lives and Survivorship in London in 1762, and to Richard Price's textbook on life contingencies first published in 1771.¹

The first company actuary to practice in North America was Jacob Shoemaker of Philadelphia, a key organizer in 1809 of the Pennsylvania Company for Insurances on Lives and Granting Annuities who chose to be that company's actuary rather than its president. A pioneer of whom the profession may be proud, he was a student of the British experiences of the prior half-century and a practical businessman.

Other life companies soon followed in the Pennsylvania Company's footsteps, notably, the Massachusetts Hospital Life in Boston, 1823 (Nathaniel Bowditch, actuary) and the New York Life and Trust Company, 1830 (William Bard, president and actuary). But volume of business was small until mutual life insurance on this continent was born in the 1840s, its progenitors being the Mutual Life of New York (Charles Gill, actuary) and the New England Mutual in Boston (Elizur Wright, actuary). Gill and Wright were actuaries of great distinction,

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the latter's fame coming through his establishment, while he was Massachusetts insurance commissioner, of abiding standards of life company solvency and of fairness to withdrawing policyholders. The earliest consulting actuary was John F. Entz, who practiced in New York City between 1840 and his death in 1872.

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Formation of an actuarial organization was seriously considered in 1867—Elizur Wright had suggested it in 1859, eleven years after the Institute of Actuaries had started in London—but that attempt foundered, apparently on the rocks of professional mistrust and secretiveness. Life insurance itself was going through difficult times; its reputation had suffered so deeply from company failures and extravagances that the public in the United States turned in large numbers to the lure of assessment insurance. In Canada, on the other hand, life insurance was in excellent repute; credit for this belongs in large measure to two actuaries: Hugh C. Baker, who founded the Canada Life in 1847, and John B. Cherriman, Canada's Superintendent of Insurance from 1875 to 1885.

The Actuarial Society of America came into being at the Astor House in New York City on April 25 and 26, 1889. The moving spirit behind the arrangements and format was the consulting actuary, David Parks Fackler, a man of great ability and dedication, who later succeeded Sheppard Homans in the presidential chair; the proceedings were marked by mutual respect and great care to avoid recurrence of past conflicts. A journal, the Transactions, was instituted immediately; soon afterwards the members chose Ruskin's "facts for appearances" pronouncement over a host of other suggestions to be their motto.

The growth by 20-year periods of what 60 years later was to become the Society of Actuaries is shown in the table below.

| | Fellows | Associates | Total | Growth Rate |
|----------------------|---------|------------|--------|-------------|
| 1889 Charter Members | 38 | — | 38 | — |
| 1909 End of Year | 176 | 107 | 283 | 10.6% |
| 1929 End of Year | 362 | 256 | 618 | 4.0 |
| 1949 Merger, June 3 | 642* | 427 | 1,069 | 2.8 |
| 1969 December 1 | 1,888 | 1,656 | 3,544 | 6.2 |
| 1989 September 1 | 6,241 | 5,443 | 11,784 | 6.1 |
| 1995 November 3 | 7,748 | 9,194 | 16,942 | 6.2 |



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*These 642 Fellows were the survivors of the 897 Fellows who qualified in the years 1889 to 1948. As noted in a paper published in TSA [XLII (1991): 35–58], a list of those 897 persons is on file in the Society's library.

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Growth rates shown are annual compound rates. The numbers of members in 1909 and 1929 include members of the Actuarial Society and the American Institute of Actuaries with duplications removed. The corresponding growth rate during the two years 1990 and 1991 was 6.9 percent.

The average growth rates in the era of the present Society have been consistently above 6 percent per annum, sharply higher than the experience of preceding periods. This contrast reflects the determination of the leadership starting in the 1950s to achieve growth rates high enough to meet perceived needs for actuaries.

In 1896, after some hesitation, an examination system was adopted; the first Fellow by examination qualified in 1900. For some years the examinations were viewed purely as tests of professional qualification, but in the second decade of this century their educational value came to be appreciated; steps were taken to provide textbooks and lectures.²

When some European actuaries launched an international organization in 1895, the North Americans were supporters from the outset; the Fourth International Congress convened in New York in 1903. Another item of special interest was election of the first woman member of the Actuarial Society, Emma Warren Cushman of Boston, also in 1895.

In the short period of seven years between 1909 and 1916, the number of North American actuarial bodies jumped from one to four. In 1909, actuaries of young life companies in the midwestern and southern United States organized the American Institute of Actuaries with headquarters in Chicago. In 1914 the actuaries and statisticians of United States property and liability companies formed what became the Casualty Actuarial Society to meet their own professional needs. And in 1916 actuaries of fraternal societies created the Fraternal Actuarial Association. The resulting organizational proliferation, although somewhat contained by the 1949 merger of the two life actuarial bodies and the voluntary dissolution of the fraternal body in 1980, has defied consolidation efforts of recent years; new perceived needs have more than offset these changes.³



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During the first half of the twentieth century, actuaries learned to cope with many new circumstances, notably introduction of group insurance, actuarial involvement in pensions, World War I, the influenza pandemic of 1918, severe financial problems with income disability and annuity coverages, the great depression of the 1930s, social security, World War II, and the advent of computers. Actuaries' experiences with these contain many lessons of value even today.

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Actuarial expertise in the pension field owes its beginnings to two early specialists—George A. Huggins (1881–1959) in Philadelphia and George B. Buck (1891–1961) in New York City. Huggins, who never joined any of the actuarial bodies,⁴ established himself as the ranking authority of his era on clergy pensions; his work is documented as far back as 1904. Buck gave greatly needed guidance to New York City authorities on municipal pension systems. Gradually after that other actuaries formed consulting firms to serve private and governmental pension plans.

In the quarter-century from the late 1930s (when the United States social security system was new on the scene) to the early 1960s when studies of pension plan structure, investment of pension reserves and broad questions of terminology and concepts of soundness had been explored in depth, the pension segment of the actuarial profession reached maturity. One consequence was an immense increase (which has continued since) in the proportion of Society members practicing in the actuarial consulting field.

Another field that has shown major expansion and evolution has been that of health insurance, both individual and group. Despite heavily adverse experience with disability benefits incorporated into individual life policies in the second and third decades of the twentieth century, major life companies led the way in issuing modern health insurance policies in the 1950s; the Society of Actuaries responded by bringing health insurance into its educational curriculum and publishing a series of texts, the first in 1956, the latest in 1988.

The 1949 merger that created the Society of Actuaries was the inevitable consequence of steadily greater membership overlap and jointly conducted activities, particularly in the educational areas. The selected headquarters city was Chicago; a staff consisting of an



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Executive Secretary and three assistants served a membership of just over 1,000 persons. The new body was incorporated in Illinois, efforts at federal incorporation having proved fruitless.

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The Society of Actuaries promptly set about developing a professional system appropriate to the broadened actuarial responsibilities of the 1950s and turned its attention to the clear need for governmental recognition in both Canada and the United States. Service to members in the emerging specialties of individual contracts and employee benefits was provided in both the educational and meeting program activities. Guides to professional conduct were promulgated; steps to make the profession known to young people in high schools and colleges were taken; research was broadened; and the new field of computers was vigorously explored. In 1957 the Society hosted the Fifteenth International Congress of Actuaries, its theme being electronic data processing.

The instruments found necessary to achieve professional recognition were two new bodies: the Canadian Institute of Actuaries in Canada and the American Academy of Actuaries in the United States, both founded in 1965 through the harmonious cooperation of all the North American actuarial bodies.

In 1968 staff activities in the Society of Actuaries underwent major change by creation of the Executive Director post. Until 1980 the incumbent was required to be a Fellow, but recognition of the primarily administrative duties involved then resulted in recruitment of John E. O'Connor, Jr. to lead greatly increased staff participation in all phases of administration and research.⁵

The entire profession was affected, and to some degree buffeted, in the 1970s by economic and political events rivalling in intensity those that confronted our forebears in the early 1930s. We had been anxious to become a recognized element in the business world but found the speed of that immersion breathtaking. Central to these events were the severe inflation, the intensity of consumerist crusades, such negative developments as the prevalent preoccupation with short-term profits in business enterprises, and demands upon actuaries to assume major unaccustomed responsibilities.



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Needs asserted by accountants and stock analysts caused balance sheet and income statement formats to be radically changed and duplicated. The extent of risk assumption by insurance companies was modified by introduction of yield-based and index-based contracts and by "unbundling" of protection and savings elements that many in the industry reluctantly accepted. Actuaries found their own logical arguments in favor of sex-based mortality tables unable to triumph over social forces as these became an issue in women's rights campaigns; this has also had some impact on the work of the pension actuaries. Involvement of two actuaries in the Equity Funding scandal resulted in an unhappy public blot upon the profession's reputation.

The Society embarked upon new stances and procedures to cope with developments such as these. The extent of its members' specializations was recognized by changes in program formats, notably, meetings devoted to special subjects and the creation of Special Interest Sections within the Society. Stochastic analysis began to take its place alongside the deterministic approaches considered normal since earliest actuarial eras. And actuaries in the United States found themselves responsible for certifying the adequacy of policy reserves to an extent new to them, though long familiar to Canadian actuaries. Likewise, the evolution of pension legislation in the United States and Canada since the 1960s has enhanced the responsibility of pension actuaries for certifying costs and liabilities.

One consequence of all this turmoil was the rapid introduction of continuing education efforts, particularly through the seminar approach. Another was the first-ever government licensing of actuaries engaged in employee benefit work. Yet another was an increased interest in development of actuarial skills in management techniques, long-range planning and even futurism.

Changes in the Society's structure included computerization of office records; coordination of activities of the several professional bodies through the Council of Presidents formed in 1972; and an unsuccessful attempt at consolidation of the bodies themselves. A new internal publication, the Record, which was introduced in 1975, proved beneficial in disseminating discussions on a wide variety of topics.

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A new unit, the Actuarial Education and Research Fund, was organized to spur and facilitate basic research work. One veteran body, the Fraternal Actuarial Association, initiated steps to close its 64 years of service as the special need for its existence disappeared.⁶

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Through the 1980s key economic factors continued to gyrate. The prevailing inflation rate was kept within bounds that came to be called moderate, although they were double the rates that actuaries of former eras had considered ruinous. The average yield on invested assets of life companies, already at historically unprecedented levels, continued to rise, presenting a baffling mixture of opportunities and problems. On the one hand, these demanded that actuaries design products that would be attractive in a period in which modern savings instruments proliferated; on the other, they caused market values of existing bonds to decline sharply and they made policies, even those of highest quality, vulnerable to wholesale replacement. The uncertain relationship between interest, inflation and salary levels has had a marked impact on pension design and funding, and in Canada on the debate on surplus ownership.

The long-term trend in the general mortality rate continued steadily downward. A consequence was that mortality charges needed to support nonsmoker policies were reported in 1980 [TSA XXXII (1980): 207] as below 2 per 1000 up to age 47 for males. The effect of such low mortality probabilities upon life insurance buying attitudes is yet unmeasured.

The economic environment of the early 1990s has resulted in the downfall of certain large life insurance companies. The actuarial profession now faces the challenges of analyzing the causes that brought about these results and recommending changes that can reestablish a solid foundation for public confidence in the financial integrity of the insurance industry.

The actuarial profession gained visibility when "actuary" was named the best job in America by the Jobs Rated Almanac in two of its three published editions. The 1988 and 1995 reference books put the actuarial profession at the top of the list of 250 professions ranked on criteria such as work environment, job outlook, security, and stress.



SOCIETY OF ACTUARIES

END NOTES

1. Recommended readings about the pre-1889 actuarial profession are: Robert Henderson, "Prominent Names in Early Actuarial History," *TASA XXIV* (1923): 1-13; M.E. Ogborn, *Equitable Assurances*, reviewed by T. Hall and Z. Jarkiewicz in *TSA XIV* (1962): 536-39; Robert B. Mitchell, *From Actuarial to Actuary*, reviewed in *TSA XXVI* (1974): 641-42; E.J. Moorhead, *Our Yesterdays: the History of the Actuarial Profession in North America 1809-1979*, Schaumburg, Ill., Society of Actuaries, 1989, Chapters I and II; and Anders Hald, *A History of Probability and Statistics and Their Applications before 1970*, reviewed in *TSA XLII* (1990): 757-59.
2. Recommended readings about the evolution of the educational system are: Charles A. Spoerl, "The Actuarial Examinations," *TSA I* (1949): 42-68, and Preston C. Bassett, "To Become A Member," *TSA XXXVII* (1985): 1-12.
3. Recommended reading on events leading to merger is: Reinhard A. Hohaus, "The Origin of the Society of Actuaries," *TSA I* (1949): 10-41.
4. Biographical particulars on George Huggins can be found in the Society archives.
5. Recommended reading on this era's events is: Victor E. Henningsen, "Society of Actuaries—Its First Twenty Years," *TSA XXI* (1969): 591-621.
6. Recommended readings on events of this decade are: "Reports of Historians": John C. Maynard, *TSA XXVII* (1974): 519-30; Gary Corbett, *TSA XXVII* (1974): 533-48; and Harold G. Ingraham, Jr., *TSA XXIX* (1977): 453-73.

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Meaning of FSA and ASA Designations

The Society of Actuaries Bylaws states that a member may use the designation "Fellow of the Society of Actuaries" or "Associate of the Society of Actuaries," as applicable, or the corresponding initials. Since these designations will be viewed by the public as conveying a certain professional standing, this brief explanation of their meaning is intended to be helpful to our members and to the public.

The Society of Actuaries, as described in our Mission and Vision Statement, is an education, research, and professional membership organization. Achieving Fellowship or Associateship status is based primarily on completing specified educational requirements, with no requirement related to a certain number of years of practical actuarial experience. The FSA and ASA designations and CERA credential signify completion of the following educational achievements:

- *Chartered Enterprise Risk Analyst:* A Chartered Enterprise Risk Analyst (CERA) of the Society of Actuaries has demonstrated knowledge in the identification, measurement and management of risk within risk-bearing enterprises. The CERA has also completed a professionalism course covering the professional code of conduct and the importance of adherence to recognized standards of practice. CERAs who have the Application for Admission as an Associate approved by the SOA Board of Directors will be granted membership as an Associate.
- *Associate:* An Associate of the Society of Actuaries has demonstrated knowledge of the fundamental concepts and techniques for modeling and managing risk. The Associate has also learned the basic methods of applying those concepts and techniques to common problems involving uncertain future events, especially those with financial implications. The Associate has also completed a professionalism course covering the professional code of conduct

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and the importance of adherence to recognized standards of practice.

Associates who have been members of the SOA for five or more years may also vote in Society of Actuaries elections.

- *Fellow*: Has demonstrated a knowledge of the business environments within which financial decisions concerning pensions, life insurance, health insurance, and investments are made including the application of mathematical concepts and other techniques to the various areas of actuarial practice. The Fellow has further demonstrated an in-depth knowledge of the application of appropriate techniques to a specific area of actuarial practice. Fellows may vote in Society of Actuaries elections.

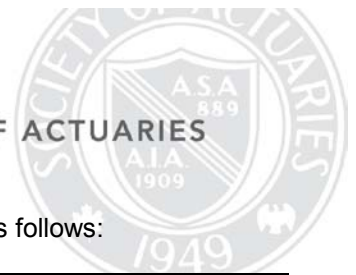
When Associate status is achieved, the individual becomes a member of the Society of Actuaries, is able to attend meetings, join in discussions, participate on Committees, join Sections, and is subject to the code of conduct for the profession. All Fellows and five-year Associates may vote in Society of Actuaries elections.

While these educational accomplishments are a vital part of an actuary's progress, they must be combined with appropriate training and practical experience in order for an actuary to be qualified to practice and to give advice on a specific issue. It is important to note that the Society of Actuaries' professional designations and credentials, of themselves, recognize educational accomplishment only. In most cases, by the time an individual reaches the Fellowship level, considerable practical experience has been acquired. The combination of educational achievement, practical experience, and formal qualification (e.g., Enrolled Actuary; Fellow, Canadian Institute of Actuaries; Member, American Academy of Actuaries) permits the actuary to practice within his or her area of expertise.

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2012 SCHEDULE OF DUES/FEEES

SOCIETY OF ACTUARIES



The schedule of dues/fees (U.S. funds or equivalent) as approved by the Board of Directors is as follows:

| Category | U.S. Residents* | All Others | Waiver Eligible |
|--|-----------------|------------|-----------------|
| All Fellows and Associates who became Associates prior to 2009 | \$630 | \$575 | \$60 |
| Associates who became Associates after 2008 | \$345 | \$290 | \$30 |
| CERA only certified prior to 2009 | \$630 | \$575 | \$60 |
| CERA only certified after 2008 | \$345 | \$290 | \$30 |

The membership/certification year is determined by the date of Associateship or CERA as indicated on your certificate.

* The \$55 differential covers the expenses of the Actuarial Standards Board and the Actuarial Board for Counseling and Discipline administered by the American Academy of Actuaries. Members paying full dues who were also members of the American Academy of Actuaries in 2011 will receive a \$55 credit. Waived members have this \$55 included in the applicable amount waived.

A 20 PERCENT LATE FEE WILL BE ASSESSED ON DUES/FEEES UNPAID AS OF MAY 1, 50 PERCENT AS OF AUGUST 1.

All members will receive a copy of each issue of *The Actuary* (six issues per year), the *SOA News Today* bi-weekly electronic newsletter, and electronic access to the quarterly *North American Actuarial Journal*. If members wish to receive a print copy of the journal, please contact customer service. The *Actuarial Directory* is available online at www.soa.org.

Pay your dues/fees online using our easy-to-use renewal process. Just go to <http://dues.soa.org> and use your credit card to pay your dues/fees and sign up for any of the valuable professional interest sections. Please contact our customer service center at customerservice@soa.org or 888.697.3900, if you need assistance.

WAIVER OF DUES FOR 2012 – The waiver application form is available online at <http://dues.soa.org>.

As authorized by Article XI of the By-Laws or by action of the Board of Directors, waiver of due/fees is allowed for the amount in excess of 10 percent of base FSA or ASA dues under one or more of the following conditions:

1. Entitlement to U.S. Social Security disability benefits or equivalent.
2. Attainment of age 55 and retirement to the point of current year's income (excluding retirement pay, Social Security or equivalent benefits and investment income) not exceeding the income limit described below.
3. Attainment of age 70.
4. Active duty in the uniformed forces of the United States or Canada or equivalent.
5. Full-time student at a recognized university or institution of higher learning.
6. Active service in the Peace Corps or CUSO (Canadian Organization that Supports Alliance for Social Justice).
7. Leave from paid employment or self-employment to raise children. A waiver will be granted when the current year's income will not exceed the earned income limit described below.
8. Unemployment or self-employment and the current year's income will not exceed the income limit described below.
9. Special circumstances that, in the judgment of the Admissions Committee, warrant waiver of dues/fees, and the current year's income will not exceed the income limit described below.

All waived members will be assessed 10 percent of base FSA, applicable ASA dues or CERA fees. Section memberships are not included in the waiver.

The income limit for this policy is defined as 80 percent of the U.S. per capita, per annum. Income included is for current services from employment (including severance) and self-employment sources. The income limit for 2012 is \$31,900.

Other than a waiver for attainment of age 70, a request for waiver should include appropriate proof of status. Eligibility for waiver will be determined and processed by the Admissions Committee. All waivers are based on status as of January 1. **Waiver applications are due by April 30.** If you are eligible for a waiver and such waiver has not been reflected in your dues notice, please send your request for waiver to the office of the Society, Attention Membership Representative or fax to 847.273.8532. Please allow four- to six-weeks for waiver approval.



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Member Dues–2012

2012 Section Dues Information

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| | |
|-------------------------------------|---------|
| Actuary of the Future | \$25.00 |
| Education and Research | \$20.00 |
| Entrepreneurial Actuaries | \$25.00 |
| Financial Reporting | \$20.00 |
| Forecasting and Futurism | \$25.00 |
| Health | \$40.00 |
| International | \$25.00 |
| Investment | \$25.00 |
| Joint Risk Management (SOA–CAS–CIA) | \$25.00 |
| Long Term Care Insurance | \$30.00 |
| Management and Personal Development | \$25.00 |
| Marketing and Distribution | \$20.00 |
| Pension | \$30.00 |
| Product Development | \$20.00 |
| Reinsurance | \$20.00 |
| Smaller Insurance Company | \$25.00 |
| Social Insurance & Public Finance | \$25.00 |
| Taxation | \$20.00 |



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| Technology | \$20.00 |
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Waiver Application

Select the waiver category below and provide the associated information. All waived members will be assessed 10 percent of base FSA, applicable ASA dues or CERA fees. Send your payment, by fax or mail, along with your waiver application and invoice. Online payments cannot be accepted until the waiver application has been approved and your dues have been adjusted. Please allow 4- to 6-weeks for approval. Section memberships are excluded from waivers.

All waivers are based on status as of January 1, 2012 and applications are due by April 30, 2012.

Earned income cannot exceed \$31,900

Total Permanent Disability

Please submit a copy of your Notice of Award, showing that you are entitled to Social Security disability benefits or equivalent.

Retirement

Birth date _____ Estimated 2012 earned income _____

Full Time Student

Please send a copy of a paid tuition bill or a statement from the Registrar, showing full time status as of January 1, 2012.

Child Rearing

Estimated 2012 earned income _____

Birthdates of children

Unemployment/Self-Employment

Estimated 2012 earned income including severance pay _____

Special Circumstance — include a letter detailing your situation

Estimated 2012 earned income _____

Signature _____ Date _____

Please print your name _____

Please send your payment, along with your **signed** waiver application and invoice, to the address below Attention Membership Representative or fax to 847.273.8532.

Q1. What is the definition of “earned income”?

A1. Earned income includes all the income and wages you get from working — even if it is not taxable and cannot exceed \$31,900 in 2012.

There are two ways to get earned income:

1. You work for someone who pays you
2. You work in a business you own

Taxable earned income includes:

- Wages, salaries and tips
- Union strike benefits
- Long-term disability benefits received prior to minimum retirement age
- Net earnings from self-employment

Nontaxable earned income includes:

- Salary deferrals (example: 401 (k) plan)
- Military combat zone pay
- Basic housing and subsistence allowances and in-kind housing and subsistence for the U.S Military
- Value of meals or lodging provided by an employer for the convenience of the employer
- Housing allowance or rental value of a parsonage for the clergy
- Excludable benefits provided by the employer such as dependent care, educational benefits, adoption benefits and salary reductions, such as under a cafeteria plan

Q2. How much will I owe in 2012 once my waiver application has been approved?

A2. The schedule of dues (U.S. funds or equivalent) as approved by the Board of Directors is as follows:

| Member Category | U.S. Residents* | All Others | Waiver Eligible |
|--|------------------------|-------------------|------------------------|
| Fellows and Associates who became Associates prior to 2009 | \$630 | \$575 | \$60 |
| Associates who became Associates after 2008 | \$345 | \$290 | \$30 |
| CERA only certified prior to 2009 | \$630 | \$575 | \$60 |
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* The \$55 differential covers the expenses of the Actuarial Standards Board and the Actuarial Board for Counseling and Discipline administered by the American Academy of Actuaries.

Members paying full dues who were also members of the American Academy of Actuaries in 2011 will receive a \$55 credit.

Waived members have this \$55 included in the applicable amount waived.



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Member Benefits – 2012

- The Actuarial Profession
- Actuarial Work Experience and CFA Institute Charter Eligibility
- Affinity Insurance Program
- Basic Education Catalogs
- Colleges and Universities Offering Actuarial Courses
- Communications Program
- Customer Service
- Library
- List of Unemployed Candidates
- National Association of Corporate Directors (NACD) Discount for SOA Members
- Speaker's Kit
- Websites

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Member Benefits - 2012

The Actuarial Profession

Visit BeAnActuary.org for actuarial information regarding career encouragement information for students, career/guidance counselors, and educators. Free recruiting materials including videos, brochures, posters, and flyers are also available to order.

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Member Benefits – 2012

Actuarial Work Experience and CFA Institute Charter Eligibility

CFA Institute has recently reaffirmed work experience requirements impacting professionals interested in obtaining a CFA charter.

Actuaries working as investment professionals engaged in responsibilities and/or producing a work product that informs or adds value to the investment decision-making process may be qualified to meet the CFA Institute work experience requirement.

If you are interested in learning more visit the CFA Institute Web site. Questions about work experience eligibility can be directed by e-mail at info@cfainstitute.org or by calling the Institute's customer service team at 800.247.8132 (US and Canada) or 1.434.951.5499 (outside US and Canada).

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Member Benefits - 2012

Affinity Insurance Program

SOA continues to offer insurance coverage products to its members that is administered through Marsh Affinity Group Services.

By purchasing insurance programs through SOA, members can take advantage of a wide variety of benefits. These programs have been researched by the SOA and have been proven to be an excellent source of protection for members. Also, with the mass-purchasing power of the SOA, members can benefit from the group rates offered.

Insurance plans currently being made available to SOA members include:

- Disability Income Insurance
- Term Life Insurance
- 10–Year Term Life Insurance
- Catastrophe Major Medical Insurance
- Major Medical Market Basket

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Member Benefits - 2012

Education System for SOA Designations

Detailed information on exams, syllabi, study materials, fees and examination dates, times and locations is given in the Education area.

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Member Benefits - 2012

Colleges and Universities Offering Actuarial Courses

The Centers of Actuarial Excellence (CAE) program is a key component in the SOA's plan to strengthen the position of the academic branch of the profession. The CAE program allows U.S., Canadian or Hong Kong universities and colleges with outstanding actuarial programs the opportunity to be recognized for that achievement and to compete for substantial grants for education and research.

A list of colleges and universities in North America that offer actuarial courses is available on the SOA Web site under University/College Resources.

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SOCIETY OF ACTUARIES

Member Benefits - 2012

Communications Program

An important goal of the SOA's communications program is to increase awareness and understanding of the profession. To do this, the SOA's Communications staff work with SOA members to raise the profession's visibility and demonstration of its thought leadership in print, electronic and broadcast media relevant to the employers of actuaries. One service the communications program offers is publicity for new Fellows of the SOA. At their request, the SOA will send news releases about their achievement to new Fellows' requested newspapers and/or magazines.

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Member Benefits - 2012

Customer Service

The SOA Customer Service Center is available to assist you Monday through Friday, 8 a.m. to 5 p.m. CDT. Please call 888.697.3900. You can also email the Customer Service Center.

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SOA Library New Book Acquisition List - 2012

No new book acquisitions.

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Member Benefits - 2012

List of Unemployed Candidates

The Society of Actuaries can provide a list of passing Exam P candidates, who have elected to participate, to members without charge upon request. Please contact the Customer Service Center.

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SOCIETY OF ACTUARIES

Member Benefits – 2012

National Association of Corporate Directors (NACD) Discount for SOA Members

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National Association of Corporate Directors (NACD) Discount for SOA Members
The SOA has recently established a relationship with the National Association of Corporate Directors (NACD) as an outgrowth from a session conducted at the SOA's 2011 Annual Meeting titled "Opportunities for Actuaries on Corporate Boards" (Session 129).

The NACD is the largest membership organization for boardroom directors focusing on enhancing effectiveness and efficiency of boards through director-led education and the development of boardroom leading practices based on primary research. If you are interested in learning more, visit the direct link to the SOA preferred pricing or for details about the organization, visit the NACD website. SOA members, who are aspiring directors or active directors, will receive discounts on preferred pricing for NACD membership and educational programs.



SOCIETY OF ACTUARIES

Member Benefits - 2012

Speaker's Kit

SOA offers a free speaker's kit to actuaries to assist them in discussing their profession to a variety of audiences. Go to BeAnActuary.org to request one and for more information about the profession.

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Member Benefits - 2012

SOA Website Services

From the SOA Web site home page SOA.org, you can access the latest information about upcoming continuing education events and meetings; explore career advancement tools and job opportunities; discover the most recent research and publications; learn about the various areas of practice and special interest sections; search for a member in the online directory and stay up to date on Society news.

Directory of Actuarial Memberships

The Directory of Actuarial Memberships is available online. Members can update their listings by logging in. In order to maintain consistency, additions or changes to company information are passed to the SOA office staff for processing rather than being updated immediately by the member. The directory is searchable by last name, first name, company, job title, city, state or province, country, postal code, phone number, designation, academic degree, other professional designation, employment type, primary or additional area of practice or section membership.

The SOA Career Center

The SOA Career Center enables job seekers of all levels to search job postings from some of the industry's top employers. Job seekers can post their own resumes for employers to view, or set up a Job Alert and have listings e-mailed directly to their inbox.

International Calendar of Events

An international calendar of events listing important seminars and meetings can be found on the International Actuarial Association website and is linked from the SOA Web site. The calendar database can be searched by date, type of event,

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sponsoring organization, keywords and event location. Links to the sponsoring organization's Web sites are provided as well.

Basic and Continuing Education Internet Training

A Basic and Continuing Education Internet Training portal provides links to exams, training and a virtual campus. The campus is open 24 hours a day, seven days a week, and provides an interactive learning center featuring 12 programs representing all of the major practice areas. Courses include The Art of the Expert Witness, Recent Trends in Retirement Benefits Design, Fair Value, Prescription Drugs and others. Tailoring Products for the Bancassurance Market is available at no charge. The virtual campus contains a course catalogue with descriptions under new student orientation. Registration for classes is available through customer service at customerservice@soa.org.

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SOCIETY OF ACTUARIES

Membership Statistics - 2012

Analysis of Membership

Analysis of Membership by Type of Employment

Analysis of Membership by Country

Analysis of Membership Outside Canada and the U.S.

Section Membership

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Member Statistics - 2012

Analysis of Membership

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| Particulars | Fellows | Associates | Total |
|--|---------|------------|--------|
| Membership Total: Nov. 15, 2012 | 14,187 | 9,111 | 23,298 |
| Membership Total: Oct. 19, 2012 | 13,678 | 8,951 | 22,629 |
| Membership Total: Sept. 1, 2012 | 14,371 | 9,036 | 23,407 |
| Membership Total: July 1, 2012 | 14,176 | 8,984 | 23,160 |
| Membership Total: April 1, 2012 | 13,986 | 8,913 | 22,899 |
| Membership Total: November 15, 2011 | 13,595 | 8,784 | 22,379 |
| Membership Total: September 2, 2010 | 13,707 | 8,897 | 22,604 |
| Membership Total: July 1, 2011 | 13,586 | 8,881 | 22,467 |



SOCIETY OF ACTUARIES

| | | | |
|--|--------|-------|--------|
| Membership Total: April 1, 2011 | 13,489 | 8,712 | 22,201 |
| Membership Total: November 15, 2010 | 13,118 | 8,608 | 21,726 |
| Membership Total: October 20, 2010 | 13,247 | 8,689 | 21,936 |
| Membership Total: September 3, 2010 | 13,267 | 8,599 | 21,866 |
| Membership Total: July 1, 2010 | 13,069 | 8,515 | 21,584 |
| Membership Total: April 1, 2010 | 12,965 | 8,515 | 21,452 |
| Membership Total: November 15, 2009 | 12,617 | 8,423 | 21,040 |
| Membership Total: October 28, 2009 | 12,744 | 8,518 | 21,262 |
| Membership Total: September 1, 2009 | 12,605 | 8,596 | 21,201 |
| Membership Total: July 1, 2009 | 12,560 | 8,455 | 21,015 |

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|--|--------|-------|--------|
| Membership Total: April 6, 2009 | 12,469 | 8,292 | 20,761 |
| Membership Total: December 11, 2008 | 12,223 | 8,015 | 20,238 |
| Membership Total: September 1, 2008 | 12,225 | 8,170 | 20,395 |
| Membership Total: July 01, 2008 | 12,127 | 7,979 | 20,106 |
| Membership Total: April 01, 2008 | 12,142 | 7,696 | 19,838 |
| Membership Total: November 15, 2007 | 11,612 | 7,605 | 19,217 |
| Membership Total September 01, 2007 | 11,599 | 7,789 | 19,388 |
| Membership Total: July 01, 2007 | 11,468 | 7,729 | 19,197 |
| Membership Total: April 01, 2007 | 11378 | 7,321 | 18,699 |
| Membership Total: November 16, 2006 | 11,223 | 7,416 | 18,639 |

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| Membership Total September 19, 2006 | 11,103 | 7,777 | 18,880 |
| Membership Total: July 20, 2006 | 11,103 | 7,713 | 18,816 |
| Membership Total: May 5, 2006 | 11,062 | 7,572 | 18,636 |
| Membership Total: February 24, 2006 | 10,859 | 7,584 | 18,443 |
| Membership Total: November 16, 2005 | 10,850 | 7,315 | 18,165 |
| Membership Total: September 19, 2005 | 10,857 | 7,568 | 18,425 |
| Membership Total: July 20, 2005 | 10,747 | 7,480 | 18,227 |
| Membership Total: May 5, 2005 | 10,652 | 7,480 | 18,132 |
| Membership Total: February 24, 2005 | 10,543 | 7,509 | 18,052 |
| Membership Total: December 31, 2005 | 10,859 | 7,327 | 18,186 |

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| Membership Total: December 31, 2004 | 10,552 | 7,337 | 17,889 |
| Membership Total: November 15, 2004 | 10,388 | 7,445 | 17,833 |
| Membership Total: October 1, 2003 | 10,161 | 7,499 | 17,660 |
| Membership Total: August 1, 2003 | 10,061 | 7,528 | 17,589 |
| Membership Total: June 1, 2003 | 9,955 | 7,466 | 17,421 |
| Membership Total: April 1, 2003 | 9,959 | 7,388 | 17,347 |
| Membership Total: March 1, 2003 | 9,849 | 7,509 | 17,358 |
| Membership Total: January 1, 2003 | 9,845 | 7,243 | 17,088 |
| Membership Total: December 1, 2003 | 9,726 | 7,347 | 17,073 |
| Membership Total: November 1, 2003 | 9,791 | 7,497 | 17,288 |

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| | | | |
|---------------------------------------|-------|-------|--------|
| Membership Total: October 1, 2003 | 9,795 | 7,497 | 17,292 |
| Membership Total: August 1, 2003 | 9,680 | 7,571 | 17,251 |
| Membership Total: February 1, 2003 | 9,456 | 7,333 | 16,789 |
| Membership Total: February 1, 2003 | 8,991 | 7,405 | 16,396 |

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SOCIETY OF ACTUARIES

Member Statistics – thru Jan" 2013

Analysis of Membership by Country

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| Particulars | Fellows | Associates | Total |
|---|---------------|--------------|----------------|
| United States | 10,079 | 6,130 | 16,209 |
| Canada | 2,723 | 1,458 | 4,181 |
| Other (See Schedule of Membership Outside Canada and the U.S. for details) | 1,665 | 1,482 | 3,147* |
| Total | 14,467 | 9,070 | 23,537* |

*Does not include ASA by Other Than Exam.

Member Statistics – thru Jan. 2013

Analysis of Membership Outside Canada/US

| Country | FSA | FSA by Mutual Recognition | ASA | ASA Other than by Exam | Total |
|------------|-----|---------------------------|-----|------------------------|-------|
| Andorra | 0 | 0 | 1 | 0 | 1 |
| Argentina | 1 | 0 | 1 | 1 | 3 |
| Australia | 26 | 0 | 48 | 30 | 104 |
| Austria | 1 | 0 | 0 | 0 | 1 |
| Bahamas | 4 | 0 | 1 | 0 | 5 |
| Bahrain | 0 | 0 | 4 | 0 | 4 |
| Bangladesh | 1 | 0 | 0 | 0 | 1 |
| Barbados | 11 | 0 | 6 | 2 | 19 |
| Belgium | 3 | 0 | 2 | 1 | 6 |
| Bermuda | 36 | 0 | 11 | 3 | 50 |
| Bolivia | 0 | 0 | 1 | 0 | 1 |
| Brazil | 3 | 0 | 2 | 0 | 5 |

| | | | | | |
|----------------|-----|---|-----|---|-----|
| Cambodia | 0 | 0 | 1 | 0 | 1 |
| Cameroon | 0 | 0 | 1 | 0 | 1 |
| Cayman Islands | 0 | 0 | 2 | 0 | 2 |
| Chile | 1 | 0 | 1 | 0 | 2 |
| China | 334 | 1 | 332 | 1 | 668 |
| Colombia | 0 | 0 | 5 | 1 | 6 |
| Cyprus | 2 | 0 | 4 | 1 | 7 |
| Denmark | 0 | 0 | 1 | 0 | 1 |
| Egypt | 2 | 0 | 10 | 0 | 12 |
| Finland | 0 | 0 | 1 | 0 | 1 |
| France | 16 | 0 | 13 | 2 | 31 |
| Germany | 24 | 0 | 12 | 0 | 36 |
| Ghana | 0 | 0 | 6 | 0 | 6 |
| Greece | 1 | 0 | 5 | 0 | 6 |
| Guam | 0 | 0 | 1 | 0 | 1 |

| | | | | | |
|--------------------|-----|---|-----|---|-----|
| Hong Kong | 575 | 0 | 241 | 9 | 825 |
| Hungary | 0 | 0 | 1 | 0 | 1 |
| India | 6 | 0 | 8 | 3 | 17 |
| Indonesia | 10 | 0 | 7 | 0 | 17 |
| Ireland | 8 | 0 | 7 | 3 | 18 |
| Israel | 17 | 0 | 5 | 2 | 24 |
| Jamaica | 9 | 0 | 16 | 3 | 28 |
| Japan | 33 | 0 | 23 | 3 | 59 |
| Jordan | 2 | 0 | 2 | 0 | 4 |
| Kenya | 1 | 0 | 3 | 0 | 4 |
| Korea, Republic of | 25 | 0 | 67 | 1 | 93 |
| Kuwait | 1 | 0 | 0 | 0 | 1 |
| Lebanon | 4 | 0 | 5 | 0 | 9 |
| Luxembourg | 0 | 0 | 1 | 1 | 2 |
| Macau | 1 | 0 | 1 | 0 | 2 |

| | | | | | |
|--------------|----|---|----|---|-----|
| Malaysia | 57 | 0 | 50 | 3 | 110 |
| Malta | 1 | 0 | 0 | 0 | 1 |
| Mexico | 2 | 0 | 7 | 6 | 15 |
| Monaco | 1 | 0 | 0 | 0 | 1 |
| Netherlands | 19 | 0 | 8 | 1 | 28 |
| New Zealand | 4 | 0 | 6 | 3 | 13 |
| Nigeria | 0 | 0 | 2 | 1 | 3 |
| Pakistan | 14 | 0 | 26 | 2 | 42 |
| Peru | 0 | 0 | 1 | 0 | 1 |
| Philippines | 12 | 0 | 19 | 0 | 31 |
| Poland | 0 | 0 | 2 | 0 | 2 |
| Portugal | 0 | 0 | 1 | 1 | 2 |
| Puerto Rico | 0 | 0 | 1 | 0 | 1 |
| Qatar | 1 | 0 | 0 | 0 | 1 |
| Saudi Arabia | 0 | 0 | 3 | 0 | 3 |

| | | | | | |
|---------------------------|-----|---|-----|----|-----|
| Serbia | 1 | 0 | 0 | 0 | 1 |
| Singapore | 85 | 0 | 57 | 3 | 145 |
| South Africa | 7 | 0 | 12 | 9 | 28 |
| Spain | 1 | 0 | 1 | 0 | 2 |
| Sri Lanka | 1 | 0 | 1 | 0 | 2 |
| St Vincent And Grenadines | 1 | 0 | 0 | 0 | 1 |
| Sweden | 1 | 0 | 0 | 0 | 1 |
| Switzerland | 32 | 0 | 16 | 2 | 50 |
| Taiwan | 115 | 0 | 221 | 1 | 337 |
| Thailand | 19 | 0 | 28 | 0 | 47 |
| Trinidad And Tobago | 5 | 0 | 18 | 1 | 24 |
| Turkey | 0 | 0 | 2 | 0 | 2 |
| United Arab Emirates | 17 | 0 | 11 | 0 | 28 |
| United Kingdom | 102 | 0 | 124 | 89 | 315 |
| Uruguay | 0 | 0 | 1 | 1 | 2 |

| | | | | | |
|----------------|--------------|----------|--------------|------------|--------------|
| Vietnam | 9 | 0 | 4 | 0 | 13 |
| Zimbabwe | 0 | 0 | 1 | 0 | 1 |
| Totals: | 1,665 | 1 | 1,482 | 190 | 3,338 |

Member Statistics – thru Jan. 2013

Analysis of Membership by Type of Employment

| Particulars | Fellows | Associates | Totals |
|--|----------------|-------------------|---------------|
| Bank | 311 | 223 | 534 |
| Consulting Actuary | 4250 | 2855 | 7105 |
| Government | 2 | 3 | 5 |
| Insurance Broker | 50 | 36 | 86 |
| Insurance Department (state or provincial) | 119 | 74 | 193 |
| Insurance Organizations | 6881 | 3994 | 10875 |
| Miscellaneous | 263 | 212 | 475 |
| Organizations Serving Insurance Business | 87 | 54 | 141 |
| Other Government Employment | 193 | 236 | 429 |
| Retired | 597 | 146 | 743 |
| Software Developer/Vendor | 90 | 76 | 166 |
| Unaffiliated | 1519 | 1015 | 2534 |
| University or College | 105 | 146 | 251 |
| Totals: | 14,467 | 9,070 | 23,537 |



Member Statistics – thru Jan. 2013

Section Membership

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| Section | Number of Membership |
|-----------------------------------|----------------------|
| Actuary of the Future | 862 |
| Education | 584 |
| Entrepreneurial Actuaries | 526 |
| Financial Reporting | 3,811 |
| Futurism | 671 |
| Health | 3,753 |
| International | 1,667 |
| Investment | 3,438 |
| Joint Risk Management | 2,539 |
| Long-Term Care Insurance | 1,493 |
| Management & Personal Development | 1,578 |
| Marketing & Distribution | 1,005 |
| Pension | 3,041 |
| Product | 3,437 |
| Reinsurance | 2,091 |



SOCIETY OF ACTUARIES

| | |
|---|--------|
| Smaller Insurance Company | 552 |
| Social Insurance & Public Finance | 609 |
| Taxation | 827 |
| Technology | 1,108 |
| Number of SOA Members in at Least One Section | 12,710 |

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ASAs by Year

Below is the membership count of new ASAs from 2000–2012.

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| Year | No. Added |
|------|-----------|
| 2012 | 1211 |
| 2011 | 1108 |
| 2010 | 982 |
| 2009 | 1,165 |
| 2008 | 1,489 |
| 2007 | 1,402 |
| 2006 | 803 |
| 2005 | 648 |
| 2004 | 643 |
| 2003 | 743 |
| 2002 | 567 |
| 2001 | 631 |
| 2000 | 502 |



SOCIETY OF ACTUARIES

CERAs by Year

Below is the membership count of new ASAs from 2000–2012.

| Year | No. Added |
|------|-----------|
| 2012 | 191 |
| 2011 | 173 |
| 2010 | 137 |
| 2009 | 301 |
| 2008 | 203 |
| 2007 | 96 |

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Fellows by Year

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| Year | No. Added |
|------|-----------|
| 2012 | 894 |
| 2011 | 614 |
| 2010 | 735 |
| 2009 | 571 |
| 2008 | 949 |
| 2007 | 819 |
| 2006 | 512 |
| 2005 | 446 |
| 2004 | 506 |
| 2003 | 483 |
| 2002 | 495 |
| 2001 | 466 |
| 2000 | 651 |



SOCIETY OF ACTUARIES

Mission and Vision Statement

The Society of Actuaries is an educational, research, and professional organization dedicated to serving the public and Society members. Its mission is to advance actuarial knowledge and to enhance the ability of actuaries to provide expert advice and relevant solutions for financial, business, and societal problems involving uncertain future events. The vision of the Society of Actuaries is for actuaries to be the leading professionals in the measurement and management of risk.

Terms and concepts used in the Mission and Vision Statement may be amplified as follows:

1. Educational Organization

The SOA provides basic education in the fundamental principles of actuarial science, advanced education and professional development in areas requiring specific technical or regulatory knowledge, and continuing education for practicing actuaries.

2. Research Organization

The SOA conducts research to develop studies of historical experience and techniques for projections into the future, to analyze the actuarial aspects of public policy issues, and to provide the foundation for further expansion of the profession.

3. Professional Organization

The SOA promotes high standards of professional competence and conduct within the actuarial profession. The SOA has adopted a Code of Professional Conduct, and in matters of conduct and discipline, it cooperates with the Canadian Institute of Actuaries and with the American Academy of Actuaries, including the Actuarial Standards Board and the Actuarial Board for Counseling and Discipline.

4. Serving the Public

By developing and valuing financial programs, actuaries provide service to the public. In addition to looking after the interests of direct participants and beneficiaries of such public and private programs, actuaries also provide advice to shareholders, regulators, financial analysts and others. The SOA meets its responsibility to the various publics by recruiting

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and educating actuaries and by its role as a professional organization. Note that the SOA places serving the public ahead of serving its members.

5. Serving its Members

The SOA is committed to meeting the needs of its members. Members work in the traditional practice areas of life insurance, retirement systems, health benefit systems, financial and investment management, and emerging practice areas. In meeting the needs of its members, the SOA conducts meetings and seminars, publishes papers and studies, makes or sponsors investigations, promotes educational activities for students and members, utilizes technology to enhance communications, sponsors academics and supports universities with actuarial science programs, organizes special interest sections, and undertakes such other activities as appropriate. However, in accomplishing many of these tasks, the SOA relies on the generous support of its members in volunteer roles.

Although the majority of SOA members reside in Canada or in the U.S., a significant number of members live or practice in other geographical areas. The SOA is committed to encouraging the development of actuarial science worldwide and to addressing the international needs of SOA members. The SOA is a member of the International Actuarial Association (IAA) and of the worldwide actuarial profession.

6. Advancing Actuarial Knowledge and Enhancing the Ability of Actuaries

Knowledge of actuarial science is the foundation of the actuarial profession. Actuaries often deal with problems relating to uncertain future events. With insurance based on scientific actuarial principles, financial aspects of uncertainties such as premature death, disability, the need for medical care, etc., can be exchanged for the certainty of a premium payment. Pension and social security programs require actuarial analysis based on contingencies such as period of employment, covered earnings, and mortality. Investments and other financial transactions involving risk or uncertainty can also be modeled using actuarial techniques. In a dynamic and rapidly changing world, actuarial knowledge must be continuously expanded to meet increasingly complex problems and to enhance the value added by actuarial analysis.

7. Recognition as the Leading Professionals

The vision of the SOA is not only to have actuaries be the leading professionals in the

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modeling and management of financial risk and contingent events, but to have this expertise widely recognized and accepted outside the actuarial profession as well.

8. Critical Success Factors

Critical success factors for the profession and the SOA are:

For the Profession

- Be relevant to the needs of our customers. Provide value to a large enough constituency to sustain meaningful work for current and future members of the profession. This may mean expanding our horizons as a profession.
- Be recognized and credible with employers, clients, policymakers and the public by clearly defining who we are and how we differ from others.
- Expand the scope of the actuarial profession. Design a paradigm that expands the scope of meaningful applications of our science, while preserving its integrity and uniqueness.
- Have an effective influence on public policy.
- Focus on maintaining quality membership by recruiting, educating and retaining people who are a credit to the profession, the customers and the societies we serve.
- Be forward looking, flexible and adaptable. Where appropriate, motivate the need for actuarial services in the absence of government regulations. Focus our professional resources on outcomes most important to members and the public.

For the Society of Actuaries

- Provide a relevant education system to train new actuaries and provide continuing education for actuaries. Keep Education & Examination and Continuing Education systems in line with the profession's needs.
- Carry out research initiatives that maintain a current knowledge base and expand it so that we can add value to our customers; publications should support dissemination of knowledge base; the knowledge base needs to support both new and existing practice areas.

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- Provide appropriate scope for actuarial practice, encompassing attention to new practice areas and appropriate geographical areas, and building and maintaining employment opportunities for actuaries. Focus should continue to be on customer needs.
- Provide and maintain strong and effective services for members. The key is helping members add value to their customers with emphasis on external focus.
- Maintain a strong volunteer system and effectively support it with staff.
- Provide support to help achieve the critical success factors for the profession.
- Prepare for the future, focusing on both the long and the short term.

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The critical success factors should serve as a framework for testing priorities and allocating resources.



SOCIETY OF ACTUARIES

Past Officers

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| | 2011–12 | |
|----------------------------|---------------------|--|
| President | Bradley M. Smith | |
| President–Elect | Tonya B. Manning | |
| Vice–President | William J. Falk | |
| | Jeremy Gold | |
| | Abraham S. Gootzeit | |
| | Francis P. Sabatini | |
| | Martine Sohier | |
| | Thomas S. Terry | |
| Secretary and Treasurer | Thomas S. Terry | |

| | 2009–10 | 2010–11 |
|-----------------|-----------------------|------------------|
| President | S. Michael McLaughlin | Donald J. Segal |
| President–Elect | Donald J. Segal | Bradley M. Smith |
| Vice–President | Tom Bakos | William J. Falk |
| | Errol Cramer | Mark J. Freedman |



SOCIETY OF ACTUARIES

| | | |
|-------------------------|----------------------|----------------------|
| | Mark J. Freedman | Tonya Bowman Manning |
| | James M. Glickman | Francis P. Sabatini |
| | Tonya Bowman Manning | Sim Segal |
| | Sim Segal | Thomas S. Terry |
| Secretary and Treasurer | Mark J. Freedman | Mark J. Freedman |

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| | 2008–09 | 2007–08 |
|-------------------------|-----------------------|-----------------------|
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2012 Presidential Address

Bradley M. Smith, FSA, MAAA
President, Society of Actuaries

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Wow! This is a humbling experience. I'm deeply honored to be chosen to lead such an impressive group of professionals.

This is an important day in my career.

It's also an important day in the Smith Family history. 25 years ago, the SOA had its Annual Meeting in Chicago. Karen and I attended. Program was excellent. Except Tuesday afternoon was a little weak. As a direct result of this, nine short months later our only child, Emily, entered the world.

I don't want you to get any ideas, but there are many forms of continuing education!

The Society of Actuaries has had its typically outstanding year. Exams have been administered, meetings have been offered and attended by its members, continuing education opportunities have been made available, and valuable research has been produced.

Truth be told, this happens year after year, not because of the presidential officers of the SOA, but rather because we are blessed with having a very generous core of volunteers and an excellent staff led by Greg Heidrich and Stacy Lin.

If I asked our volunteers to stand, virtually everyone in the room would, so I won't. However, if you are a member of the SOA's staff, please stand so we can express



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our appreciation for your continuously excellent effort on behalf of the actuarial profession. Thank you.

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I do not intend to take up this valuable time with you outlining the accomplishments of the SOA this past year. Rather, I want to talk about the actuarial profession, the opportunities we have, the challenges we face and the structure we operate under.

I recognize in advance that many of my comments and examples will be more relevant to our US-based members, but I believe the issues I raise and the directions I'm suggesting will, if taken, directly benefit our members in the US, Canada, and the many other parts of the world where we have members or candidates today.

The challenge for any profession is to remain relevant to all of its stakeholders. So it is with the actuarial profession. We do this by committing to life-long learning – replenishing the technical skills that are an amortizing asset, but represent the life blood of our expertise. We also remain relevant by developing skills outside our areas of expertise. Working on our weaknesses as well as our strengths. Improving our "soft skills".

I am reminded of the presentation by Professor Paul Embrechts at last year's annual meeting. Dr. Embrechts is a professor of mathematics and economics. He gave a fascinating presentation on how he used his technical skills to predict the mortgage and financial crisis of 2008 well in advance of its occurrence. He described how he tried to warn regulators and government officials of this impending calamity. How they largely ignored him as being "too academic". In fact he showed a slide with those two words. He wore the label as a badge of honor. It was a fascinating presentation. One well worth our time.



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I was certainly impressed, but something bothered me as I left the presentation. I couldn't put my finger on it immediately, but it struck me a few days later. What should have been his most significant professional achievement, predicting and helping to avoid, or at least minimize, the disastrous effects of a coming world-wide financial meltdown turned into a humongous professional failure.

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Think about it. He had the skills and technical ability to predict this coming calamity, but because he lacked the ability to communicate effectively with a non-academic audience, he could not help the world avoid the pain and suffering it eventually caused (and is continuing to cause today)!

Have you ever been accused of being "too actuarial"? I certainly have. And I used to wear it as a badge of honor, also. Until someone pointed out to me that they were not criticizing the necessarily highly-complicated and technical nature of the work that actuaries do, but rather, my inability to communicate the issues in a non-technical fashion to non-actuaries.

This represented a professional deficiency as critical as not having the technical ability to develop the solution. If you cannot articulate the problem you are trying to solve and the solution you are proposing, you will fail as a professional – or at least fall short of your potential.

I have been a consultant for over 25 years. Have I had clients ignore my advice? Absolutely.

We need to recognize that we are not always right. That there are elements to any solution that we may not appreciate. That we are not always the "smartest person in the room". Having said that, we must also recognize that if this happens too often, clients will eventually stop asking our opinions. We will become irrelevant.



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This is so important now because depending upon your point of view, we are either "blessed" or "burdened" with enormous societal problems that have substantial actuarial components. The funding and potential reform of Social Security... Medicare and Medicaid... Healthcare reform. The underfunding of public pension plans.

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Let's talk about some of these issues.

Underfunding of Public Pension Plans. This topic has garnered much publicity over the last year. Many of our largest public pension plans are severely underfunded. This underfunding represents a substantial financial burden on future generations of taxpayers. To formulate a solution, the root causes of the problem must be understood. We know the causes but we have failed to communicate them effectively to the general public.

1. Sponsors have failed to fund their plans at the level recommended by their actuaries.

This is understandable. Tax revenues are down due to the financial crisis. There are pressing needs other than pension plans that must be funded on a current basis... Education, transportation, healthcare, to name just a few. Many of these plans already have billions of dollars of assets invested. Why should they pay more into these plans when they have more pressing current needs? It is our role as their actuaries to answer this question.

Given the reality of funding at a level substantially less than recommended, it is clear that, in some cases, we have not been as effective as we need to be.



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2. The investment returns of the past decade have been calamitous.

Equities have severely underperformed from their historical level. Additionally, markets have been very volatile. This has led to an asymmetrical response to these volatile returns by plan sponsors.

What do I mean by this?

In the late 1990s and early 2000s, during the dot-com bubble, investment returns greatly exceeded expectations. This led to the overfunding of some plans. Assuming that those returns were not an aberration, plan sponsors raised benefits, which, once granted, are typically guaranteed. When the bubble **IMPLODED**, the excess returns disappeared and, due at least in part to increases in benefits that became guaranteed, the plans were left severely underfunded.

3. Politicians appealed to public employees by promising increases in their benefits, knowing that such increases would be substantially funded in the future, after they had left office.
4. Plan administrators of final average pay defined benefit pension plans allowed the "spiking" of benefit levels by permitting employees near retirement to work additional overtime in the years immediately prior to retirement.
5. Early retirements of older, higher-paid employees who were replaced by younger, lesser-paid employees was seen as a way to reduce current payroll, without recognizing the impact that these early retirements would have on the funded status of the pension plan.

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6. Post-retirement health costs were either not funded at all or were funded at a level well below their expected cost.

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Earlier in the year I was interviewed by a reporter from the New York Times concerning the funding of public pension plans. While I am not a pension actuary by training, my commercial responsibilities require me to be aware of the issues. A 15-minute introductory interview turned into a 90-minute discussion in which we talked about each of these underlying causes. At the end of the interview she told me that she had been working on this story for a number of months and that I was only one of two actuaries willing to discuss the causes of the problem. No one else would discuss it on the record!

In a subsequent conversation, she told me that she understands the underlying reasons for the underfunded status of these plans. But then she said something very interesting. She said, "Brad, you seem like a smart guy. You are a leader of the actuarial profession. You must recognize that once the level of underfunding is understood by the public, people will be pointing fingers at the actuarial profession."

I certainly do and so do you.

All the more reason for the actuarial profession to be a part of the solution, rather than be viewed as part of the problem.

A quick side note. My sister is a middle school teacher in Illinois. I come from a family of teachers. She wrote a letter to her state representative urging her to not reduce the pension benefits she had worked for throughout her career. The representative's response was instructive. She said she was empathetic to my sister's concerns, but the state's finances were so bad, it appeared clear that pension benefits for state employees would have to be reduced. She then made it



clear that as a newly-elected representative, she was not responsible for the poorly funded plan. Rather, it was the responsibility of her predecessors and the advisors they relied upon.

Yes, they will blame us.

Healthcare Reform. The Patient Protection and Affordable Care Act (PPACA) is undeniably a very complicated piece of legislation. One of its elements that will affect actuaries and our work are the four primary subsidies the law creates among different constituencies.

Let me preface my remarks by saying that I am in no way criticizing Congress or President Obama. It is the legislature's responsibility to determine who should pay for what and whether differentiation of cost by a given criteria is socially acceptable or desirable.

The four subsidies created by the legislation are:

1. Affluent to poor
2. Healthy to unhealthy (via the elimination of underwriting)
3. Young male to young female (via the elimination of gender-based pricing)
4. Young to old (via the 3 to 1 limitation on pricing)

While any one of us may disagree with the social benefits of such subsidies, it is pretty clear what the underlying thinking was on at least the first three. However, I was having a problem understanding why the fourth subsidy was enacted. After all, many of the uninsured are young adults who feel invulnerable and do not see the need to purchase health insurance.

The new law requires them to purchase insurance or pay a penalty. If we were going to subsidize any age group, shouldn't we be subsidizing them? Instead, not

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only are we NOT subsidizing them, we are forcing them to pay artificially high premiums that subsidize an older, generally more affluent cohort.

This didn't make sense to me.

I discussed this with someone who works on Capitol Hill. Told him I understood the criteria for the first three, but was struggling to understand the reason for the young to old age subsidy. Were Congress and the President trying to emulate the group insurance market? Were they making a statement about the appropriateness of age-based pricing?

The person just looked at me and smiled. He said, "Brad, you are such an actuary. You try to impute logic where there is none. There is one reason and one reason alone for the 3 to 1 limit that subsidizes the old at the expense of the young." I said, "OK, what is the reason?" He said, "It is the price that AARP (American Association of Retired Persons) extracted for their support of the bill." "It is the price AARP extracted to support the bill." Totally non-actuarial. Totally political. Old people vote, young people don't.

If you are under age 35 this should make you really angry. I'm 56 and it makes me angry.

There is a lesson here for us as a profession. If we are to sit at the grown-ups' table, we have to recognize that not all decisions are driven by actuarial considerations. We are not always "the smartest people in the room." In fact, in some ways we have been the most ignorant, or at least the most naïve.

One final point on this topic. There are ramifications to moving from our current environment to one that is subsidized in a different way, and as professionals we should not be shy about pointing out these ramifications.

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The newly subsidizing cohort—young, healthy, middle-class males—are going to be hit with substantial rate increases as a direct result of the mandated subsidies in this legislation. The laws of actuarial science, like the laws of physics and economics, are immutable.

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Medicare. Since we are talking healthcare, let's move on to Medicare.

We all know the problem, the current level and trajectory of the growth of healthcare costs are at unsustainable levels. The causes have been well documented. Waste, fraud and overutilization have resulted in healthcare costs in excess of 16 to 17 percent of GDP. Behavioral economics shows that humans react to incentives.

The current healthcare delivery system incents healthcare professionals to provide more, not necessarily more effective, medicine. Advances in medicine and the use of technology allow us to do things medically that were unimaginable even a decade ago. Historically, we have adopted new treatments that were demonstrated to be better than existing treatments regardless of the incremental cost.

One lesson of the financial crisis is we now recognize that we have finite resources. Choices have to be made. The issue is not whether the individual is free to pursue whatever protocol of treatment he or she wishes. The issue is what level of coverage is provided by the publicly provided plan, and what additional coverage is the individual responsible for purchasing.

The issue of making choices is a hot one politically. Death panels come to mind. However, when asked whether Medicare should pay for a 94-year-old patient with severe Alzheimer's disease to have a knee replacement, most people would say



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no. That is not an efficient use of our finite resources.

Once you have made that decision, you have crossed a conceptual threshold. You have acknowledged that there are certain procedures that will not be performed, based upon a cost-benefit analysis. The only remaining question is where the line is to be drawn.

Difficult questions, difficult choices, but ones that must be asked, answered, and made if we are to control the trajectory of runaway healthcare costs.

Actuaries have the skills necessary to participate in research that will help society make some of these tough choices.

Social Security. Social Security was designed as a pay-as-you-go system. The 1983 reform resulted in increased taxes and decreased benefits to assure the 75-year "solvency" of Social Security. The resultant tax revenue in excess of benefit payments "accumulated" in the Social Security Trust Fund. The federal government "borrowed" this excess revenue to pay current expenses. It also contributed to a reduction in the government's current deficit and external debt.

Nonetheless, the federal government owes this money to the Social Security Trust Fund which now sits at approximately \$2.6 trillion.

In the near future, absent reform, Social Security benefit payments will permanently overtake Social Security tax revenue, resulting in an increase in the government's current deficit calculated on a unified basis.

Given the level of the government's deficit this has led some politicians to call for the reform of Social Security. However, we know that any reform of Social Security will not affect the government deficit over the long run as Social Security taxes

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must be used to pay Social Security benefits. It is a zero sum game.

Likewise, once the "trust fund" is dissipated and the taxes collected are no longer adequate to pay scheduled benefits, benefits will be reduced to the level supported by then-current tax revenue. This is primarily due to the demographic shift generated by the retirement of the baby boomer generation.

Most actuaries understand this. The general public does not.

Reform is necessary, not to help address the deficit issue, but rather to distribute the pain of some combination of increased taxes and reduced benefits more equitably to all taxpaying generations.

Absent such reform, the generations paying taxes through the mid 2030s and receiving the precipitously reduced benefits resulting from the dissipation of the trust fund will bear the economic brunt caused by this demographic shift.

Steve Goss, the Chief Actuary of Social Security, and his staff have done an excellent job of detailing the issue.

The actuarial profession needs to support their efforts to better educate the tax-paying public and lawmakers so that we can create a system that is fair to all.

Conclusion. These societal issues represent a significant and growing opportunity for the actuarial profession.

We are blessed with the superior analytical skills necessary to address these issues. However, because we are blessed we have a tremendous responsibility. Are we the cause of these problems?

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I maintain that we are not. However, if we do not become part of the solution, we risk becoming facilitators of the problems. This is something that few, if any of us, want to live with. We must become more active participants in developing solutions to these problems.

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So what am I asking you to do?

I am asking every actuary to speak out about these issues. At cocktail parties. At neighborhood barbeques. At family gatherings. At your place of work. I'm asking you to give presentations to your local community clubs. To write your congressman. To write letters to the editor of your local newspaper. To tap the power of social media, be it Twitter, Facebook, LinkedIn or YouTube to deliver this message.

I have asked the SOA staff to create power point presentations on each of these four topics targeted to non-actuarial audiences that will be made available to you to alter and use as you deem appropriate.

Incidentally, the Academy has developed some very helpful issues papers on these and other topics to help educate you and the general public. They are available on their website. I encourage you to take a look.

One of the impediments to the actuarial profession becoming more substantial contributors to solving these issues is the structure of our professional organizations in the United States.

I completed my term as a Vice President of the SOA in 2003. When I left, the organizations were reasonably cooperative and productive, minimizing the impact of the artificially complex structure. Since becoming more intimately involved this last year, I have observed that our organizations are less cooperative and much



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more competitive with each other.

The markets our members and candidates face are much more competitive today, both from credentials and training outside the profession (for example, the CFA, an MBA, a Masters in Finance, and other credentials).

And let's face it, the SOA and the CAS compete for students with other global actuarial organizations.

I sat in a meeting a couple of weeks ago in which a leader of another global actuarial organization acknowledged that they have one very distinct competitive advantage over the SOA. Specifically, they offer education and examination for all actuarial disciplines, whereas the SOA does not support the casualty (or non-life insurance) discipline.

They have a similar competitive advantage over the CAS.

Clearly, we are stronger competing together rather than separately.

We must re-structure our organizations in a way that concentrates and focuses our resources on ensuring the profession, our professional associations and our credentials remain strong and grow stronger in the future.

For the profession to have a meaningful impact on critical public policy issues, we must have a highly focused, coordinated effort with the scale and resources necessary to that effort.

We actually already have that scale and those resources, but we divide them among a variety of different organizations.

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To be more effective, we should focus and concentrate our efforts.

In the past couple of years we have received a message from many of the large employers of actuaries that our existing structure is both inefficient and ineffective. The markets in which our employers work are highly competitive and becoming more so. Economic pressure for cost savings is requiring a number of our major employers to combine and achieve efficiencies in new ways and they will also (eventually) require it of us.

In the long run, we cannot avoid this economic reality.

At a time when we most need concentrated, focused effort, we spend hours and days of precious volunteer, leadership, and staff time and effort finding ways to collaborate with one another, and we duplicate our spending on many aspects of our separate infrastructures. These efforts are well-meaning, but they are aimed almost solely at making our divided and disparate systems work.

There is a hesitancy to do anything due to a fear of stepping on others' toes.

I believe we can put those volunteer, leader, staff, and financial resources to more effective use and gain important efficiencies as well.

The SOA's members, when asked to vote on a proposal to combine and make more efficient just one aspect of this structure, the recent Joint Disciplinary proposal – voted by a margin of 94% to 6% in favor. Over 80% of the CAS voters had the same view, as did 93% of the Academy members who voted and 93% of CCA voting members.

In other words, you, our members, strongly supported such efficiencies.

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Many of the profession's leaders and its employers, in private conversations and public statements, have expressed the view that a more efficient and rational structure for the US profession makes sense. Several of them have tried in various ways over the years to achieve change.

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Steve Kellison, former President of the SOA and former Executive Director of the Academy, stated in an article in the October, 2005 issue of *The Actuary*: "Put simply, there are too many actuarial organizations for a profession of our relatively small size. Our overall organizational structure collectively is too complex and the end result is sub-optimal... I see this largely, perhaps uniquely, as a problem facing the profession in the United States... He went on to say... "There is no strategic vision for the profession as a whole... Despite repeated good-faith attempts to define "who is responsible for what", lack of clarity still pervades everything we do... Effectiveness and efficiency are difficult to achieve under the current structure... the current structure requires a lot of communication and coordination... Every hour spent in coordination and communication activity is an hour NOT spent actually doing something to advance the goals of the profession...competition among the organizations invariably arises... He concluded... To the world outside our profession, we appear to be a fractured, convoluted, even disorganized profession."

That's what Steve said SIX YEARS AGO!

We cannot tolerate or afford to operate under this structure for the NEXT six years!!

The Critical Review of the US Actuarial Profession (CRUSAP) report, prepared by a committee of senior actuaries chaired by Fred Kilbourne to address new challenges facing the profession, and issued in late 2006 stated: "...the organizational structure of the profession results in a significant distraction to the



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profession's leadership at a time when it is facing unprecedented challenges in meeting its goal of best serving the public... the current organizational structure is an impediment to an effective voice for the profession... Accordingly, we recommend that the actuarial profession establish the consolidation of the actuarial profession as a long-term goal."

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In the intervening years, a number of our leaders have attempted to address these issues and in the most recent election, several of our candidates for President-elect also expressed the view that structural change is needed.

Our current structure is not positioned to compete in the global marketplace. It is expensive, inefficient and substantially less effective than it could be. Quite frankly, almost everyone that works and has worked within the system recognizes this... Don Segal calls this the elephant in the room.

It seems clear that 10 years from now, this structure will no longer be in place.

It has been my experience in the commercial world that if you know you are destined to go a certain direction eventually, you are better off getting there sooner, rather than later.

As I have outlined this afternoon, we have much on our plate. We have a great responsibility. In order to meet that responsibility we need to simplify our profession's organizational structure. There is absolutely no need for three separate professional organizations, the SOA, the CAS and the AAA, to exist. They need to consolidate into one efficient, effective organization.

I know there are historical differences among our organizations, and I know there were good reasons many years ago why all were created. However, I believe – and I think the vast majority of you agree with me – that the time is past when we



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should let our history dictate the future structure of our profession.

The challenges we face, as a profession and as a nation, are simply too great for us NOT to respond with a new approach.

Despite the obvious difficulty, I intend to address this issue. I am prepared to focus energy and time during my term as President seeking this change, even as we continue serving members and candidates in our current structure.

Although the SOA Board has not expressed any view on the matter, I have had significant conversations with a number of our Board Members including all of the Presidential officers, who are fully supportive of this direction.

In the near future, I plan to formally ask our Board to support my efforts to make our professional organization's structure more rational, more efficient, and more effective, much as a previous generation of the SOA's leaders did in 1949.

Based upon discussions and other communications with some of the leaders of the other US-based actuarial organizations over the past year, it is clear that many of them believe this is the time to simplify our profession's organizational structure. Today, I am asking the leaders of these actuarial organizations – principally the Academy and CAS – to join me in this effort for the good of the profession, its members and candidates, and the stakeholders we serve.

I would also welcome participation in such an effort by CCA and ACOPA at any level they deem appropriate.

Today, I am asking the members of the SOA and the employers of its members – who I believe strongly support this idea – to express their views in support of this objective, both to me and to the leaders of the other organizations, and to

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encourage them to participate in this effort.

Write emails. Express your views on the various blogs that exist. Contact the members of the boards of these organizations. Get the word out to members NOT at this meeting. Use social media. Call for change.

Let's assure the relevancy of the actuarial profession into the foreseeable future.
Let's commit to do more to contribute to the solutions of society's problems.

I'm committed to lead these efforts, but need your help. It is up to you.

Inertia is our biggest obstacle. Those who do not want this change will certainly be the most vocal. Let your voices be heard! I welcome your suggestions.

Let's not leave this earth knowing we could have done better.

Thank you very much.

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Past Prizes and Awards

The Annual Prize

An Annual Prize of \$500 and a plaque are awarded to the author writing the best eligible paper published in the *North American Actuarial Journal*. A prize will be awarded only if the Editorial Board of the *North American Actuarial Journal* considers that the best eligible paper is of sufficient value to justify an award.

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| Period Covered | Author(s) | Title of Paper and Reference |
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The Triennial Prize*

A Triennial Prize of \$500 and a plaque are awarded the Society member writing the best eligible paper published in the North American Actuarial Journal during each successive three-year period. To be eligible, the paper must have been submitted to the Society in acceptable form before the end of the fifth year succeeding the calendar year in which the



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author first qualified as an Associate of a recognized actuarial society. A prize will be awarded only if the Editorial Board of the North American Actuarial Journal considers that the best eligible paper is of sufficient value to justify an award. The fact that a paper has been awarded an Annual Prize will not preclude its being considered for the Triennial Prize.

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No special action is needed to have an eligible paper qualify for consideration in the award of the Triennial Prize. Prizes are funded in part through memorial gifts donated to the Society of Actuaries. At present, this includes a gift donated in the memory of John P. Tillinghast.

*Winners of this prize, awarded biennially by the Actuarial Society of America (TASA) prior to 1926 and triennially thereafter by the Actuarial Society of America (TASA) and the American Institute of Actuaries (RAIA), are listed in the 1989 and prior Yearbooks.

| Period Covered | Author(s) | Title of Paper |
|----------------|---------------------|---|
| 2000–2003 | (No Award) | |
| 1997–2000 | (No Award) | |
| 1994–1997 | (No Award) | |
| 1991–1994 | Virginia R. Young | "The Application of Fuzzy Sets to Health Underwriting," TSA, Vol. XLV (1994) |
| 1988–1991 | A. Stephen Beach | "Statutory Reserves for Non–Level–Premium Policies," TSA, Vol. XLII (1990) |
| 1985–1988 | Jacques F. Carriere | "The Bounds of Bivariate Distribution That Limit the Value of Last–Survivor Annuities," (Lai K. Chan, co–author), |



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| | | TSA, Vol. XXXVIII (1986) |
| 1983–1985 | Shane A. Chalke | "Universal Life Valuation and Nonforfeiture: A Generalized Model," (Michael F. Davlin, co–author), TSA, Vol. XXXV (1983) |
| 1980–1982 | William F. Bluhm | "Cumulative Anti–Selection Theory," TSA, Vol. XXXIV (1982) |
| 1977–1979 | James A. Tilley | "The Pricing of Nonparticipating Single Premium Immediate Annuities," TSA, Vol. XXXI (1979) |
| 1974–1976 | Paul R. Milgrom | "On Understanding the Effects of GAAP Reserve Assumptions," TSA, Vol. XXVII (1975) |
| 1971–1973 | Francisco Bayo | "Mortality of the Aged," TSA, Vol. XXIV (1972) |
| 1968–1970 | Samuel H. Turner | "Asset Value Guarantees under Equity–Based Products," TSA, Vol. XXI (1969) |
| and | | |
| | Richard W. Ziock | "Gross Premiums for Term Insurance with Varying Benefits and Premiums," TSA, Vol. XXII (1970) |
| 1965–1967 | Mel Stein | "A Direct Comprehensive Approach to the Calculation of Gross Nonparticipating |

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| | | Premiums," TSA, Vol. XVII (1965) |
| 1962–1964 | Paul M. Kahn | "An Introduction to Collective Risk Theory and Its Application to Stop–Loss Reinsurance," TSA, Vol. XIV (1962) |
| 1959–1961 | James C. H. Anderson | "Gross Premium Calculations and Profit Measurement for Nonparticipating Insurance," TSA, Vol. XI (1959) |
| 1956–1958 | E. Allen Arnold | "Analysis of Approximate Valuation Methods," TSA, Vol. VII (1955) |
| 1953–1955 | Paul H. Jackson | "Experience Rating," TSA, Vol. V (1953) |
| 1949–1952 | A. M. Niessen | "Projections–How To Make Them and How To Use Them," TSA, Vol. II (1950) |

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The Halmstad Prize

The David Garrick Halmstad prize is given annually for actuarial research in memory of David Halmstad, an Associate of the Society, for his significant contributions to actuarial science and research. Funds for the prize were contributed in Mr. Halmstad's memory by his friends and colleagues. The fund is administered by The Actuarial Foundation (TAF).

To select the best paper on actuarial research published each year, a committee including the Society's Education and Research Section examines major English language actuarial journals, nominates outstanding papers, reviews the selected articles, and votes for the best paper. The results of these proceedings are submitted to the Research Committee of TAF for the final selection.



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| Year of Publication | Author(s) | Title of Paper and Reference |
|---------------------|--|---|
| 2008 | Mickkel Dahl, Martin Teilman Melchior, Thomas Melchior, Thomas Møllerz | "On Systematic Mortality Risk and Risk- Minimization with Survivor Swaps" |
| | Edward W. Frees, Emiliano A. Valdez | "Hierarchical Insurance Claims Modeling" |
| 2007 | Philippe Artzner; Freddy Delbaen; Jean-Marc Eber; David Heath; Hyejin Ku | "Coherent Multiperiod Risk Adjustment and Bellman's Principle," <i>Annals of Operations Research</i> , 152, 5-22, July 2007 |
| 2006 | Andrew J.G. Cairnes, David Blake, Kevin Dowd | "Pricing Death: Frameworks for the Valuation and Securitization of Mortality Risk," <i>ASTIN Bulletin</i> , May 2006, Vol. 36, Issue 1, pp. 79–120 |
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| | Manistre | |
| 2004 | Leslaw Gajek & Dariusz Zagrodny | "Reinsurance Arrangements Maximizing Insurer's Survival Probability," <i>Journal of Risk and Insurance</i> , Vol. 71, 421–435. |
| 2003 | A. S. Macdonald, BSc, PhD, FFA; H. R. Waters, DPhil, FIA, FFA and C. T.Wekwete, BSc,MSc, PhD; | "The Genetics of Breast and Ovarian Cancer I: A Model of Family History" and "The Genetics of Breast and Ovarian Cancer II: A Model of Critical Illness Insurance" <i>Scandinavian Actuarial Journal</i> 1-50 |
| 2002 | Thomas Moller, Ph.D. | "On Valuation and Risk Management at the Interface of Insurance and Finance," <i>British Actuarial Journal</i> , 8, IV, pp. 787–827. |
| 2001 | Martin Schweizer, Ph.D. | "From Actuarial to Financial Valuation |

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| 2000 | Hans U. Gerber, Ph.D., A.S.A. Elias S.W. Shiu, Ph.D., A.S.A. | "Investing for Retirement: Optimal Capital Growth and Dynamic Asset Allocation," <i>NAAJ</i> , April 2000, Vol. 4, No. 1, pp. 42–62. |
| 1999 | Uwe Schmock | "Estimating the Value of the Wincat Coupons of the Winterthur Insurance Convertible Bond: A Study of the Model Risk," <i>ASTIN Bulletin</i> , Vol. 29, No. 1, 1999, pp. 101–163. |
| 1998 | Hans U. Gerber, Ph.D., A.S.A. Elias S. W. Shiu, Ph.D., A.S.A. | "On the Time Value of Ruin," <i>NAAJ</i> , January 1998, Vol. 2, No.1, pp. 48–78 and "Pricing Perpetual Options for Jump Processes," <i>NAAJ</i> , July 1998, Vol. |

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| 1997 | Edward W. Frees, Ph.D., F.S.A. Yueh–Chuan King, Ph.D. Marjorie Rosenberg, Ph.D., F.S.A. Virginia Young, Ph.D., F.S.A. Siu– Wai Lai, Ph.D., A.S.A. | "Forecasting Social Security Actuarial Assumptions," <i>NAAJ</i> , October 1997, Vol. 1, No. 4, pp. 49–82. |
| 1996 | Edward W. Frees, Ph.D., F.S.A. Jacques Carriere, Ph.D., F.S.A. Emiliano Valdez, Ph.D., F.S.A. | "Annuity Valuation with Dependent and Mortality," <i>Journal of Risk and Insurance</i> , June 1996, Vol. 63, No. 2, pp. 229–261. |
| 1995 | Gregory C. Taylor, Ph.D., FIA., F.I.A.A. | "An Equilibrium Model of Insurance Pricing and Capitalization," <i>Journal of Risk and Insurance</i> , Sept 1995, Vol. 62, No. 3, pp.409– 446. |
| 1994 | Hans U. Gerber, Ph.D., A.S.A. | "Martingale Approach to Pricing Perpetual |

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| | Elias S. W. Shiu, Ph.D., A.S.A | American Options," <i>ASTIN Bulletin</i> , Vol. 24, 1994, pp. 195–220. and "Option Pricing by Esscher Transforms," TSA, Vol. XLVI, 1994, pp. 99–140. |
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| 1992 | James A. Tilley, Ph.D., F.S.A. | "An Actuarial Laymen's Guide to Building Stochastic Interest Rate Generators," TSA, Vol. XLIV, 1992, pp. 509– 538. |
| 1991 | Patrick L. Brockett, Ph.D. | "Information Theoretic Approach to Actuarial |

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| | | Science: A Unification and Extension of Relevant Theory and Application," TSA, Vol. XLIII, 1991, pp. 73–114. |
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| 1986 | Ragnar Norberg | "A Contribution to Modeling of INBR Claims," <i>Scandinavian Actuarial Journal</i> , No. 3–4, 1986, pp. 155– 203. |
| 1985 | Robert P. Clancy, F.S.A. | "Options on Bonds and Applications to Product Pricing," <i>TSA</i> , Vol. XXXVII, 1985, pp. 97– 151. |
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| 1983 | Anders Martin-Lof | "Premium Control in an Insurance System, An Approach Sharing Feedback and Persisting" <i>Scandinavian Actuarial Journal</i> , No. 1, 1983, pp. 1–27. |
| 1982 | L.A. Balzer, Ph.D. | "Control of Insurance Systems with Delayed Profit/Loss Sharing Feedback and Persisting Unpredicted Claims," <i>Journal of the Institute of Actuaries</i> , Vol. 109, 1982, pp. 285–313. |
| 1981 | Newton L. Bowers, Jr., F.S.A. James C. Hickman, Ph.D., F.S.A. Cecil J. Nesbitt, Ph.D., F.S.A. | "Dynamics of Pension Funding: Contribution Theory," <i>TSA</i> , Vol. XXXI, 1979, pp. 93–119. |
| 1980 | William S. Jewell, Ph.D. | "Models in Insurance: Paradigms, Puzzles, |

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| | | Communications, and Revolutions," <i>Transactions</i> , 21st International Congress of Actuaries, Zurich, June 19, 1980, Vol. S, pp. 87–130. |
| 1979 | James C. Hickman, Ph.D., F.S.A. Robert B. Miller, Ph.D. | "Bayesian Bivariate Graduation and Forecasting," <i>ARCH</i> , 1979.3, pp. 99–136. |
| 1978 | Phelim P. Boyle, Ph.D., F.C.I.A. | "Immunization Under Stochastic Models of the Term Structure," <i>Journal of the Institute of Actuaries</i> , Vol. 105, Pt. II, 1978, pp. 177– 187. Also <i>ARCH</i> , 1980.1, pp. 19–29. |

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The L. Ronald Hill Memorial Prize—This prize has been discontinued

Beginning in the year 2000, William M. Mercer donated \$10,000 to The Actuarial Foundation in memory of L. Ronald Hill.

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Prior to the year 2000, the L. Ronald Hill Memorial Prize was given annually in memory of L. Ronald Hill, a Fellow of the Society of Actuaries. The \$500 prize and plaque were donated by William M. Mercer Inc., to encourage the publication of papers in the North American Actuarial Journal and the Pension and Health Sections on the subject of employee benefit plans. Awards of other prizes for an employee benefit paper did not preclude that paper from eligibility for the L. Ronald Hill prize.

Three Fellows, representing the Group, U.S. Pension and Canadian Pension areas, selected the recipient of the award. Papers are judged based on appropriateness of subject material, timeliness of topic, universality, originality, and practical and theoretical application to employee benefits

| Year of Publication | Author(s) | Title of Paper and Reference |
|---------------------|--------------------------|--|
| 2000 | | Change in award to donation to The Actuarial Foundation by William M. Mercer, Inc. |
| 1999 | (No Award) | |
| 1998 | (No Award) | |
| 1997 | (No Award) | |
| 1996 | Klaus O. Shigley, F.S.A. | "The Pension Max' Election: An Investigation of the Structural and Economic |



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| | | Differences Between the 100% Contingent Annuity Pension Benefit Option and the Straight Life Benefit Option Used in Connection with Pension Max" TSA, Vol. XLVII (1995) |
| 1995 | (No Award) | |
| 1994 | Virginia R. Young, F.S.A. | "The Application of Fuzzy Sets to Group Underwriting," TSA, Vol. XLV (1993) |
| 1993 | Richard Daskais, F.S.A. David LeSueur, F.S.A. | "An Introduction to Duration for Pension Actuaries," The Pension Forum, Vol. 8, no. 1 (June 1993) |
| 1992 (No | Award) | |
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| 1990 | Roy Goldman, F.S.A. | "Pricing and Underwriting Group Disability Income Coverages," TSA, Vol. XLII (1990) |
| 1989 | Adam J. Reese, A.S.A. | "The Valuation of Retiree Medical Benefits," The Pension Forum, Vol. 5, no. 1 (March 1989) |
| 1988 | (No Award) | |
| 1987 | Victor J. Modugno, F.S.A. | "Terminal Funding," TSA, Vol. XXXVIII (1986) |
| 1986 (No | Award) | |

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| 1985 | John D. Stiefel, III, F.S.A. | "The Guaranteed Investment Contract (GIC)," TSA, Vol. XXXVI (1984) |
| 1984 | Lawrence N. Bader, F.S.A. | "Actuarial Implications of Dedicated Pension Funds," TSA, Vol. XXXV (1983) |
| 1983 | Barnet N. Berin, F.S.A., and Anthony B. Richter, F.S.A. | "Constant Replacement Ratios in Retirement: A Theoretical Approach," TSA, Vol. XXXIV (1982) |

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The Edward A. Lew Award

The Edward A. Lew Award is given periodically for the best paper in modeling research. The SOA Committee on Knowledge Extension Research sponsors the Award on behalf of the Society.

The Award honors Mr. Lew's many contributions to the Society of Actuaries and the actuarial profession as SOA President in 1973–74 and as a long-time contributor to actuarial research efforts. The Award is consistent with Mr. Lew's view of the importance of modeling research to actuaries.

| Year of Award | Author(s) | Title of Paper |
|---------------|--|---|
| 2002 | Russell Gerrard, Ph.D., Steven Haberman, FIA, Ph.D., and Elena Vigna, Ph.D. | The Management of De–Accumulation Risks in a Defined Contribution Environment |
| Mike | Wadsworth, FIA, | Managing of De–Accumulation Risks in |



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| | Michalis Ioannides, Ph.D., and Kathleen Beswick, FIA | Defined Contribution Environment |
| 2000 | Bruce Jones, Ph.D., F.S.A. | Development of Educational Material Related to Actuarial Modeling |
| 1999 | Hans U. Gerber, Ph.D., A.S.A. Elias S. Shiu, Ph.D., A.S.A. | "Investing for Retirement: Optimal Capital Growth and Dynamic Asset Allocation," NAAJ, April 2000, Vol. 4, No. 2, pp. 42– 62. |
| 1998 | Edward A. Frees, F.S.A., Ph.D. Yu Luo, A.S.A. Virginia R. Young, F.S.A., Ph.D. | "A Longitudinal Data Analysis Interpretation of Credibility Models Forecasting," Insurance Mathematics and Economics, May 28, 1999, Vol. 24, No. 3. |
| | Edward W. Frees, F.S.A., Ph.D. Yueh-Chuan Kung, Ph.D. Siu-Wai Lai, A.S.A., Ph.D. Marjorie A. Rosenberg, F.S.A., Ph.D. Virginia R. Young, F.S.A., Ph.D. | "Forecasting Social Security Actuarial Assumptions," NAAJ, October 1997, Vol. 1, No. 4, pp. 49–82 |
| | Edward W. Frees, F.S.A., Ph.D. Emiliano Andres P. Valdez, F.S.A. | "Understanding Relationships Using Copulas," NAAJ, January 1998, Vol. 2, No. 1, pp 1–25. |

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THE 2008-2012 SOA STRATEGIC PLAN



Executive Summary

The Society of Actuaries is an educational, research and professional organization dedicated to serving the public and the actuarial profession. Its mission is to advance actuarial knowledge and to enhance the ability of actuaries to provide expert advice and relevant solutions for financial, business and societal problems involving uncertain future events.

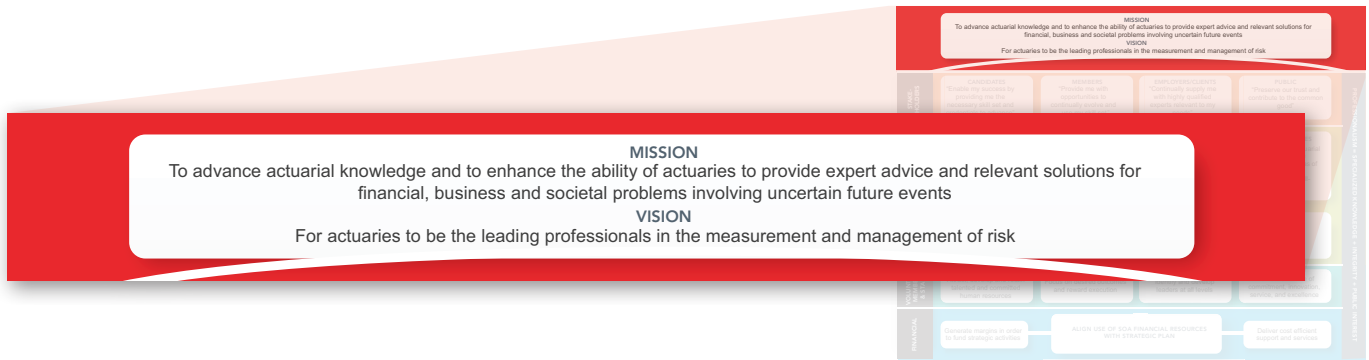
The vision of the Society of Actuaries is for actuaries to be the leading professionals in the measurement and management of risk.

The strategy of the organization describes what we will do to make our vision a reality. It can be summarized this way:

To promote actuaries globally as leaders in risk management through a “best-in-market” knowledge base and to foster an evolving image as a dynamic and relevant profession.

The strategy is visually depicted in the map illustrated on the last page. It tells a story of our future and its possibilities.

As you read this plan, please refer to the strategy map as your guide.



I. MISSION AND VISION

Our mission is the reason the SOA exists.

Our vision describes the future that the SOA aspires to make a reality. It is purposefully written from the perspective of serving the actuarial profession broadly. It also recognizes a wide variety of contexts in which actuarial principles and expertise can be applied. Risk represents opportunity!

The SOA’s mission and vision statements are shown at the top of the strategy map. The strategy is our road map, leading us to the realization of our vision for the profession.



II. STAKEHOLDER PERSPECTIVE

Because the SOA is in the business of serving its constituencies, the stakeholder perspective is illustrated as the top row of our strategy map. The stakeholder statements are written in "first-person," reflecting the value that each group expects the SOA to create and deliver to it. Underlying each statement is a keen awareness that our members and candidates want the SOA to serve as a market-leader in risk management education and research.

A. Candidates: "Enable my success by providing me the necessary skills and credentials to advance"

Candidates want the SOA to offer them the opportunity to earn a highly-respected credential regarded in the marketplace as the "gold standard" in the measurement and management of risk. Our credentials represent the knowledge and skills that candidates need to begin successful careers. Candidates expect that the educational content of the credentialing process will be relevant to the work they are doing today and will position them well for new opportunities in the future.

The process by which the candidates obtain the credential is also of importance. Trust in the integrity of the system is paramount. Candidates also expect the opportunity to earn the credential in an efficient timeframe. Finally, candidates want to be well supported by the organization throughout the credentialing and education processes, through relevant study materials, efficient operations and responsive customer service.

B. Members: "Provide me with opportunities to continually evolve and use my skills"

Through our member and candidate research, we know that supporting members' efforts to "keep current" is a primary driver of member satisfaction levels. Members expect the SOA to offer them opportunities to maintain the value of their hard-earned credential throughout their careers. This expectation may manifest itself differently for various segments of the membership. For many, this means that the SOA will provide members with a variety of continuing education opportunities to gain the most up-to-date knowledge in the field, so that a credential obtained many years ago would be as relevant to the marketplace as a newly earned credential. For others, it may require that the SOA will provide transitional education opportunities, enabling them to move into other practice areas efficiently as marketplace conditions change. In addition, the SOA will strive to identify new, high growth areas of potential application for actuarial skills and will support those members who aspire to evolve their careers into these areas.

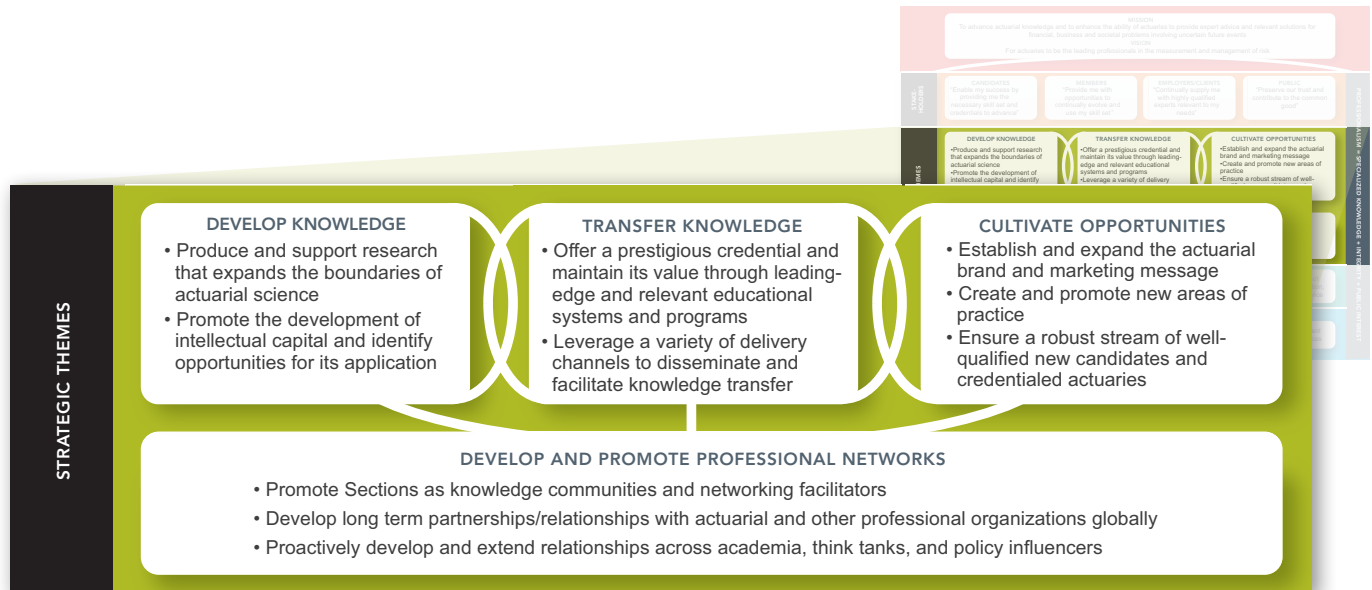
C. Employers and Clients: “Continually supply me with highly qualified experts relevant to my needs”

Employers (traditional and nontraditional) want to hire professionals who are relevant to the work of today, can deliver value from the first day of employment and be adaptable to changes in the environment that will impact the future of business. The SOA will prepare actuaries to meet these and other anticipated employer needs. These actuaries and candidates will range from those early in their learning process through experienced and certified professionals. Candidates include students striving to be actuaries who perform value-added work as they begin to learn actuarial skill sets as well as advanced students with core skill sets who add more value as they continue to develop and learn. It is important to note that learning will not cease when credentials are awarded--the SOA will continue to provide opportunities for continuing education. Employers and clients particularly seek seasoned or experienced actuaries who further drive value as core businesses are diversified and expanded. As the business world changes and becomes more complex, employers and clients will be well-served by actuaries who can apply their skills to create and preserve value on new frontiers.

D. Public: “Preserve our trust and contribute to the common good”

As the ultimate end-user of actuarial services, the public has an underlying interest in actuaries’ ability to provide relevant solutions for financial, business and societal problems involving risk. Today’s world will encourage actuaries to take a broad view of the needs of the public. It is clear that the public expects actuaries to personify integrity, competence, objectivity and the highest levels of professionalism.

The Critical Review of the U.S. Actuarial Profession (CRUSAP) report notes that, “Our research into current attitudes indicates that the majority view today among actuaries and users of actuarial services is that the public at all levels will expect the very highest level of professionalism from actuaries, if actuaries want to have respect and trust accorded to them and to the work they do.”



III. STRATEGIC THEMES PERSPECTIVE

The four strategic themes represent the primary areas in which the SOA must excel to deliver on the stakeholder statements. One theme is illustrated horizontally under the other three, indicating that these objectives support and can be integrated into the others above it. There is considerable interaction among all four themes; success in one will promote success in the others.

A. Develop Knowledge

Organizations identified as market leaders must make a significant investment in their Research & Development (R&D) functions. This function is the lifeblood of such an organization. The SOA is no different. Its stakeholder statements are based on the SOA's market leader position in credentialing and education in risk management. Therefore, it is imperative that the SOA have a strong R&D arm. This theme reflects the organizational commitment to the development of intellectual capital as the means by which candidates and members can practice thought leadership in risk measurement and management.

1. Produce and support research that expands the boundaries of actuarial science

The SOA is primarily an education and research organization. This objective speaks to the importance of research as part of the SOA's strategy of providing "best-in-market" knowledge. This strategy requires a commitment to directly produce or indirectly support research that broadens and deepens the profession's knowledge frontier in both new fields and in established areas of practice. Strong repository and access capabilities are also required, so that both researchers and practitioners can build upon the current knowledge base. This objective reflects a commitment to maintain the timeliness of foundational experience studies and to evolve those studies to reflect changes in business practice. Finally, the SOA must evaluate the current and future benefit of any given research initiative in order to prioritize and invest thoughtfully in those that can best drive forward the vision of the organization.

2. *Promote the development of intellectual capital and identify opportunities for its application*

To keep actuaries at the forefront of risk management knowledge, the organization must heavily promote all forms of intellectual capital development. This development will include the generation of new knowledge as well as “knowledge capture” through the documentation of current practice. The development function must also include the identification of new opportunities for applying this knowledge—whether in current areas of practice or in broader fields—and translating the knowledge into real-world solutions. Finally, the SOA must also commit to the effective organization and protection of its own intellectual capital.

B. Transfer Knowledge

The SOA has a goal to promote and provide lifelong learning to the profession. Intellectual capital is disseminated through basic education, continuing professional development and publications.

The CRUSAP report notes that, “Actuarial basic education and continuing education are occurring in a dynamic environment—evidenced by the evolution of risk financing within capital markets, greater accounting emphasis on short-term market volatility, increased complexity in product design, and the global movement to principles-based supervision... To equip actuaries to be new and valuable thought leaders for 21st century business requires adding more skills to the already-respected skill set of actuaries, such as communication, business acumen and active leadership. Thought leadership of a profession is dependent upon its ability to generate and disseminate its intellectual capital.”

Ultimately, the goal is to better equip actuaries to apply their technical and thought leadership skills to financial, business and societal challenges that relate to the measurement and management of risk.

1. *Offer a prestigious credential and maintain its value through leading-edge and relevant educational systems and programs*

Employers and clients recognize SOA credentials as representing knowledge gained through a rigorous course of study and examination and an ongoing program of continuing professional development. Members take pride in their hard-earned credential and expect the SOA will maintain its high standards for acquiring credentials. Members expect the SOA to maintain the educational system such that a newly earned credential still carries the same high regard in the marketplace as a credential earned many years ago. The SOA also supports credentialed actuaries with regard to staying current with their skill set and in capitalizing on changes in the market through ongoing learning opportunities. The CRUSAP report recognized that “It is critical for actuaries to broaden their knowledge base to meet newly emerging professional demands and to gain appropriate recognition.”

To uphold the value of the credential, the SOA needs to both leverage core competencies and stimulate expansion into new disciplines.

2. Use a variety of delivery channels to disseminate and facilitate knowledge transfer

Each actuary follows a unique career path driven by his/her talents, aspirations and available opportunities. For members and candidates to keep current on emerging intelligence and its business application through professional development requires the right information delivered at the right time in the right format. Traditional continuing education offerings have been in the form of meetings and seminars.

Other ways to accomplish continuing education include harnessing the power of the Web and integrating it with more traditional communication and advocacy methods.

C. Cultivate Opportunities

Analysis of SOA employer research suggests that the “narrow and technical” perception of the profession is a barrier to expanded opportunities for actuaries. In response, the North American actuarial organizations, led by the SOA, launched an image campaign to create a more dynamic and “market-relevant” image of the profession and to increase awareness of the value that actuaries can bring to the table. A key goal is to create a shared vision of the actuary as a 21st century thought leader. The image campaign will reinforce the profession’s technical skills while creating a more dynamic and relevant perception of the profession in the minds of key employers and their influencers. At the same time, the SOA will leverage intellectual capital to extend the influence of the profession in current and new disciplines. Finally, the SOA must ensure a strong supply of well-qualified actuaries to meet these expectations and market demands.

1. Establish and expand the actuarial brand and marketing message

In 2006, the SOA embarked on a long-term journey with other key North American actuarial organizations to market and position the actuarial profession as reflected in the Market and Market Development Plan (MMDP). The strategic objectives of this journey are to: increase demand for actuaries; market and position the actuarial profession; establish actuaries as key leaders and decision makers in their traditional marketplace; establish an initial footprint in the broader financial services market; and assure better skills within the supply of actuaries. Desired outcomes of this significant effort are to create demand for actuaries as senior leaders and critical resources within enterprise risk management (ERM) in both traditional and broader financial service settings, and to explore other potential “targets of opportunity.” This objective speaks to the importance of a consistent brand message while modifying the marketing message to the needs of a specific target audience.

2. Create and promote new areas of practice

The actuarial profession has a basic core set of knowledge and tools that can add value beyond traditional technical roles in the insurance and benefits sectors. Of the potential options for expanding into new areas of practice, broader financial services-including investment banking, commercial banking and mutual fund management-became the first priority because of that market’s demand for skills that actuaries can provide. Research has demonstrated that employers outside of actuaries’ traditional markets are not aware of actuarial skills, nor can they differentiate actuarial risk management expertise from that of competing professionals. A goal of the MMDP is to expand the understanding of the actuary’s special expertise in risk measurement and management for senior leaders and the C-suite. It

is through this increased understanding that doors in broader financial services and potential other industries will open.

3. *Ensure a robust stream of well-qualified new candidates and credentialed actuaries*

To expand the influence of the profession through both scope and scale, the SOA will need to attract a sufficient supply of well-qualified candidates who can be successful in their pursuit of the credential. For experienced actuaries to move up and/or out into new areas of practice or into leadership roles will require “succession planning” and the ability of early-career actuaries to step in. The overall pipeline of new and experienced actuaries must be sufficient to meet changing market demand.

D. Develop and Promote Professional Networks

This strategic theme illustrates that the execution of the other three strategic themes is significantly supported by the SOA’s Sections and through partnerships with other professional organizations around the world. While networking at the individual membership level can be viewed as a key benefit in and of itself, alliances at the organizational level in particular are formed primarily to support the more specific objectives outlined in the first three strategic themes.

1. *Promote Sections as knowledge communities and networking facilitators*

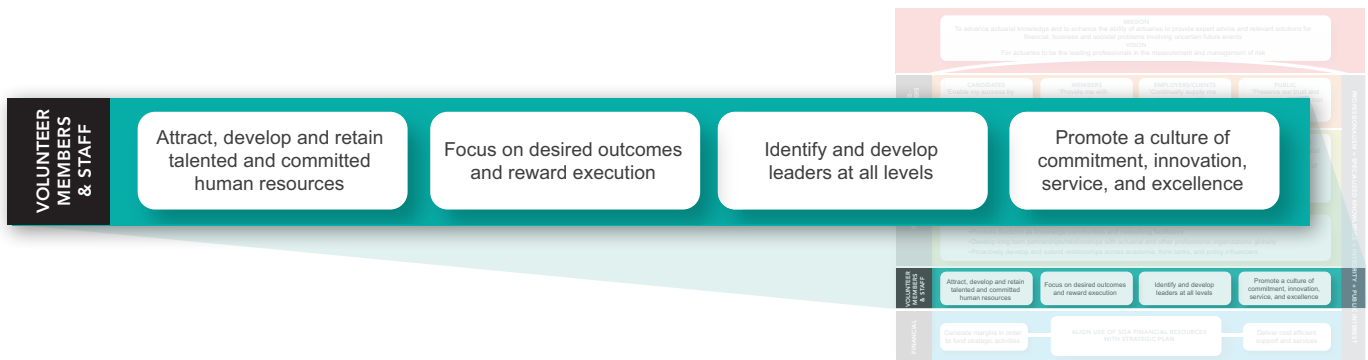
Over the past few years, the SOA has moved to become a more Section-centered organization, recognizing that its many special interest Sections are the strongest connection to the grassroots membership. Within the organization, Sections function as knowledge communities and networking bodies that allow their members to influence the research and education process of the SOA, provide thought leadership and meet other professionals with common interests. Support for the Sections is a key factor in membership satisfaction with the organization. The SOA encourages all members to join at least one Section that represents their most specific area of professional interest. This objective builds on the movement to leverage Sections as gateways to the membership and as key partners in the implementation of the SOA’s strategic objectives. Through affiliate memberships, Sections offer the opportunity for individual actuaries to connect with professionals from related disciplines outside the actuarial profession. These types of interactions offer advantages to individual professionals and help to extend the brand of the profession as a whole.

2. *Develop long-term partnerships/relationships with actuarial and other professional organizations globally*

The SOA develops organizational partnerships and alliances in order to advance one or more of the other three strategic themes. Relationships and specific partnerships with sister actuarial organizations around the world are critical for leveraging the collective strengths and talents of this still relatively small profession. The SOA considers the potential benefits offered by strategic alliances with other professional organizations to advance the discipline’s state of knowledge and opportunities for application.

3. *Proactively develop and extend relationships across academia, think tanks and policy influencers*

The SOA takes a proactive stance in strengthening the role of the academic community in supporting the profession. Fortifying the academic base of the profession is important to foster and promote knowledge development, knowledge transfer and the health of the candidate pipeline. The SOA actively works to connect the academic community to the business community so that the development of research and other forms of intellectual capital are geared toward real-world solutions. Given the importance and commitment of the profession to the overall health of financial security systems, the SOA also fosters education and research-based relationships with think tanks and other professional groups dedicated to the development of information and data to improve the quality of decision-making for the public interest.



IV. VOLUNTEER MEMBERS AND STAFF PERSPECTIVE

This perspective represents the intangible assets that are needed to drive our strategic themes forward and deliver on our stakeholder statements. Because member involvement drives a large amount of the leadership and work of the organization, this perspective deliberately addresses both the staff and volunteer member contributions. One of the benefits the SOA provides is offering members the opportunity to get involved, influence and help deliver on the direction of the organization. All the objectives in this perspective can and should apply to both groups.

A. Attract, develop and retain talented and committed human resources

The SOA is committed to identifying the skill sets and competencies needed to move the organization forward, and then matching the talents of its staff or volunteer members to those needs. The SOA is also committed to the training and ongoing development of its staff and volunteer members to position them and the organization for success. Finally, given that people are our finest resource, the SOA aspires to retain them over time, to assure that the organization can fully realize the benefit of their talents.

B. Focuses on desired outcomes and reward execution

Across the organization, the SOA aspires to focus on outcomes, recognizing that the desired outcomes will require execution of the proper activities. All work teams are expected to identify their objectives and goals, and to align with the strategic direction of the organization. This focus also requires that at the completion of a project, a work team provides an assessment of how well those goals and objectives were met. This assessment allows the organization to learn from its experiences, modify its direction and identify those that have succeeded in accomplishing their goals. SOA staff will find their accomplishments rewarded primarily through recognition and future advancement opportunities; rewards for member leaders will result in recognition and enhanced leadership responsibilities.

C. Identify and develop leaders at all levels

Effective member and staff leadership will also be required to achieve the SOA's strategic objectives. This speaks to the SOA's goal to identify future member and staff leaders and to invest in their development. These

development opportunities extend to leadership at all levels of the organization, including Section Councils, Committees, Task Forces and Project Oversight Groups. This objective also reflects the SOA's desire to develop and offer progression opportunities for member and staff leadership.

D. Promote a culture of commitment, innovation, service and excellence

To deliver on its strategic themes and fulfill the organization's promises to its stakeholders, the SOA needs to foster within its teams, its staff and its member leaders:

- an understanding and commitment to its mission, vision and strategy;
- an innovative mind-set in the development of products, programs and services;
- a sense of service to the SOA's stakeholders; and
- a demand for excellence in the way we deliver.



V. FINANCIAL PERSPECTIVE

Because the SOA is an education and research professional non-profit association, the financial perspective is kept simple and is shown at the bottom of our strategy map. It represents the tangible assets of the organization needed to move our strategy forward.

A. Align use of SOA financial resources with the strategic plan

The Society of Actuaries is a nonprofit organization—a financial entity with revenues and costs that must be carefully managed to succeed in fulfilling its mission. What not-for-profit organizations have in common is that they are mission based. The strategy map places services to stakeholders at the top of the map, rather than increasing shareholder value as would be the case in a for-profit organization. That is, the focus is on customers and serving their needs in order to accomplish the mission. In setting the annual budget, the overall goal is to provide resources for ongoing operations and strategic initiatives, while maintaining retained earnings at acceptable levels. The share of the budget dedicated to funding strategic activities is a key indicator of the SOA's commitment to the strategy.

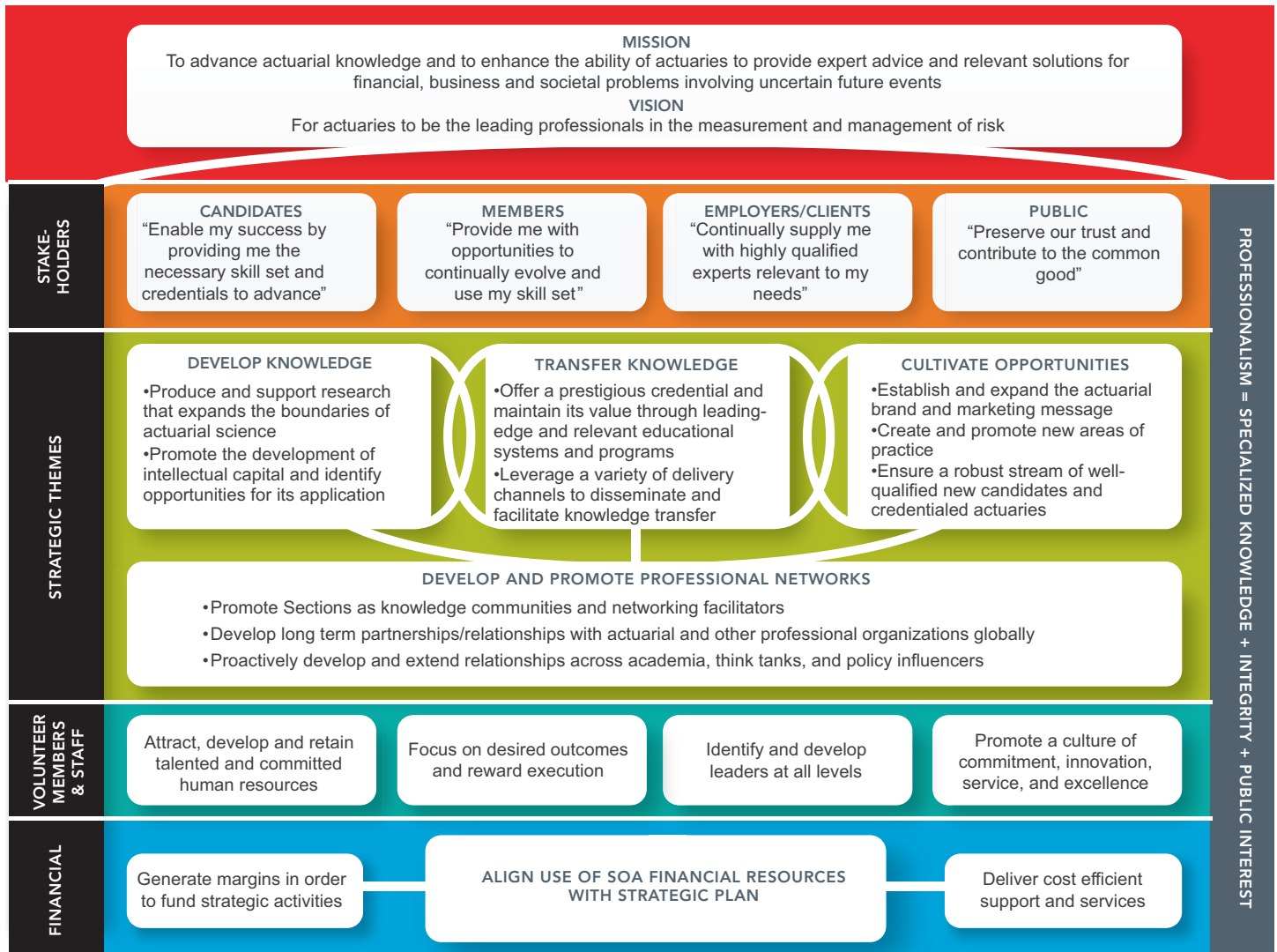
B. Generate margins in order to fund strategic activities

The SOA has three principal revenue streams (i.e., sources of funds): member dues, examination fees and fees charged for meetings and seminars. In total, a sufficient level of revenue must be generated to cover the direct cost of the revenue-producing programs and administration, with some margin left over to fund “negative gross margin” activities such as research and international outreach. Historically, basic and continuing education are not only self-supporting, but also contribute to and help cover research projects and operating costs. Membership dues have been used principally to fund the cost of providing services.

C. Deliver cost-efficient support and services

Services to stakeholders are a key part of the work of the SOA staff. From a financial perspective, cost-efficient delivery of services is important to provide stakeholders value relative to the cost of the programs. Financial objectives, while critical, often serve as enablers or constraints to achieving strategy goals. As a not-for-profit organization, the SOA should be driven to provide services in the most efficient manner possible. Operating efficiency and safeguarding resources is critical. Operational finance focuses on: (1) determining the price of a product or service delivery; (2) revenue enhancement; and (3) financial systems and controls.

Strategy Map



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2012 Initiatives

Explore the important initiatives driving the SOA.

The strategic initiatives represent a key component of our strategic plan; they are the specific programs and activities that will make our plan come to life. See how the initiatives relate to the SOA Strategy Map.

The original portfolio of strategic initiatives was developed in light of the 2008-2012 strategic plan. Each year the IAC and the SOA Board of Directors consider the status and progress of the each initiative in the annual strategic review, recommending and making changes to the portfolio as necessary.

The following are the 10 initiatives in the portfolio:

Strategic Plan Update

The SOA has a stated obligation to its members and candidates to ensure that the organization achieves its vision. Since our current strategic plan runs from 2008 to 2012, SOA is working to create a new plan to start in 2013. If you have comments or questions regarding the strategic plan please contact Margaret Ann Jordan mjordan@soa.org or use the Contact Us feature on SOA.org.

International Membership Strategy

The formal work of the International Membership Strategy Task Force was completed in 2011. In continuation of the groundwork laid by the task force, the SOA will be implementing a new International Committee. This committee will be responsible for the oversight of the implementation of many of the task force recommendations. These recommendations are designed to better support the growing number of member and candidates who reside outside the U.S. and Canada as well as to ensure that domestic members receive the global information necessary to remain competitive in today's marketplace.

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Enhanced Relationships with Candidates

The SOA will face increasing competition for engaging and retaining the best and brightest candidates for the actuarial profession and for our particular qualification pathway. We believe that a closer relationship with exam candidates benefits SOA members and the SOA because this relationship will ultimately strengthen the organization and the profession. We will determine whether the SOA should make changes in the structure and focus of its relationship with its candidates, including the feasibility of offering a candidate affiliation or membership option.

Intellectual Capital Phase IV

Actuarial science integrates the best from economics, finance, demographic, mathematics and other disciplines to create models of risk and risk pooling used for social and business applications. We must continually ensure that "the best" of those disciplines is incorporated into our science, which means our intellectual capital must continually evolve. Research is vital for a strong profession.

Experience studies are a main product that actuaries use from the SOA and are one of the items they value most about the SOA. In 2012 we will need to refine the research strategy and complete the experience study strategy.

Exploring Longevity-Related Opportunities

How long we live and how well we live has a great impact on the public and therefore is a great opportunity for actuaries, both in business and for the profession in the public eye. The actuarial profession has unique expertise with regards to longevity, and the factors driving changes in longevity. We believe we have an opportunity to capitalize on both the opportunity to improve the actuarial brand and to act to pursue the development of intellectual capital with regards to the challenges posed by longevity. Phase I is to scope the potential work, and phase II is to do the work based on what we scope.

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Impact of CIA University Accreditation Program

The implementation of the CIA's university accreditation program has the potential to have a significant effect on inter-organizational relations with the CIA and SOA exam registrations in Canada. It is expected that, once the accreditation program is implemented, the CIA will seek exam waivers from the SOA education program and perhaps ultimately mutual recognition for the CIA education program as a whole. The SOA should consider how it ought to respond to a probable future request from the CIA for credit in the SOA education program for relevant studies at universities accredited by the CIA.

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Actuaries in Advanced Business Analytics

As part of the SOA's strategic objective to create and promote new areas of practice, this initiative will determine whether significant opportunities exist for actuaries in business analytics and, if so, identify projects the SOA should undertake to explore and develop these opportunities.

At the March 2012 meeting, the SOA Board of Directors accepted the report of the Advanced Business Analytics team. Here is that report: [Advanced Business Analytics White Paper](#).

In 2012 the Advanced Business Analytics initiative is continuing to promote the concepts, tools and techniques actuaries need to compete in this growing market place. Next year the SOA has a goal to offer an in depth seminar. If your organization is interested in participating in an RFP to develop this seminar, read the RFI document for more information.

Integrated Marketing

This initiative explores combining and expanding our current marketing communications into an integrated approach. In its first year, the initiative would assess the competitive landscape and make recommendations to the Board on opportunities to market all the SOA's credentials and pathways in targeted regions



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and, based on Board direction, begin execution of that expanded, coordinated marketing effort.

Financial Services Expanding into Non-Traditional Markets

By identifying what is needed to penetrate non-traditional markets, the SOA will be providing greater opportunities to its members and candidates. This identification of the needed gaps that actuaries have to enter these roles will enable the SOA to become more focused on avenues that will allow actuaries to have a clear vision of what is required to make a shift into a non-traditional role. This initiative will create a sustained effort to target specific markets and identify what would be needed for a successful entry into those markets.

Consolidation of U.S. Actuarial Professional Associations

The Board wishes to explore whether the best interests of the actuarial profession, of SOA members in the U.S., Canada and globally, and of the constituents they serve might be served by a consolidation of the U.S.-based professional associations for actuaries. The president has appointed a task force to consider various options for a possible consolidation of the various professional organizations in the U.S., to explore whether other U.S.-based actuarial organizations would be willing to discuss such options, and to make recommendation to the Board for possible action.

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Working Agreement

Appendix 1

Preamble To Working Agreement

This Working Agreement sets forth the cooperative goals of the American Academy of Actuaries (Academy), the American Society of Pension Professionals and Actuaries (ASPPA), the Asociacion Mexicana de Actuarios (AMA), the Asociacion Mexicana de Actuarios Consultores (AMAC), the Canadian Institute of Actuaries (CIA), the Casualty Actuarial Society (CAS), the Colegio Nacional de Actuarios (CONAC), the Conference of Consulting Actuaries (Conference), and the Society of Actuaries (SOA), collectively referred to as the Participating Organizations.

In order to: foster cooperation among the Participating Organizations consistent with their individual missions as described below; eliminate unnecessary duplication of effort and activity among the Participating Organizations (thereby maximizing the efficient use of the Participating Organizations' resources); encourage mutual recognition and cross-border discipline; and enhance the image, growth and reputation of the actuarial profession in North America, the Participating Organizations agree to participate in the North American Actuarial Council ("NAAC") as described in this Working Agreement.

The Participating Organizations agree to broadly publicize this Agreement (e.g., publish it in their Yearbooks and on their web sites).

Working Agreement

Missions of the Participating Organizations

1. Each of the Participating Organizations operates to further its self-identified mission. The missions of the Participating Organizations may be broadly summarized as follows:

Academy: nationally and internationally, to represent the entire U.S. actuarial profession in the formulation of public policy and support U.S. actuaries in fulfilling

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their related responsibilities; to encourage the professionalism of U.S. actuaries by fostering the establishment, communication, maintenance and enforcement of high professional standards; and to represent and advance the U.S. actuarial profession and increase the public's recognition of the U.S. actuarial profession's value.

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ASPPA: to educate all retirement plan professionals and to preserve and enhance the employer-based retirement system as an essential part of a national retirement income policy in the United States.

AMA: to support the Mexican actuarial profession in maintaining high standards of professional integrity and technical expertise and, thereby, promote the dignity of the profession and enhance the public's recognition of the profession's value.

AMAC: to advance the quality of actuarial consulting practice in Mexico by providing continuing education and business support services to Mexican actuaries in consulting practice.

CIA: as the national organization of the Canadian actuarial profession, to serve the public through the provision by the profession of actuarial services and advice of the highest quality by: representing the Canadian actuarial profession in the formulation of public policy; promoting the advancement of actuarial science and sponsoring programs for the education and qualification of CIA members and prospective members; ensuring that actuarial services provided by its members meet accepted professional standards; and assisting actuaries in Canada in the discharge of their professional responsibilities.

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SOCIETY OF ACTUARIES

CAS: to advance the body of knowledge of actuarial science applied to property, casualty, and similar risk exposures by: providing basic and continuing education; conducting research; establishing and maintaining high standards of conduct and competence for its members; communicating with the publics affected by insurance; and increasing the awareness of actuarial science

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CONAC: to serve as the professional membership organization for all the actuaries licensed to practice in Mexico, regardless of their specialty area; to advise the Mexican government concerning public policy matters with actuarial implications; and to foster actuarial education and research in Mexico.

Conference: to advance the quality of actuarial consulting practice, support the needs of consulting actuaries, and represent their interests.

SOA: The Society of Actuaries is an educational, research, and professional organization dedicated to serving the public and Society members. Its mission is to advance actuarial knowledge and to enhance the ability of actuaries to provide expert advice and relevant solutions for financial, business, and societal problems involving uncertain future events. The vision of the Society of Actuaries is for actuaries to be recognized as the leading professionals in the modeling and management of financial risk and contingent events. The Society also works to anticipate future member needs through environmental scanning, strategic planning, and dynamic strategy management.

Each of the Participating Organizations takes whatever measures it deems necessary, appropriate, or desirable to attract, recruit and serve its individual members. This agreement is not intended, nor should it be construed, to restrict in any way the independent business decisions of the Participating Organizations but, rather, to document the Participating Organizations' desire to cooperate in the service of the North American actuarial profession consistent with their own missions and purposes.