## Conflicts of interest Institute and Faculty of Actuaries Annual Convention - June 2006 Roderick Morton

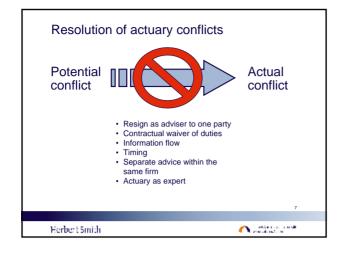




## Sample amendment "Where a Trustee is also a director or employee of any of the Employers, he shall not, solely by reason of his being a Trustee, be required to disclose to the Trustees information obtained from the Employers where he reasonably believes that such information is confidential." Herbert Smith



## Actuary conflicts "There is an absolute bar on the same firm acting simultaneously for two clients with opposing interests" Re A firm of Solicitors (1992) 1. Are your clients' interests actually opposing? 2. Are you actually advising on these interests?



Professional guida	ance
"Best advice"	PCS 5.1
whether it impairs the actuary	ne nature and extent of the conflict and o's ability to act fairly and without proper to act for one or more clients
mivolved in the comme.	PCS 5.2
"the actuary must bring the coearliest possible opportunity	onflict to the attention of the client at the and if advice is restricted []" PCS 5.3
"former clients"	PCS 5.4

## Actuary conflicts - conclusion 1. Interests of employer and trustees are aligned in the majority of situations 2. Manage potential conflicts to avoid actual conflicts 1. Avoid generating opposing interests 2. Avoid advising on the opposing interests 3. Manage conflicts contractually 4. Consider your reputation

Herbert Smith	
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