

28 June 2004

To Whom It May Concern,

Morris Review of the Actuarial Profession - Consultation Document

In response to Lord Penrose's Report of the Equitable Life Inquiry, the Government asked me to conduct a wide-ranging review of the actuarial profession.

The terms of reference of the review are to:

Consider what professional and/or other regulatory framework would best promote recognised, high-quality and continuously developing actuarial standards, openness in the application of actuarial skills, transparency in the professional conduct of actuaries, accountability for their actions and an open and competitive market for actuarial advice in the UK.

The review team and I formally commenced work last month. I have been given a broad remit and I will conduct the review in a number of stages. As part of the initial consultation process I am writing to invite you, or an appropriate colleague, to submit your views on the issues identified in the attached consultation paper.

In the autumn I will publish an interim assessment paper which will set out our analysis of the strengths and weaknesses of the current professional and regulatory framework of the actuarial profession. If the review's analysis supports the need for reform in some areas, the interim assessment paper will propose a number of options for change. There will be an opportunity to respond to the review's interim assessment paper, and in particular, to express views on the emerging options. The final report, with recommendations, will be submitted to the Government in spring 2005. A full timetable for the review is set out in Annex A of the attached consultation paper.

I am sending this letter to a large number of organisations who are providers or users of actuarial services in the life insurance, general insurance, pensions and investment industries, to relevant trade and consumer organisations, to members of parliament with an interest in financial services issues and to government departments. I have asked the Government Actuary to send this letter to a number of UK and overseas clients of the Government Actuary's Department.

Over the next few months the review team and I will speak to as many people and organisations as possible. Given time constraints and in order to ensure that all views are heard and taken into account please submit written submissions in an electronic

format. **The deadline for receipt of written submissions is Friday 10 September 2004.**

Your input will be valuable and I would be very grateful for your help on this review.

Yours sincerely,

A handwritten signature in cursive script that reads "Derek Morris". The signature is written in black ink and is underlined with a single horizontal line.

Sir Derek Morris