



Institute  
and Faculty  
of Actuaries

# The Actuaries' Code

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# INSTITUTE AND FACULTY OF ACTUARIES

## THE ACTUARIES' CODE

<b>Application</b>	The Code applies to all <del>members</del> <u>Members</u> of the Institute and Faculty of Actuaries <u>in all locations</u> .
<b>Scope</b>	<p>The Code applies at all times to <del>members'</del><u>all Members'</u> conduct in <del>their work as actuaries, but will</del><u>relation to an actuarial role</u>.</p> <p><del>The Code also be taken into consideration where their</del> <u>applies to all Members' other</u> conduct <del>in other contexts</del><u>if that conduct</u> could reasonably be considered to reflect <del>on</del><u>upon</u> the profession.</p>
<b>Status and Purpose</b>	<p>The Code <del>consists of principles which members are expected to observe in the public interest and in order</del><u>aims</u> to build and promote confidence in the work of actuaries and in the actuarial profession.</p> <p>The Code <del>will be taken into account if a member's conduct is called into question for the purposes</del><u>includes six principles (shown in italics) which Members must observe to support the profession in acting in the public interest</u>.</p> <p><del>Those six principles are supported by amplifications (not in italics) that clarify specific requirements of the Institute</del><u>principles for some particular issues</u>.</p> <p><del>The principles and amplifications, together, form the Code and Faculty of Actuaries' Disciplinary Scheme. Members must comply with both the principles and the amplifications</del>.</p> <p><del>The Code uses the word "must" to mean a specific mandatory requirement. In contrast, the Code uses the word "should" to indicate that, while the presumption is that Members comply with the provision in question, it is recognised that there will be some circumstances in which Members are able to justify non-compliance</del>.</p> <p><del>Nothing in the Code is intended to require Members to act in breach of legal requirements. Where relevant legal requirements conflict with the Code, Members must comply with those legal requirements</del>.</p>

## THE PRINCIPLES

### ~~1.~~ Integrity:

- ~~1.~~ Members will~~must~~ act honestly and with the highest standards of integrity.
- 1.1 Members will~~must~~ show respect for others in the way they conduct themselves ~~in their professional lives.~~
- 1.2 ~~Members will~~should respect confidentiality ~~unless disclosure is required by law, or is permitted by law and justified in the public interest.~~
- ~~1.3 Members will be honest, open and truthful in promoting their business services.~~

### ~~2.~~

### Competence and Care:

- ~~2.~~ Members will perform their professional duties~~must carry out work~~ competently and with care.
- 2.1 Members ~~will consider who their advice and/or services are being provided to (their clients). In many cases this may be their employer.~~
- ~~2.2 Members will not act unless:~~
- a) ~~must ensure~~ they have an appropriate level of relevant knowledge and skill; or to carry out a piece of work.
- b) ~~they are acting on the advice of an individual who has the appropriate level of relevant knowledge and skill and all interested parties are aware that this is the case; or~~
- c) ~~they are acting under the direct supervision of another member who is taking professional responsibility for that work.~~
- ~~2.3 Members will~~2.2 Members must continue to develop their knowledge and skills and comply with the Institute and Faculty of Actuaries' Continuing Professional Development (CPD) requirements.
- ~~2.3 Members must ensure their work is appropriate to the needs and, where applicable, instructions of user(s).~~
- ~~2.4 Members must consider whether advice~~input ~~from other professionals and other or specialists is necessary to assure the relevance and quality of their work.~~
- ~~2.4 Members will take care that the advice or services they deliver are appropriate to the instructions and needs of the client, including the legal and other rules which may govern the matter, having due regard to others, such as policyholders of an insurer, members of a pension scheme, or any analogous persons whose interests are affected by the work of the member.~~
- ~~2.5 Members will agree with the client the scope and nature of any appointment or instruction.~~
- ~~2.6 Members will agree with the client the basis for their remuneration before commencing an appointment or instruction and before any material change in the scope of an existing appointment or instruction.~~

~~2.7 — Members will keep their competence upwork and, where necessary, either seek it themselves or advise the user to datedo so, as appropriate.~~

~~3. —~~

**Impartiality:** ~~Members will not allow~~

~~3. — Members must ensure that their professional judgement is not compromised, and cannot reasonably be seen to be compromised, by bias, conflict of interest, or the undue influence of others to override their professional judgement.~~

~~3.1 — Members will ensure that their ability to provide objective advice to their clients is not, and cannot reasonably be seen to be, compromised.~~

~~3.2 — A conflict of interests arises if a member's duty to act in the best interests of any client conflicts with:~~

- ~~a) — the member's own interests, or~~
- ~~b) — an interest of the member's firm, or~~
- ~~c) — the interests of other clients.~~

~~3.3 — Members will~~3.1 — Members must take reasonable steps to ensure that they are aware of any relevant ~~interest, including income, of their firm~~interests that might create a conflict.

~~3.4 — Unless they decide not to act, members will disclose in writing to their client any steps they have taken, or propose to take, to reconcile any actual or reasonably foreseeable conflict of interest.~~

~~3.5~~2 Members ~~will~~must not act where there is ~~an unreconciled~~an unreconciled conflict of interest ~~that has not been reconciled.~~

~~3.6 — Before accepting any assignment, members will consider carefully whether they should consult with any member who previously held such a position with the client, to establish whether there might be any professional reason why the assignment should be declined.~~

~~4. —~~

**Compliance:**

~~4. —~~Members willmust comply with all relevant legal, regulatory and professional requirements.

~~4.1 —~~Members must take reasonable steps to ensure they are not placed in a position where they are unable to comply, ~~and will challenge non-compliance by others.~~

~~4.1 —~~Members will4.2 — Members must, as soon as reasonably possible, disclose to the Institute and Faculty of Actuaries any conviction, adverse finding, judgement or disqualification of the type referred to in rules 1.11 to 1.14 of the Disciplinary Scheme of the Institute and Faculty of Actuaries to which they are subject.

## Speaking up

- ~~5. Members should speak up to their clients or to their employers, or both, if they believe, or have reasonable cause to believe, that a course of action is unlawful, unethical or improper. is unlawful.~~
- ~~4.2 Members will fulfil any obligations to report information to relevant regulatory~~
- ~~5.1 Members should challenge others on their non-compliance with relevant legal, regulatory and professional requirements.~~
- ~~5.2 Members must report to the Institute and Faculty of Actuaries, without delay, any matter which appears to constitute misconduct and/or a material breach of any relevant legal, regulatory or professional requirements by one of its Members.~~
- ~~5.3 In addition to complying with any legal requirements to report matters to relevant regulators or other authorities.~~
- ~~4.3 Where there is legal protection available, members will report, Members should also report to those bodies any behaviour that they have reasonable cause to believe is unlawful, unethical or improper, to regulators or other relevant authorities. In the UK such protection includes: the Public Interest Disclosure Act 1998, sections 342 and 343 of the Financial Services and Markets Act 2000 and section 70 of the Pensions Act 2004 unlawful, and carries significant risk of materially affecting outcomes.~~
- ~~4.4 Members will promptly report any matter for consideration under the Institute and Faculty of Actuaries' Disciplinary Scheme which appears to constitute misconduct or a material breach of any relevant legal, regulatory or professional requirements including Actuarial Profession Standards and Technical Actuarial Standards issued by the Financial Reporting Council. To the extent that the consent of a third party is required for this purpose in order to disclose information, members must take all reasonable steps to obtain such consent.~~
- ~~5. 5.4 Members must take reasonable steps to ensure users are aware of any substantial issues with a piece of work for which they are responsible or in which they have had significant involvement, if those issues might reasonably influence the decision-making or judgement of users.~~

## **Communication:**

- ~~6. Members will must communicate effectively and meet all applicable reporting standards. appropriately.~~
- ~~5.1 Members will ensure that their communication, whether written or oral, is clear (indicating how any further explanation can be obtained) and timely, and that their method of communication is appropriate, having regard to:~~
- ~~a) the intended audience;~~
  - ~~b) the purpose of the communication;~~
  - ~~e) the significance of the communication to its intended audience; and~~
  - ~~d) the capacity in which the member is acting.~~

- ~~56.1~~ Members must communicate in a timely manner, clearly, and in a way that takes into account the users.
- ~~6.2~~ Members ~~will, in communicating their professional findings,~~must show clearly that they take responsibility for ~~them~~their work when communicating with users.
- ~~56.3~~ Members ~~will~~must take ~~such~~reasonable steps ~~as are sufficient and available to them~~ to ensure that any communication ~~with~~for which they are ~~associated~~responsible or in which they have a significant involvement is accurate and, not misleading, and contains ~~sufficient~~an appropriate level of information.
- ~~6.4~~ Where Members identify that a user of their work has, or is reasonably likely to enable its subject matter~~have, misunderstood or misinterpreted their advice,~~ Members should draw their attention to ~~be put in proper context~~any adverse impact.