

2013 YEAR IN REVIEW

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LETTER FROM THE PRESIDENT

Thank you for such a wonderful year. It is hard to believe both how fast 2013 went by, as well as how rewarding this past year has been for me. All of the work with education, professional development, research studies, and advancement of the profession is made possible through our wonderful volunteers, the Society of Actuaries (SOA) staff and leadership. I want to extend my thanks to all members, candidates and partners. Serving as SOA president was such an honor and a memorable part of my actuarial career. We have a diverse membership, with a high level of passion for the actuarial profession, and that energy from our volunteers has helped continue all of the important work.

[The year 2013 was filled with many accomplishments](#), and along the way I have also learned important lessons that I want to share about our profession and its future.

ENGAGEMENT AND PRIDE OF THE PROFESSION

This year as president helped me realize just how busy and active our organization is with expanding our education tracks, increasing professional development opportunities, and providing new research, while continuing to support the profession. Through all of my club and university visits, both local and overseas, it was great to see such high levels of commitment, enthusiasm and engagement with the SOA.

We are proud to be actuaries and are committed to keeping our profession strong. I urge all of you to help show others how much pride you have in the profession, through our everyday work, our efforts with local communities, and how we volunteer our time on behalf of the profession.



PRESIDENT 2012-2013

Tonya B. Manning, FSA, EA, FCA, MAAA

KEEP THE STATURE OF INTEGRITY

As actuaries, we deliver a high level of knowledge and expertise. There is a reason we are recognized as a profession full of trustworthiness and honesty. What we do is challenging, yet also very important.

It is vital to protect our reputation and to build upon this trust in our future work. One of those ways is to provide clarity on important issues, such as on public pension plan funding and also health care research involving the Affordable Care Act implementation. The SOA as an organization is helping to serve all of our stakeholders and to help them continue to understand the important role we can serve on complex challenges.

SUPPORT OF THE PROFESSION'S FUTURE

Perhaps the most inspiring moments of my year were when I visited our future members who are currently students at universities. My first university visit happened to be my alma mater, the University of North Carolina at Chapel Hill. I was able to share why I chose the actuarial career path and how much pride and passion I have for the profession. It was a great place to start. I recalled being on that same campus more than a few years ago and NOT choosing the actuarial profession. Years ago, it was not clear to me how interesting, rewarding, and, yes, fun, the life of an actuary could be for me. I'm glad I had a change of heart after I graduated, choosing to become part of this noble, yet challenging, career. I hope I changed a few hearts, as well, during my university visits.

I have seen firsthand what a phenomenal pipeline of actuaries we have for the future. But, just as I was not sold on the profession in college, there are many students still not decided. To make sure we recruit the best and brightest individuals to join our profession, we must become even more engaged with candidates taking our exams. I was excited to see our focus on this need and the implementation of new ideas aimed at meeting this goal during 2013, allowing us to connect and support candidates in new ways. The SOA's new Candidate Connect program is helping to speak with potential candidates, both in person around the country and through social media efforts.

While visiting at universities, I met with faculty who want to work with us to expand our profession. We need to ensure actuaries remain relevant and in demand in all areas of financial risk management—and that includes banking and broader financial services.

COLLABORATION ACROSS THE ORGANIZATIONS

The SOA remains fully committed to promoting the profession, as do the other U.S. actuarial organizations. As we each look to grow and strengthen our profession, some of the U.S. organizations may have overlapping missions and strategic plans. Even if our paths do cross, it is critical that we continue working together to maintain a strong profession. I know in 2014 our president and president-elect will both work hard to continue to seek such collaboration.

The SOA is also fully committed to promoting the international profession and being a good partner to the global actuarial profession. We will also continue building relationships with international associations.

Again, I am honored to have served as president, and this experience has only made my appreciation for the profession, for the members and volunteers, and for all that we do, that much stronger.

Warm regards,

Tonya B. Manning

EDUCATION & VALIDATION

ENHANCING AND RAISING AWARENESS OF SOA CREDENTIALS

PREPARING ACTUARIES FOR GROWING CHALLENGES

GENERAL INSURANCE TRACK

The Society of Actuaries (SOA) is an organization with a rich history, outstanding reputation and exceptional reach. 2013 marked a milestone in the SOA's history as we launched the new [General Insurance track](#). In a world of change, including greater globalization, the SOA has adapted to new business challenges. The General Insurance track equips actuaries with the knowledge, skills and ability to make a positive impact on organizations around the

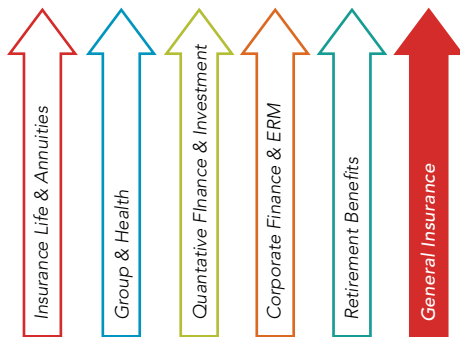
globe, especially in developing economies, and to remain competitive internationally. Each one of the organizations that members work for—each client an actuary serves—has needs and expectations that must be met. While we are proud of our expansion into the general insurance field, we are truly excited about the far-reaching impact actuaries can have in new and emerging areas.

NEW IN 2013

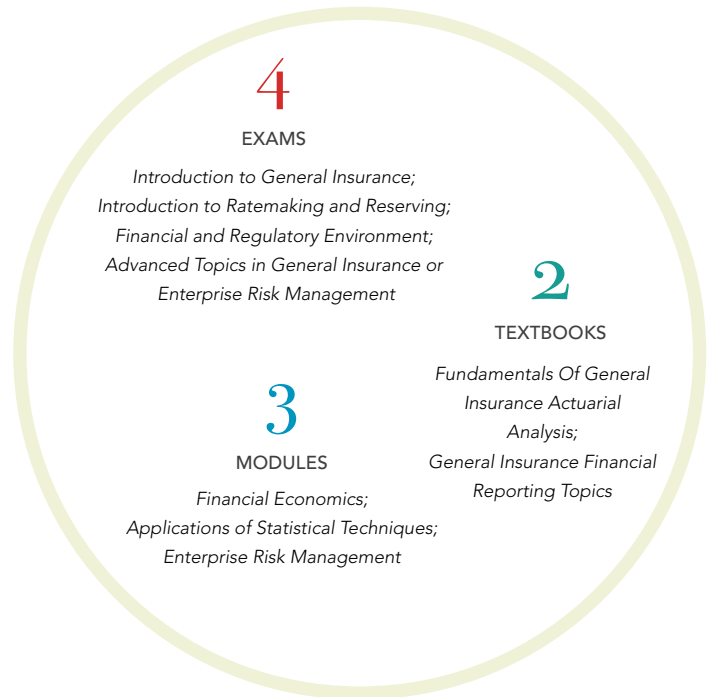


GENERAL INSURANCE TRACK

Featuring the most up-to-date general insurance information and learning system.



FSA TRACKS



FSA RESTRUCTURING

In our continuing efforts to build on a rock-solid foundation of educational excellence and consistently provide candidates with up-to-date coverage, major changes were made to the FSA tracks and went into effect in July 2013. A major driver of the restructuring was the desire to enhance the pathway to the Chartered Enterprise Risk Analyst (CERA) credential and to expand enterprise risk management (ERM) learning opportunities in all tracks for candidates pursuing fellowship.

FSA candidates still choose one of six specialty tracks. In addition, all tracks offer a CERA option, under which the ERM exam can be taken in place of the track-specific two-hour exam. CERA/FSA candidates take two additional hours of total examination time as compared to the traditional route, and are eligible to receive both the FSA designation and the CERA credential.

The [SOA website](#) contains more information on the pathway changes and transition rules.

TAIWANESE E-LEARNING REGULATION AND TAXATION MODULE

The SOA's e-learning portfolio continues to grow and evolve with the release at the end of 2013 of a Taiwan-specific Regulation and Taxation module. The development of this module was a collaboration with the Actuarial Institute of Chinese Taipei, with the support of the Financial Supervisory Commission Insurance Bureau, the supervisory authority of the Taiwanese insurance industry.

The module is a requirement for candidates pursuing the FSA in the Individual Life & Annuities track. By choosing the Taiwanese version, actuarial candidates gain an understanding of not only issues affecting the North American industry, but also learn about the Taiwanese regulatory environment and tax framework affecting the life and annuity industry, businesses, product design and pricing. In addition to country-specific content, the module is available in the local language—traditional Chinese for written content and Mandarin for audio portions.

This module is the first prequalification education e-learning module to be authored in the SOA's new Learning Content Management System and delivered via our new Learning Management System. Together, these systems provide the capability to deliver content in 28 different languages. This module is also available for [professional development](#).

LEARNING CONTINUES WITH PROFESSIONAL DEVELOPMENT

IN A DYNAMIC AND RAPIDLY CHANGING WORLD, ACTUARIES MUST CONTINUOUSLY EXPAND THEIR KNOWLEDGE AND SKILLS IN ORDER TO MEET INCREASINGLY COMPLEX PROBLEMS AND TO ENHANCE THE VALUE ADDED BY ACTUARIAL WORK.

The SOA recognizes its responsibility to provide all members with a broad range of opportunities, at convenient times and locations. The SOA has been hard at work assessing the quality of programs offered to members, increasing frequency of offerings and expanding the use of technology.

BIZLIBRARY BUSINESS SKILLS: COURSES ON PROFESSIONALISM, LEADERSHIP AND COMMUNICATION

In today's business environment, communication, leadership, relationship management and interpersonal collaboration skills are essential. In response to an increased need for resources and development in these areas, the SOA partnered with [BizLibrary](#) and launched a series of online courses developed by Skillsoft, a leading provider of online training. Seasoned actuaries can polish leadership skills while candidates new to the workplace can confidently demonstrate communication skills to potential employers.

PREPARING ACTUARIES FOR GROWING OPPORTUNITIES

With greater globalization comes new business opportunities, and there is a real opportunity for actuaries in the area of business analytics. Right now it is a wide-open space with data scientists, mathematicians and behavioral economists filling the gap. However, the SOA has taken steps to provide actuaries with the tools and skills to meet this growing need. In December 2013 actuaries attended a new two-and-a-half-day seminar, "[Advanced Business Analytics](#)." Appealing to a broad range of actuaries and going beyond merely explaining what business analytics is, this seminar provided attendees hands-on, interactive experience using R statistical computing software to perform data manipulations. Plans are to offer this seminar again in 2014 and beyond.



72

VIRTUAL SESSIONS
& WEBCASTS



24

E-COURSES



31

SEMINARS



22

PODCASTS

PROFESSIONAL DEVELOPMENT
OFFERINGS IN 2013

Professional development opportunities are now more accessible than ever, and members are able to participate in a wide array of continuing education opportunities, including webcasts held in local time zones. Some of the many events held in 2013 included:

Longevity Risk: Recent Developments and Actuarial Implications, sponsored by the SOA and the Chinese University of Hong Kong.

Investment-Based Insurance Guarantees Conference in Dublin, Ireland, produced by the SOA and Annuity Systems Inc., with the support of the Institute and Faculty of Actuaries and Society of Actuaries in Ireland.

International Financial Reporting for Insurers held in Hong Kong, specially designed for international actuaries responsible for financial reporting in compliance with International Financial Reporting Standards (IFRS).

Agent-Based Modeling and Simulation Workshop, held at Argonne National Laboratory in Lemont, Illinois.

Product Development and Pricing—Beginning to End, held in Toronto, Canada.



2013 WEBCASTS IN NON-NORTH AMERICAN TIME ZONES

SOA Global ERM webcasts on “Signs and Steps in the Maturation of Enterprise Risk Management”

Jan. 22 to Feb. 5,
9:00 a.m. HKT, 3:00 p.m. CET

Stochastic Modeling and Its Challenges around IFRS 4 Phase II

March 15, 12:00 p.m. HKT

Global Capital Management and Solvency Reforms: Trends and Recent Developments

March 20, 12:00 p.m. HKT

China Professionalism in Practice

Nov. 21, 12:00 p.m. HKT

China Opportunities and Challenges: Insurance E-Business Development and Trends in China

Dec. 3, 12:00 p.m. HKT



The 2013 Annual Meeting was the second largest attendance, surpassed only by the Annual Meeting marking the 50th anniversary of the SOA.

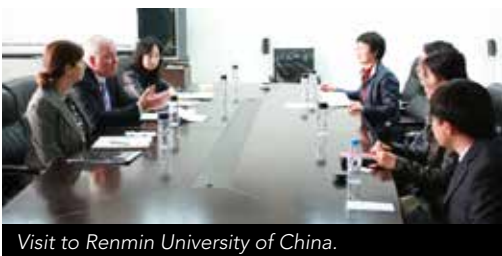
BUILDING THE ACADEMIC COMMUNITY AND ENHANCING THE CANDIDATE EXPERIENCE

CENTERS OF ACTUARIAL EXCELLENCE

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, thus enhancing research and intellectual capital development. Universities with outstanding actuarial programs that meet and/or exceed the designation's eight rigorous criteria are recognized for their achievement and may compete for substantial education and research grants. More information about the [CAE program](#) and the listing of current schools are available on the SOA website.



The addition of Towson University in 2013 brought the total number of CAE designated schools to 25.



Visit to Renmin University of China.

UNIVERSITY OUTREACH PROGRAM

The SOA's University Outreach Program helps the profession engage with students on college campuses across the United States, Canada and other countries. SOA education and marketing/communications staff are joined on campus by SOA members to promote the profession as well as share education-related information with students, faculty and advisors. In 2013, the program included visits in Hong Kong, China and Thailand.



2013 UNIVERSITY VISITS IN ASIA



- Peking University
- Tsinghua University
- Renmin University of China
- Hunan University
- The University of Hong Kong
- The Chinese University of Hong Kong
- City University of Hong Kong
- Chulalongkorn University

CANDIDATE CONNECT

In November more than 120 students, career changers and entry-level actuaries attended the first-ever Candidate Connect event, held in Philadelphia. Attendees gained insight into the profession from educational presentations, roundtable discussions and a networking reception. They were able to connect with SOA leaders such as 2013-2014 SOA President Mark Freedman, members and fellow candidates.



Candidate Connect event in Philadelphia, PA.

Students from local universities were also invited to attend selected sessions and network with actuaries at the Valuation Actuary Symposium held in Indianapolis in September. For most students this was their first professional development meeting experience and, based on survey results, found it enlightening and beneficial.

The SOA also continued to support other organizations and candidate events:

- As a top-level sponsor, the SOA connected with more than 200 college students at the first Midwest Actuarial Student Conference held in Indiana in October.
- The SOA sponsored the annual Actuarial Student National Association convention in Canada, attended by 165 college students.

51.0%

INCREASE IN 1ST TIME U.S. CANDIDATES SINCE 2007

FIRST TIME CANDIDATES

	2007	2013
USA	5,599	8,458
ASIA	1,652	2,458
CAN	1,088	1,418
OTHER	582	699

The SOA plans to continue with the Candidate Connect events in 2014, holding events in conjunction with the four major SOA meetings—Life & Annuity Symposium, Health Meeting, Valuation Actuary Symposium, and Annual Meeting. There will also be a standalone event held in April that has been expanded to include recruiters.

70.5%

INCREASE IN CURRENT CANDIDATES IN ASIA SINCE 2007

TOTAL CURRENT CANDIDATES*

	2007	2013
USA	14,906	22,262
ASIA	3,939	6,716
CAN	3,624	5,199
OTHER	1,340	1,962

*A candidate counted only once even if registering for more than one exam, within the last 12 months

RESEARCH & INNOVATION

ADVANCING AND EXPANDING THE BOUNDARIES OF ACTUARIAL KNOWLEDGE AND SCIENCE

EQUIPPING ACTUARIES WITH CUTTING-EDGE RESEARCH

CUTTING-EDGE, IMPACTFUL RESEARCH HAS BEEN A CORNERSTONE OF THE SOA SINCE ITS INCEPTION. WHILE EARLY RESEARCH FOCUSED ON MORTALITY AND MORBIDITY STUDIES, TODAY THE SOA SUPPORTS A DYNAMIC RESEARCH AGENDA, EXTENDING ACROSS A WIDE RANGE OF TOPICS AND INDUSTRY NEEDS.

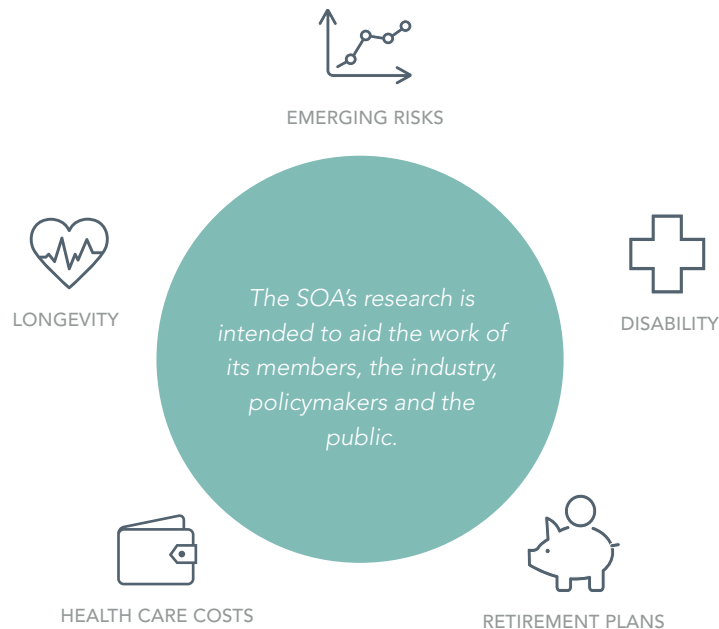
An important aspect of the research mission is to inform public policy development and public understanding, and aspire to be a trusted source of objective, data-driven research and analysis. The SOA's research is intended to aid the work of its members, the industry, policymakers, and the public.

49 Research projects and experience studies were completed in 2013, providing non-partisan information while expanding current thinking and the boundaries of actuarial practice. A number of the projects earned substantial visibility in the media and among policymakers, especially those dealing with health care issues in both the United States and Canada.

COST OF THE FUTURE NEWLY INSURED UNDER THE AFFORDABLE CARE ACT (ACA)

Leading up to full implementation of the ACA, the "[Cost of the Future Newly Insured under the Affordable Care Act \(ACA\)](#)" research project explored how enrollment shifts resulting from the ACA will affect underlying claims cost. Underlying claims cost is a key component in determining the price of coverage. The motivation for the project was to estimate relative underlying claims cost both before and after the implementation of the ACA.

Garnering major media and Capitol Hill attention, the report predicts that expected changes in member composition of the individual health care market could drive up underlying claims costs by



an average of 32 percent nationally by 2017. In addition, the study predicts high variability among states, with many states experiencing a double-digit percentage claims cost increase and others experiencing a double-digit cost decrease.

SUSTAINABILITY OF THE CANADIAN HEALTH CARE SYSTEM AND IMPACT OF THE 2014 REVISION TO THE CANADA HEALTH TRANSFER

The SOA and the Canadian Institute of Actuaries (CIA) released a [jointly sponsored research report](#) on the Canadian health care system. The study estimates the future costs of the Canadian health care system, assesses the sustainability of the system over a 25-year horizon, and analyzes the implications of the changes to the Canada Health Transfer proposed on Dec. 19, 2011 by the federal government. The report (available in English and French) summarizes the findings and indicates that, without significant government intervention, the Canadian health care system in its current form is not sustainable.

PBA IMPLEMENTATION GUIDE: STEPS TO CONSTRUCT A HIGH-LEVEL IMPLEMENTATION PLAN

Sponsored by the Financial Reporting and Smaller Insurance Company Sections and the Committee on Life Insurance Research, the [PBA Implementation Guide](#) outlines steps to perform a gap analysis and to develop a road map on bridging the gaps. The guide provides verbal summaries and visual flow chart overviews of various VM-20 and Principle-Based Approach (PBA) components and requirements, six Case Study Road Maps, and initiatives (or action items) to bridge the gaps and help actuaries implement PBA. During the guide's development these templates and exercises were vetted with more than 15 participants selected from a diverse group of companies.

DATA-DRIVEN IN-HOUSE RESEARCH

The SOA continues to pursue growth of its Data-Driven In-House Research (DIR), with a particular focus on Canadian retirement issues. The SOA and the CIA have agreed to collaborate on the development of this capability. This collaboration will allow each organization to capitalize on each other's strengths.

OBSERVATIONS ON INPUT AND OUTPUT SMOOTHING METHODS: HOW DO THEY AFFECT THE FUNDING OF DEFINED-BENEFIT PLANS?

Produced by the SOA's DIR, this [important report](#) investigates differences between input and output smoothing methods from an actuarial perspective. The report demonstrates that similar solvency targets and degrees of variability in statutory requirements can be attained through either form of smoothing. However, input smoothing methodologies change the relationship of a plan's reported assets and liabilities to their underlying market indices and output smoothing methodologies do not. The report is not intended to advocate a position for or against the use of particular smoothing methodologies. Rather, the purpose of this research is simply to inform policymakers and the public about their options for regulating pension funding by providing objective actuarial illustrations.

RESEARCH & INNOVATION

Comparative Failure Experience in the U.S. and Canadian Life Insurance and Baking Industries from 1980 to 2010	2008-09 Individual Life Experience Report	Health Care Costs - From Birth to Death	Middle Market Retirement: Approaches for Retirees and Near-Retirees
Funding Public Health Insurance Plans Canada and Globally	2013 Survey of Lapse and Mortality Experience	Issues in Applying Credibility to Group Long-Term Disability Insurance	Pension Plan Embedded Option Valuation
How Fair value measurement changes risk management behavior in the insurance industry	Guaranteed Issue and Simplified Issue Life Persistency Study 2013	Group Long-Term Disability Benefit Offset Study - 2012	Summary Report: Back Testing of Investment Performance by Asset Class
Life Reinsurance Treaty Construction	Literature Review and Assessment of Mortality Improvement Rates in the U.S. Population: Past Experience and Future Long-Term Trends	Cost of the Future Newly Insured under the Affordable Care Act (ACA)	Measures of Retirement Benefit Adequacy: Which, Why, for Whom, and How Much?
Living to 100 Insight on the Challenges and Opportunities of Longevity			Improving Retirement Outcomes: Timing, Phasing, and Benefit Claiming Choices
Natural Resource Sustainability Summit			Life Insurance Purchasing to Maximize Utility of Household Consumption
PBA Implementation Guide	Application of Actuarial Science to Systemic Risk	Simulating Health Behavior - A Guide to Solving Complex Health System Problems with Agent-Based Simulation Modeling	Managed Care and Health Care Utilization: Specification of Bivariate Models Using Copulas
Report on the Survey of Older Age Mortality And Other Assumptions	2012 Emerging Risks Survey	Value Investing and Enterprise Risk Management: Two Sides of the Same Coin	A Nonparametric Visual Test of Mixed Hazard Models
Sustainability of the Canadian Health Care System and Impact of the 2014 Revision to the Canada Health Transfer	Applying Fuzzy Logic to Risk Assessment and Decision-Making	2010 Individual Life and Annuity Expense Study	An Insurance Risk Model with Parisian Implementation Delays
When Black Swans Aren't Holistically Training Management to Better Recognize, Assess and Respond to Extreme Events	Life Insurance Regulatory Structures and Strategy: EU Compared to US	Segmenting the Middle Market: Retirement Risks and Solutions - Phase 1 Report Update to 2010 Data	Pricing Funeral (Burial) Insurance in a Microinsurance World with Emphasis on Africa
2013 Group Term Life Experience Study & Tables	Interest Rate Swaps - An Exposure Analysis	The Decision to Retire and Post-Retirement Financial Strategies: A Report on Eight Focus Groups	Is the Cost Method of the Canada Pension Plan Suitable for Adoption by Other Countries?
VAGLB Utilization Study - 2011 Experience	Building ARIMA and ARIMAX Models for Predicting Long-Term Disability Benefit Application Rates in the Public/Private Sectors	The Next Evolution in Defined Contribution Retirement Plan Design: A Guide for DC Plan Sponsors to Implementing Retirement Income Programs	Asset-Liability Management for Pension Funds in a Time-Varying Volatility Environment
1990-2007 Individual Disability Experience Committee Report and Disability Workbook	Non-Traditional Variables in Healthcare Risk Adjustment		The Effect of Pillar 1 on Efficient Investment Portfolio Choice in the Case of the United States
2013 Individual Disability Income Persistency Study	Validating the PRIDIT Method for Determining Hospital Quality with Outcomes Data		

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RESEARCH PROJECTS AND EXPERIENCE STUDIES WERE COMPLETED IN 2013.

GLOBAL PROFESSIONAL ORGANIZATION

CULTIVATING GROWTH, ENHANCING RELATIONSHIPS AND ADVANCING THE CREDENTIALS

A GLOBAL COMMUNITY

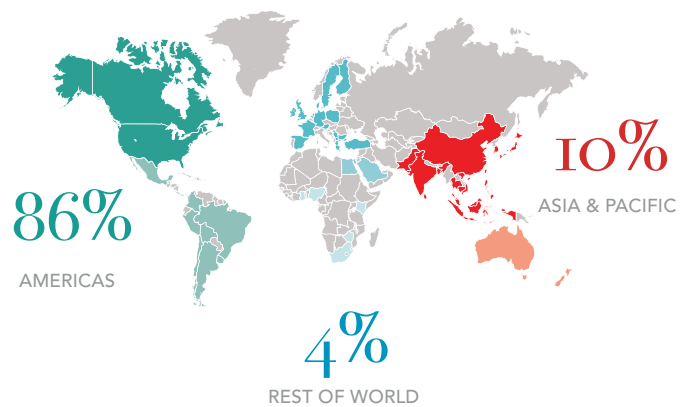
LIKE THE INDUSTRIES IT SUPPORTS, THE SOA MUST ADAPT TO A GLOBAL ENVIRONMENT.

SOA's membership is geographically diverse and spans the globe. Our international membership growth has been steady, with the fastest growing international constituent group located in mainland China and Hong Kong.

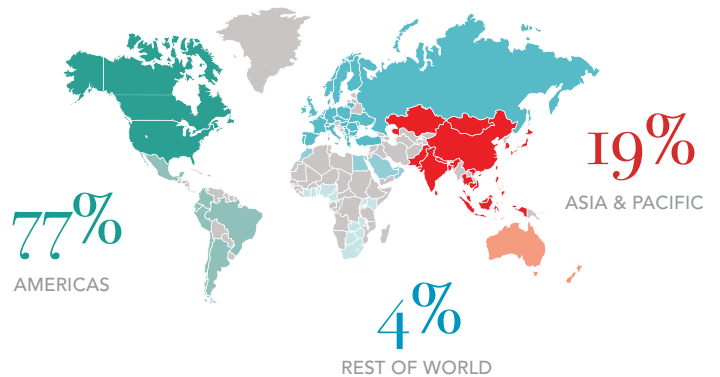
In 2013, SOA leaders made numerous visits to universities, local actuarial clubs, and employers throughout Asia in addition to the many visits also made in the United States and Canada. 2012-2013 President Tonya Manning made four trips to visit students and members in Asia in order to understand what this growing segment of our membership was about. The SOA met with leaders of actuarial societies in Taiwan, India, Hong Kong, China and Singapore and conducted discussions with the China Association of Actuaries (CAA) about ways to cooperatively advance the profession in China. Finally, in October we hosted a first-ever meeting of actuarial science faculty members from Thailand, Malaysia, Singapore and the Philippines where they provided feedback on the state of the profession in their countries, challenges they face educating actuaries, and how the SOA can help them.

The SOA is focused on more effectively meeting the needs of international members. One way the SOA has worked to better support its international members is to increase available educational offerings. In 2013 there were a number of seminars and webcasts developed specifically for the Asia-Pacific community and held in that region's time zone.

SOA MEMBERS ACROSS THE GLOBE



SOA CANDIDATES ACROSS THE GLOBE



WORK OF THE INTERNATIONAL COMMITTEE

The SOA's International Committee, approved by the SOA board in October 2011, is comprised of representatives of several key constituencies within the SOA, including the Educational Executive Committee, the Professional Development Committee, the International Section, the China Region Committee, and the SOA's International Actuarial Association (IAA) delegation. The charter of the committee is focused on oversight of the SOA's international activity and to help coordinate international initiatives and benefits, as well as spur new thinking and ideas. The committee is working with national associations, universities and the IAA around the world to identify, articulate and execute on the value proposition for SOA membership and section affiliation.

Global recognition of the SOA pathway and credentials benefits all SOA members and candidates. Employment opportunities, as well as opportunities to expand into new emerging fields, will result from a larger global community.



China Association of Actuaries in Beijing on March 28, 2013

From left to right, Wei Jia (Secretariat, CAA); Sharon Huang, FSA; Estella Chiu, FSA; Donghong Liu (Deputy Secretary - General, CAA); Tonya Manning; Ken Guthrie; Helen, Ting Yang (Foreign Affairs Manager, CAA)



Tonya B. Manning addresses the Actuarial Society of Hong Kong and Hong Kong Retirement Schemes Associations Joint Luncheon in Hong Kong on March 25, 2013.

SOA VOLUNTEERS

MAKING A PROFOUND DIFFERENCE

VALUABLE VOLUNTEERS

VOLUNTEERING AT THE SOA PROVIDES ACTUARIES WITH THE OPPORTUNITY TO MAKE A PROFOUND DIFFERENCE IN THE ACTUARIAL PROFESSION. 3,687 MEMBERS VOLUNTEERED AT THE SOA IN 2013, GIVING BACK TO THE PROFESSION AND ADDING VALUE TO THEIR OWN PROFESSIONAL DEVELOPMENT.

OUTSTANDING VOLUNTEER AWARD

At the 2013 Annual Meeting, the third annual Outstanding Volunteer Award was presented to the top 11 outstanding volunteers who exhibited superior commitment, effort and leadership in their volunteer roles in 2013. In addition, these volunteers are applauded for their collaboration on team activities and their participation in generating and implementing new ideas to advance the mission and vision of the SOA.



Outstanding Volunteer Award recipients at the 2013 Annual Meeting.

In order of appearance: Donald M. Walker, ASA, MAAA; Faisal Siddiqi, FSA, FCIA; Donna C. Megregian, FSA, MAAA; Eileen F. Luxton, FSA, FCIA; Olga T. Jacobs, FSA, MAAA; Thomas M. Anichini, ASA; Linden N. Cole, FSA, MAAA; Cynthia J. Levering, ASA, EA, MAAA; John I. Mange, FSA, MAAA; Brian E. Pauley, FSA, MAAA; Matthew C. Varitek, FSA, MAAA

MAKING A DIFFERENCE

WHAT MEMBERS HAVE SAID ABOUT THEIR VOLUNTEER EXPERIENCES.

“I thoroughly enjoy volunteering for the SOA. As the editor of Health Watch, as well as a contributing editor for The Actuary magazine, I have the unique opportunity to work with accomplished actuaries throughout our profession to develop articles that have addressed some of the most important issues in our field.”

—KURT WROBEL, FSA, MAAA

“My volunteer ‘career’ started over 10 years ago when I was elected to the Smaller Insurance Company Section Council. Since then I have been relatively active to very active. Volunteering has been a fantastic avenue for meeting people. I have had the opportunity to meet and work with many people I would not have otherwise met. It is also a confidence and skill builder. Volunteer activities can be as large or as small as you like, from serving on a program committee to being a Friend of a section council to presenting at a meeting. My advice is to just do something.”

—TERRY LONG, FSA, MAAA



LISTEN TO WHAT OTHER SOA
VOLUNTEERS HAVE TO SAY.

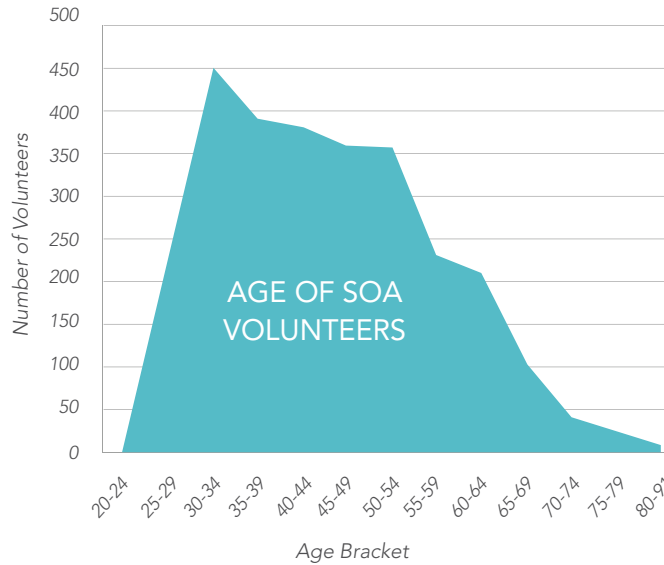
How do you fit in? Visit [SOA.org](https://www.soa.org) for a myriad of information to get you started down your road of volunteering.

2013 VOLUNTEER MEMBERS BY THE NUMBERS



11.5%

OF MEMBERSHIP ARE VOLUNTEERS



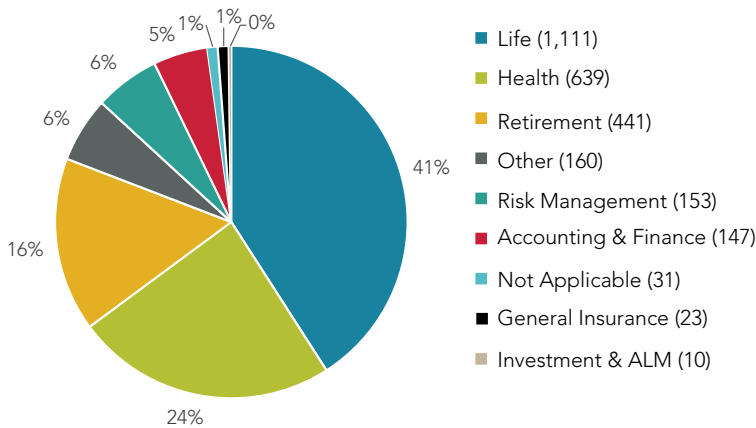
EDUCATION VOLUNTEERS

40% of all volunteers

71% of those volunteers are under the age of 44

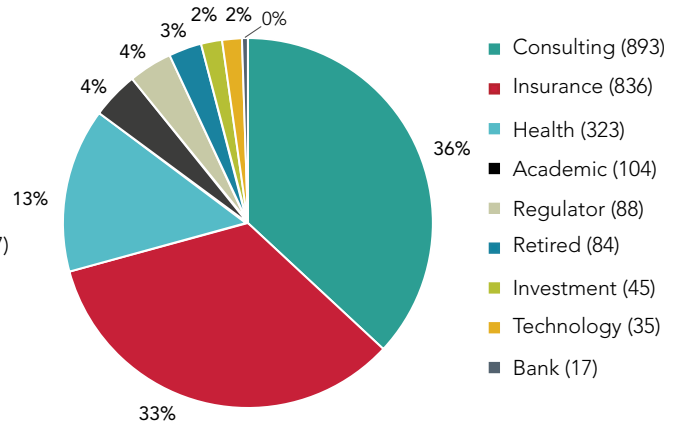
30-34 year olds have the highest level of participation in education

BY PRIMARY AREA OF PRACTICE*

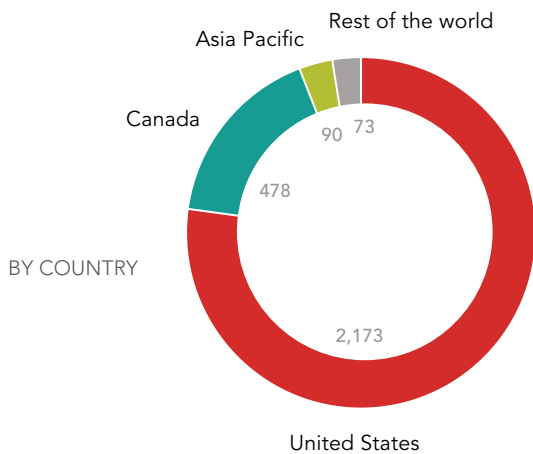


*Out of 2,715 volunteers who identified PAOP.

BY INDUSTRY TYPES*

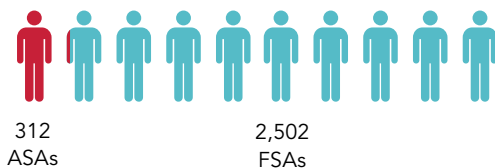


*Out of 2,512 volunteers who identified industry types. Missing: Other (87) 3%



BY COUNTRY

BY DESIGNATION



GOVERNANCE

2012 AND 2013 FINANCIAL RESULTS

The SOA is a non-profit organization—a financial entity with revenues and costs that must be carefully managed to succeed in fulfilling its mission. In setting the annual budget, the overall goal is to provide resources for ongoing operations and strategic initiatives, while maintaining membership equity at acceptable levels.

The SOA has three principal revenue streams: member dues, prequalification education fees, and fees charged for professional development. Other sources of revenue include fees for experience studies and research, sponsorships, miscellaneous revenues and investment income.

The financial results, which exclude section activity, reflect an investment in the actuarial profession and strategic initiatives determined by the board of directors, who are elected by the members. The SOA seeks to provide significant value to members as well as the resources the organization needs to achieve its core goals and objectives for years to come.

The accompanying chart shows a comparison of the actual 2012 results, the board-approved 2013 budget, and the actual 2013 results.

Total revenues in 2012 and 2013 were \$44.4 million and \$48.5 million, respectively. The SOA 2013 financial results showed a management-basis increase in net assets of \$5,197,000.

REVENUES	(IN 1,000S)
2012 Actual	\$44,421
2013 Budget	\$46,073
2013 Actual	\$48,509
2013 REVENUE DETAILS	(IN 1,000S)
Prequalification	\$27,764
Education	
Dues	\$11,417
Professional	\$ 6,516
Development	
Other	\$ 2,812
Total	\$48,509
CHANGE IN NET ASSETS	(IN 1,000S)
2012 Actual	\$ 3,545
2013 Budget	\$ 764
2013 Actual	\$ 5,197
MEMBERSHIP EQUITY	(IN 1,000S)
2012 Actual	\$33,176
2013 Budget	\$33,940
2013 Actual	\$38,373

Membership equity is measured against the following year's expenses, standing at 72 percent at the end of 2012. The Dec. 31, 2013 membership equity position of \$38.4 million is 76 percent of the board-approved 2014 budget. The target range of membership equity established by the board is 50 to 100 percent.

Under the board's leadership, the strength of the SOA's financial position will move strategic ideas forward and enhance our focus on the future of the profession.

2012-2013 BOARD MEMBERS

PRESIDENT Tonya B. Manning, FSA, EA, FCA, MAAA

PRESIDENT-ELECT Mark J. Freedman, FSA, MAAA

VICE-PRESIDENTS C. Ian Genno, FSA, CERA, FCIA
Jennifer L. Gillespie, FSA, MAAA
Jeremy Gold, FSA, CERA, MAAA
Abraham S. Gootzeit, FSA, MAAA
Valerie A. Paganelli, FSA, EA, MAAA
Martine Sohier, FSA, FCIA

**SECRETARY/
TREASURER** Jennifer L. Gillespie, FSA, MAAA

PAST PRESIDENTS Donald J. Segal, FSA, EA, FCA, MAAA
Bradley M. Smith, FSA, MAAA

**ELECTED BOARD
MEMBERS** Joan C. Barrett, FSA, MAAA
Sue Blanck, FSA, MAAA
Jeremy J. Brown, FSA, EA, MAAA
Larry J. Bruning, FSA, MAAA
Daniel P. Cassidy, FSA, CERA, EA, FCA, MAAA
Ian G. Duncan, FSA, FCIA, FIA, MAAA
Andy Ferris, FSA, MAAA
Gaetano Geretto, FSA, CERA, FCIA
Peggy L. Hauser, FSA, MAAA
R. Evan Inglis, FSA, FCA, MAAA
Kory J. Olsen, FSA, CERA, MAAA
Susan E. Pantely, FSA, MAAA
Craig W. Reynolds, FSA, MAAA
Marcus A. Robertson, FSA, FCIA
Susan R. Sames, FSA, MAAA
Sudha Shenoy, FSA, CERA, MAAA
Darryl G. Wagner, FSA, MAAA
Donna K. Weninger, FSA, MAAA

RETIRING BOARD MEMBERS

We would like to recognize the board members whose terms have expired and thank them for their dedication and tireless efforts in serving the needs of the membership and the actuarial profession.

PAST PRESIDENT Donald J. Segal, FSA, EA, FCA, MAAA

VICE-PRESIDENTS Jeremy Gold, FSA, CERA, MAAA
Abraham S. Gootzeit, FSA, MAAA
Martine Sohler, FSA, FCIA

ELECTED BOARD MEMBERS Daniel P. Cassidy, FSA, CERA, EA, FCA, MAAA
Gaetano Geretto, FSA, CERA, FCIA
Peggy L. Hauser, FSA, MAAA
Marcus A. Robertson, FSA, FCIA
Donna K. Weninger, FSA, MAAA

2013-2014 NEWLY ELECTED BOARD MEMBERS

We would also like to welcome the 2013-2014 members elected to the board in September 2013.

PRESIDENT-ELECT Errol Cramer, FSA, MAAA

VICE-PRESIDENTS R. Thomas Herget, FSA, CERA, MAAA
John O. Nigh, FSA, CERA, MAAA
Darryl G. Wagner, FSA, MAAA

ELECTED BOARD MEMBERS Rowen B. Bell, FSA, MAAA
Jim Doherty, FSA, FCIA
Jennifer L. McGinnis, FSA, CERA, MAAA
John W. Robinson, FSA, FCA, MAAA
James E. Trimble, FSA, CERA, MAAA
Genghui Wu, FSA, FCIA, MAAA

STAFF EXECUTIVE TEAM

Gregory Heidrich, **EXECUTIVE DIRECTOR**

Stacy Lin, **DEPUTY EXECUTIVE DIRECTOR & CHIEF FINANCIAL OFFICER**

Sheree Baker, **DIRECTOR OF GOVERNANCE**

Michael Boot, **MANAGING DIRECTOR OF SECTIONS & PRACTICE ADVANCEMENT**

Patrick Gould, **MANAGING DIRECTOR OF MARKETING & COMMUNICATIONS**

Ken Guthrie, **MANAGING DIRECTOR OF EDUCATION**

Dale Hall, **MANAGING DIRECTOR OF RESEARCH**

Margaret Ann Jordan, **MANAGING DIRECTOR, STRATEGY & INTERNATIONAL ACTIVITY**

Carol Kozlowski, **HUMAN RESOURCES DIRECTOR**

Richard Veys, **GENERAL COUNSEL**

2013-2014 PRESIDENT MARK FREEDMAN

The SOA is proud to welcome [Mark J. Freedman, FSA, MAAA](#), as the 2013-2014 president of the Society of Actuaries.

Mark is a principal of Ernst & Young, a global accounting firm with a large actuarial consulting practice. Prior to that, he worked at Philadelphia Life Insurance Company.

His most recent experience has been in financial reporting, mergers and acquisitions, and financial modeling. Before that, he developed life and health products and performed pension valuations as an enrolled actuary.

Mark holds a Bachelor of Arts in Mathematics from the University of Pennsylvania.

Examples of his volunteer experience are as follows:

- Chair of the SOA's Strategic Plan Task Force, whose charge was to develop the 2013-2016 strategic plan.
- Served as a vice president/secretary & treasurer on the board of directors for the SOA.
- Represented the SOA on the Insurance Accounting Committee of the International Actuarial Association.
- Served on the Life Operating Committee of the Actuarial Standards Board.
- Served as chair of the Financial Reporting Section Council of the SOA.
- Presenter at many insurance industry functions.
- Past president of the Actuaries Club of Philadelphia.
- Co-authored the SOA's textbook, *U.S. GAAP for Life Insurers—Second Edition*.



PRESIDENT 2013-2014

Mark J. Freedman, FSA, MAAA

SOCIETY OF ACTUARIES

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