

Determination Report for Adjudication Panel

3 September 2009

Mr Rudi Stumpf FIA (the Respondent)

On 3rd September 2009 the Adjudication Panel considered a complaint that the Respondent:

1. For the CPD year 1 July 2007 to 30 June 2008 failed to declare the appropriate CPD Category as required by the Actuarial Profession and set out in the CPD Schemes contained with the CPD Handbook 2007 (version 12) at page 7; the CPD Handbook 2007 (version 13) at pages 7 and 12; and the CPD Handbook 2007/08 (version 14) at pages 8, 9 and 13.
2. For the CPD year 1 July 2007 to 30 June 2008 failed to maintain an on-line record of CPD undertaken as required by the Actuarial Profession and set out in the CPD Handbook 2007 (version 12) at pages 10, 13 and 23; the CPD Handbook 2007 (version 13) at pages 8, 9, 10, 13, and 23; and the CPD Handbook 2007/2008 (version 14) at pages 9, 10, 11, 14, and 24.

and in failing to do all of the above he failed to maintain and observe the highest standards of conduct expected of a member, contrary to paragraph 2.1 of version 2.3 of the Professional Conduct Standards and paragraphs 1.2 and 2.1 of version 3.0 of the Professional Conduct Standards, which is therefore Misconduct in terms of Rule 1.6(b) of the Disciplinary Scheme for the Institute of Actuaries as constituting conduct falling below the standards of behaviour, integrity, or competence which other members or the public might reasonably expect of a member.

The Panel determined that the case report and the evidence annexed to it disclosed a prima facie case of Misconduct in respect of the allegations made against the Respondent in accordance with rule 4.2(b)(i) of the Institute's disciplinary scheme and that the Respondent should be invited to accept that there had been Misconduct, but that no sanction was necessary.

The Panel's reasons were as follows:

- a) The Respondent agreed the facts alleged and there had been no misunderstanding of the requirements of the scheme.

The Respondent admitted that he had not given the CPD requirements sufficient attention despite receiving correspondence from the Profession. Despite being based abroad the Respondent was not regulated by a local regulator and as such should have complied with the Institute's requirements.

- b) The information and reminders about the CPD Scheme in general circulars was not prominent. For example in the 14 March 2008 circular, the item on CPD followed items on the merger with the Faculty, meetings in Edinburgh and general insurance.

Emails sent addressed BCC to the Respondent referred to his being "*in default of the CPD Scheme*" without reference to the disciplinary procedures. To understand the potential for a reference to the disciplinary procedures, the Respondent would have been required to find, download and examine the CPD scheme from the profession's website.

However, the letter of 12 March 2008 to the Respondent did give a warning of a reference to the disciplinary processes for the following year. The Panel took the view that this was sufficient and should have alerted the Respondent to the seriousness of his obligations under the scheme.

- c) The Panel was satisfied that the Respondent is now correctly classified as a category 3 actuary under the CPD scheme and note that he has recorded his CPD for the year 2008/09.
- d) Considering all the circumstances of this complaint and the guidance issued by the Disciplinary Board, the Panel did not believe it appropriate to impose a fine or reprimand on the Respondent. The Panel felt that as the Respondent was working in a non-actuarial position, in a country some distance from the UK, that no sanctions were necessary.