

The Actuaries' Code and CPD update

Derek Newton/Neil Hilary

The history

- Profession is responsible for ethical/behavioural standards
- Professional Conduct Standards ("PCS") been in place since 1999
- Need to update to ensure continuing relevance for members and users of actuarial services
- Several iterations to meet views of stakeholders
- Actuaries' Code went live on 1 October 2009; PCS now dead

Scope and application

- Applies to all members of the Faculty or Institute
 - Fellows, Associates, Students, Affiliates
 - Worldwide
- Applies at all times to conduct in work as actuaries
- Applies where conduct in other contexts could reasonably be considered to reflect upon the profession

Purpose and status

- Purpose is to build and promote confidence in the work of actuaries
- Comprises 5 key principles
- It is NOT a set of rules
- Breaches would not automatically mean misconduct but (mis)application of the Code would be taken into account in cases of misconduct

The Actuarial Profession
making financial sense of the future

Code sections

- Integrity
 - Competence and care
 - Impartiality
 - Compliance
 - Open communication
- “...an ethical compass...in exercising professional judgement”**

The Actuarial Profession
making financial sense of the future

What further guidance is there?

- Actuarial Profession Standards (“APSS”) and Information & Assistance Notes (“IANs”) will be developed on certain generic aspects
 - Articles in *The Actuary* giving individual actuaries’ views on example issues
 - Case studies, facilitated discussions
 - Online tests
 - Counselling service from the Profession
- BUT** the Profession will not do your thinking for you

The Actuarial Profession
making financial sense of the future

How does this affect me?

- You need to read it, and you need to think as you read:
 - Does what you currently do comply with the principles?
 - What changes should you make to comply with the Code?
- You need to continue to think about it and its implications upon your conduct
- You need to consider the implications of the Code upon your CPD plans

...which brings us around to Neil's part....

The Actuarial Profession
making financial sense of the future

Practising Certificates due for renewal on or after 1 Oct 2010

All change in the year up to this renewal!

- No fewer than 30 hours of verifiable activities, of which:
 - At least 20 hours should be technically relevant to the subject area of the PC, and at least 10 hours of that should be external
 - At least 6 hours must relate to professional skills
 - Up to 15 hours can be for "service to the Profession"
- All PC holders are required to attend a Professionalism Event at least once every ten years
- Reporting year runs from date of last PC renewal

The Actuarial Profession
making financial sense of the future

Criteria for Practising Certificates (Oct 2009)

At least

- 4 years as fellow
- 3 years in GI
- 2 years in London Market
- 1 year in Lloyd's
- CPD for Cat 1

As fellow,
and within
last 5 years

The Actuarial Profession
making financial sense of the future

Recording CPD activity

- Profession needs to monitor CPD appropriately
- Actuaries must record CPD activities on-line
- The on-line form allows an actuary to record:
 - hours spent on verifiable and personally-assessed activities,
 - outcomes of any type of learning.
- Supporting documentary evidence must be kept for 3 years and be submitted to the Profession's staff on request.
- Non-verifiable activity will need its outcome explained on the CPD form.
- See your personal page of the Profession's website at www.actuaries.org.uk