



NEWS RELEASE

Immediate Release

Contact: Andrew Simonelli
Phone: 202.785.7872
Email: simonelli@actuary.org

American Academy of Actuaries Issues Discipline Notice

WASHINGTON – 16 Sept. 2010 – The American Academy of Actuaries announced that the following discipline action became effective on Sept. 2, 2010:

Disciplinary Notice

The Disciplinary Committee of the American Academy of Actuaries (Academy), acting in accordance with the Academy's bylaws and under recommendation from the Actuarial Board for Counseling and Discipline (ABCD), hereby reprimands William Lynn Townsend for materially failing to comply with Precepts 1, 3 and 4 of the Code of Professional Conduct.

Mr. Townsend issued actuarial opinions for a client company's financial statement filings with a state insurance department that did not comply with the state's asset adequacy analysis and other related requirements. In so doing, he failed to perform his actuarial work with integrity and competence, and in a manner upholding the reputation of the actuarial profession, as required by Precept 1. In addition, his actuarial work product did not satisfy applicable standards of practice relating to asset adequacy analysis and actuarial communications, thereby violating Precept 3. Further, because his actuarial opinions did not comply with applicable state requirements, they were not clear and appropriate to the circumstances and intended audience, in violation of Precept 4.

Based on the foregoing violations of the Code of Conduct, Mr. Townsend is hereby reprimanded.

For more information, contact Andrew Simonelli, assistant director of communications for the American Academy of Actuaries, at 202.785.7872. For more information on the American Academy of Actuaries, please visit: www.actuary.org.

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The American Academy of Actuaries is a 17,000-member professional association whose mission is to serve the public on behalf of the U.S. actuarial profession. The Academy assists public policymakers on all levels by providing leadership, objective expertise, and actuarial advice on risk and financial security issues. The Academy also sets qualification, practice, and professionalism standards for actuaries in the United States.