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From the Editor

It's Your Interests that Drive Us!

By Michael L. Kaster



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This edition of *smalltalk* is my first as editor. *Smalltalk* is published twice a year, for the benefit of the section members—those actuaries who work for and/or support the smaller insurance company. “Small” is a relative word. One company might consider itself small because it only has 200 employees. But it could easily have several billions in assets, which another actuary may consider too large to be considered small. However, I would argue that it doesn’t really matter. If you are a member, and you feel you would benefit from the considerations of others who consider themselves to be in your company as a small company actuary, then why not listen to what they have to say?

That is what you will find in this edition of *smalltalk* ... several articles discussing the perspective of other actuaries who feel they are in the same position as many of you ... working for or supporting the smaller insurance company.

- **Asset Adequacy in 2010** — What is meant by “low” interest? Section Council members Robert Guth and Donald Walker, along with Friend of The Council Mark Rowley, discuss their thoughts and perspectives on 2010’s low-interest-rate environment and what some of their consider-

ations have been in dealing with the need for “moderately adverse” scenarios in light of historical low interest rates.

- **Chairperson’s Corner**—our Section Council chair, Sharon Giffen, gives us her perspective on the current events around the globe, and how we should all consider enterprise risk management (ERM) improvements.
- **ASOP No. 41 Update**—Recently updated, this ASOP on actuarial communications is summarized in an article written by Sharon Giffen.
- **Regulatory Update**—Norm Hill shares some updates and perspectives from the recent NAIC meeting, as well as an update on principle-based reserves (PBR).

I wanted to also bring to your attention some of the important activities of the Smaller Insurance Company Section Council. This council operates on the behalf of the members, and does so with very little budget for resources. However, they don’t let a limited budget stop them from producing some extremely valuable events for your benefit.

Webinars

- On March 8, there was a webinar on “Professionalism for Actuaries in Smaller Insurance Companies—ASOP No. 4,”

which received many compliments and was very well attended.

- The “Gathering and Managing Experience Data” webinar is scheduled for June 9.
- Future webinar topics being considered include an “Appointed Actuary Boot Camp” and “Year-End Financial Reporting.”
- The section plans to offer quarterly webinars. If you have any suggestions, please contact a Section Council member. You can find them at <http://www.soa.org/professional-interests/smaller-insurance-company/sic-smaller-insurance-company-section-detail.aspx>.

Meetings

- “Small Co” also sponsors sessions at most all the major meetings sponsored by the SOA. At last month’s Life & Annuity Symposium, we sponsored two sessions. The

first was on “Tax Reserves for the Non-Tax Actuary,” co-sponsored with the Taxation Section. The other session was “Hot Topics for the Smaller Company,” a buzz group format, which allowed actuaries from small companies to gather and discuss current issues.

- For the eighth consecutive year, we are sponsoring the Smaller Insurance Company Chief Actuaries Forum on September 13. This event is part of the Valuation Actuary Symposium.
- And, of course, let’s not forget the ever-popular buzz group discussions at the SOA Annual Meeting in October.
- Again, if you have suggestions for topics you would like to see covered, please contact a Section Council member.

I am honored to be serving as editor of *smalltalk* and welcome your comments, article ideas and feedback in general. Great things happen when we work together for our benefit. ●

Don't Be Left Behind!

SOA Members

**Have you attested compliance with the SOA CPD Requirement?
As of March 1, if you have not attested your status is now listed
as "Pending" in the SOA directory.**

THERE ARE THREE EASY STEPS:

1. Log on to the SOA membership directory and click the SOA CPD Requirements button on the main page.
2. Indicate whether you have met the SOA CPD Requirement.
3. Identify which method of compliance was used.

You must attest or be considered non-compliant. Go to SOA.org/attestation for more information.

