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Discipline Bulletin



Seeing Beyond Risk

Canadian
Institute of
Actuaries



Institut
canadien
des actuaires

Voir au-delà du risque

Report

This is the twenty-sixth periodic report to Members, Associates and Affiliates prepared in accordance with Bylaw 20.12(8). Its primary purpose is to educate and inform all Members, Associates and Affiliates about the disciplinary process and current disciplinary activities. Please send any comments on, or suggestions for improvements in, these reports to me at my Online Directory address. Information in this report regarding specific cases represents the status at May 16, 2008.

Meetings

Since the last Discipline Bulletin of November 2007, the Committee on Professional Conduct (CPC) held meetings on December 13, 2007 and March 18, 2008. The committee also held four telephone conference calls on November 20, 2007, January 8, 2008, March 31, 2008 and May 13, 2008. Future meetings of the CPC have been scheduled for July 3, 2008 (Toronto) and October 27, 2008 (Toronto).

Disciplinary Costs (\$000) to March 31, 2008

	FY 07-08		FY 06-07	
	Actual	Budget	Actual	Budget
Legal Costs	218	---	144	---
Other Costs	7	---	67	---
Total Costs	225	245	211	186
	Actual		Actual	
Costs Recovered	127		51	
No. of cases reviewed	17		15	

The budget for the Fiscal Year 2008/2009 is \$340, 000.

Cases

(a) Charges filed and cases completed

Charges were filed against a Member in connection with the establishment and wind-up of an employee pension plan. The Member has pleaded guilty to the charges and has accepted a recommendation of sanction (commonly referred to as a “fast-track”). The formal announcement of the disciplinary action taken in this case accompanies this Discipline Bulletin.

(b) Private admonishment issued

A private admonishment was issued against an individual. In accordance with Bylaw 20.04.1 private admonishments are treated as confidential. Therefore, no further additional details may be provided regarding this case.

(c) Cases outstanding where charges have been filed

Separate charges were previously filed against two Members of the Institute in connection with the valuation of a pension plan. A Disciplinary Tribunal has been appointed by the Chairperson of the Tribunal Panel, in accordance with Bylaw 20.06(1). Preliminary motions were filed before the courts preventing the Disciplinary Tribunal from proceeding. A hearing took place before a Judge in early June 2007 for which we are still awaiting a decision. Arrangements can be made to hear the Charges once a decision on the motions has been made.

Charges have recently been filed against another Member of the Institute, in connection with four solvency valuations of two pension plans. A notice of the filing of charges and referral of the charges to a Disciplinary Tribunal of the Canadian Institute of Actuaries was circulated January 30, 2008 to inform members of the Institute and the public about the case in accordance with Bylaw 20.04 (3.1). The Notice can be found on the Discipline Section on the CIA's public website. A Disciplinary Tribunal has been appointed by the Chairperson of the Tribunal Panel, in accordance with Bylaw 20.06(1), and arrangements are being made to hear these charges.

Please note that pursuant to the Bylaws, the Executive Director will publish a Notice to the public and the membership approximately 15 days prior to any hearing before a Disciplinary Tribunal. This notice will include the date, time and place of the hearing.

Anyone who wishes to request more information about the disciplinary process may obtain that information from the Executive Director.

(d) Other complaints and information

Apart from the cases mentioned in (a), (b) and (c), since September 30, 2007, the CPC has considered seven complaints or other information that might lead to complaints, against eight Members, Associates or Affiliates.

Five new complaints and/or information were received for the CPC's consideration. In two of these, after obtaining further information, the CPC decided not to proceed further. In a third of these cases, the CPC is obtaining further information before deciding on how to proceed. In the other two cases, the CPC decided to refer the complaints to two separate Investigation Teams.

Upon obtaining further information in a previous case, the CPC decided to refer the complaint to an Investigation Team.

Upon obtaining further information in another previous case, the CPC decided to dismiss the matter.

The Committee expects the investigations noted above to be completed and to make its decision to either (a) dismiss the complaints, or (b) to file charges pursuant to Bylaw 20.04, within the next six months.

(e) Summary by Practice Area

The 17 cases reviewed in the 2007-2008 fiscal year may be summarized by practice area as follows:

	Complaints	Individuals
Life	1	2 members
Pension	8	11 members
P&C	1	1 member
Workers' Compensation	0	---
Actuarial Evidence	7	7 members
Other	0	---

Robert M. Smithen
 Chairperson, Committee on Professional Conduct