



**ASSOCIATION ACTUARIELLE INTERNATIONALE
INTERNATIONAL ACTUARIAL ASSOCIATION**

Date: 23 October 2013

To: Presidents and Council Delegates of IAA Full Member Associations
Presidents and Council Representatives of IAA Associate Member Associations
Representatives of IAA Institutional Members
Representatives of IAA Observer Members

Copy: Correspondents, IAA Full and Associate Member Associations
Members of ASC and its task forces
Members of IAA Pensions and Employee Benefits, Insurance Accounting, Supranational
Relations, and Professionalism Committees
Members of the Standard Setters Round Table
Other interested parties

From: Dave Pelletier, Chair, Actuarial Standards Committee (ASC)

**Re: Exposure Draft of Proposed International Standard of Actuarial Practice 3,
Actuarial Practice under IAS 19 Employee Benefits**

We are pleased to attach the exposure draft of proposed International Standard of Actuarial Practice 3 (ISAP 3), Actuarial Practice under International Accounting Standard 19 (IAS 19) Employee Benefits and related amendments to the Glossary. These have been drafted by the IAS 19 Task Force of the ASC and approved for exposure by the ASC in accordance with Due Process. The purpose of this ISAP is to provide guidance to actuaries when performing actuarial services in connection with IAS 19 Employee Benefits.

This ISAP is a model standard intended to be suitable for adoption by actuarial standard-setting organizations who wish to do so. It is the IAA's intent that by publishing model international standards it will encourage the creation and convergence of national actuarial standards.

We ask you to distribute these exposure drafts (located under Publications on the IAA website), widely within your organization, and to any actuarial standard setters and other interested parties in your jurisdiction. The deadline for comments on these drafts is 14 March 2014.

Comments (from your organization, your members, or other parties to which you forward these exposure drafts) should be addressed to ISAP3.ED.comments@actuaries.org with "ISAP – IAS 19" in the email header. The comment should make clear if it is a personal response or one representing a particular association, standard-setter, or other entity. Only the amendments to the Glossary are open for comment.

The preferred format for submitting comments is email or an MS Word (or equivalent) attachment. If a markup of the exposure draft is submitted we recommend using the Comment feature liberally, giving reasons for proposing the change. All comments will normally be posted to the International Actuarial Association website identifying the commenter(s). However, in exceptional cases, in response to a request which the IAA Secretariat is satisfied is for a valid reason, comments may be either posted to the website anonymously or withheld from the website.

We ask the commenters particularly to consider the following questions:

1. Is the guidance clear and unambiguous? If not, how should it be changed?

2. Is the guidance sufficient and appropriate? If not, how should it be changed?
3. Is it clear how the guidance in the proposed ISAP relates to the guidance in ISAP 1? If not, how should it be changed?
4. Is the guidance at the right level of detail? If not, what text should be omitted because it is too detailed? In what areas do actuaries need more detailed guidance?
5. The proposed ISAP does not currently provide specific guidance to actuaries advising the reporting entity on the information that should be included in the IFRS report to meet IAS 19's disclosure objectives (the appendix contains educational material on these disclosures). Should the ISAP be expanded to provide guidance in this area? If so, what should the guidance be?
6. Are there other matters that should be included in this standard on actuarial work in connection with IAS 19 Employee Benefits? Are there some included here that should not be?

Thank you in advance for your attention to this matter. The ASC and its IAS 19 Task Force look forward to the responses.