



February 25, 2018

Ms. Maria T Vullo
Superintendent of Financial Service
One State Street
New York, NY 10004

Via email at counsel@dfs.ny.gov

Subject: Open Meetings for Actuarial Standard Setting

Dear Ms. Vullo:

In January 2018, the American Academy of Actuaries (the 'Academy') abruptly, and without prior notice, adopted a very restrictive open meeting policy. The Academy closed all meetings of the Committee on Qualifications and observers may attend meetings of the Actuarial Standards Board ('ASB') only with approval of the ASB chair and approval is left to the chair's complete discretion as to whom to admit and whom to exclude. Previously, the Academy had a broad open meeting policy. This new lack of transparency is not good for the public. It potentially allows personal bias or an individual company's financial interest to taint the process.

NAIC instructions reference membership in the Academy and meeting the Academy's Qualification Standards. Many states explicitly incorporate references to either the Qualification Standards and/or Actuarial Standards of Practices developed by the Academy in state law and regulations. As such, the Academy should have a high level of transparency. Closed meetings are inconsistent with open government and the extremely robust open meeting policy of the NAIC.

The Academy has offered multiple, inconsistent reasons for this policy change, but most recently the Academy president wrote the following:

Those who want to observe discussions at the ASB to write about them in order to generate negative feedback on proposals that they don't like is the crux of this question.

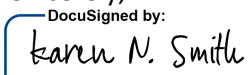
Thus, the Academy has explicitly acknowledged that the purpose of closing ASB meetings is to prevent the public from observing deliberations so that dissent will be minimized. This is a totally inappropriate reason to close meetings. Regulators, actuaries and the public should be able to observe the meetings and engage in respectful discourse about the appropriateness of any proposed change to actuarial standards and qualifications.

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Please contact the Academy to convey that open meetings for actuarial qualification and standard setting are in the best public interest and that the Academy should reconsider this policy change. You may contact the Academy's president, Steve Alpert at steve.alpert.403@gmail.com and the Academy's Executive Director Mary Downs at downs@actuary.org.

You can find the Academy's website at actuary.org. You can find my website at ASBCoQsunshine.com. Thank you for your consideration of this matter.

Sincerely,

DocuSigned by:


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Karen Smith

karens@asbcoqsunshine.com

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