



Caribbean Actuarial Association 21st Annual Conference

December 1-2, 2011
Hyatt Regency Trinidad

Session: Professionalism Issues
Speaker: Jim Christie, President
Canadian Institute of Actuaries

Whistle Blowing

- Responsibilities of the actuary
 - Canadian legislation
 - Guiding Principle 1
 - CIA Rules of Profession Conduct
 - Practical Advice
 - Questions



Insurance Companies Act

Most insurers operating in Canada are subject to the (Canada) Insurance Companies Act

§2: defines actuary as Fellow of Canadian Institute of Actuaries

§165(2): Directors must appoint an actuary



Insurance Companies Act

§369: **actuary required to report in writing**



Insurance Companies Act

§369: actuary required to report in writing to
CEO and CFO



Insurance Companies Act

§369: actuary required to report in writing to CEO and CFO **on any matters that have come to actuary's attention in course of carrying out his duties**



Insurance Companies Act

§369: actuary required to report in writing to CEO and CFO on any matters that have come to actuary's attention in course of carrying out his duties that **in his opinion have material adverse effects on financial condition of company**



Insurance Companies Act

§369: actuary required to report in writing to CEO and CFO on any matters that have come to actuary's attention in course of carrying out his duties that in his opinion have material adverse effects on financial condition of company and **require rectification.**



Guiding Principle Number 1

- In carrying on its activities and programs, the Institute holds the duty of the profession to the public above the needs of the profession and its members.



Rules of Professional Conduct

- **Rule 1:** A member shall act honestly, with integrity and competence, and in a manner to fulfil the profession's responsibility to the public and to uphold the reputation of the actuarial profession.



Rules of Professional Conduct

- **Rule 2:** A member shall perform professional services only when the member is qualified to do so and meets applicable qualification standards.



Rules of Professional Conduct

- **Rule 13** A member who becomes aware of an apparent material noncompliance with the Rules or the standards of practice by another member shall attempt to discuss the situation with the other member and resolve the apparent noncompliance. [...]



Rules of Professional Conduct

- **Rule 13** [...] In the absence of such discussion and resolution, the member shall report such apparent noncompliance to the Committee on Professional Conduct, [...]



Rules of Professional Conduct

- **Rule 13** [...] except where such reporting would be contrary to law or, when the member is acting in an adversarial environment, for the duration of such adversarial environment.



Practical Advice - 1

- Most situations are not black or white.
- Most situations arise from often immaterial earlier actions. Beware of slippery slope from gradual acceptance.



Practical Advice - 2

- Discuss concerns with colleague or mentor.
- Be careful accepting assignments when you lack practical experience.
- Use “front page” test.



Questions

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