

Amending Bylaw No. 2023-3

To Amend the Rules of Professional Conduct of the Canadian Institute of Actuaries (Rules of Professional Conduct – New Member Categories)

Whereas in 2020, the Education and Qualification Council (EQC) determined that amendments to the *CIA Bylaws* (Bylaws) should be considered, when they were next scheduled to be reviewed, to establish new member categories to better align with the new education pathways that were being developed by the Institute;

Whereas the Board created, in September 2020, the Task Force to Review the *CIA Bylaws*, which was mandated to undertake a comprehensive review of the Bylaws in an effort to simplify and modernize them as well as to implement some substantive changes to the Bylaws that had been identified by the Board or other CIA entities in recent years and that were put on hold pending this review;

Whereas in March 2021, the Board directed the Governance and Nominations Committee (GNC) to undertake a comprehensive review of the *Rules of Professional Conduct* (Rules), which had not been fully reviewed since 2003;

Whereas in December 2022, the Board approved a draft set of new Bylaws (related to new member categories) and a draft set of Rules for release for consultation with CIA members and stakeholders, along with the proposed timeline for approval;

Whereas in March 2023, following consultation with CIA members and stakeholders, the EQC presented a recommendation for approval and confirmation of proposed amendments to the Bylaws related to new member categories, and the GNC presented the Board with a recommendation for approval and confirmation of proposed amendments to the Rules;

Whereas on March 29, 2023, the Board adopted Amending Bylaw 2023-1, which contained the proposed amendments to the Bylaws related to new member categories, as well as Amending Bylaw 2023-2, which contained the proposed amendments to the Rules, including administrative amendments related to the new member categories;

Whereas on June 27, 2023, Amending Bylaw 2023-1 (Bylaws – New member categories) was confirmed by the members of the Institute at the CIA Annual General Meeting (AGM);

Whereas on June 27, 2023, Amending Bylaw 2023-2 (Rules of Professional Conduct) was not confirmed by the members of the Institute at the CIA AGM;

Whereas on September 14, 2023, the Board considered proposed minor administrative amendments to the Rules to address the changes to the Bylaws related to the new member categories that were confirmed by the members of the Institute and which will take effect on January 1, 2024, and was of the view that it is in the interest of the members and the Institute to adopt the amendments to the Rules, as indicated in the documents provided to the Board on

September 1, 2023, in accordance with Bylaw 13.3 (related to minor administrative amendments that do not require CIA member confirmation).

Therefore, be it resolved

That the English and French versions of the Rules be modified, as indicated in the documents provided to the Board on or around September 1, 2023, and annexed as Appendix E (English) and Appendix F (French) to this Amending Bylaw No. 2023-3;

That the changes referred to above and hereby adopted by the Board in accordance with Bylaw 13.3, shall have force and effect as of January 1, 2024.

Adopted by at least two-thirds of the Board on September 14, 2023.

President

Chair, Governance and
Nominations Committee

Rules of Professional Conduct

Preamble

These Rules of Professional Conduct (**Rules**) identify the professional and ethical standards with which a member¹ must comply and thereby serve the public interest. The Annotations provide additional explanatory, educational, and advisory material to members of the actuarial profession on how the Rules are to be interpreted and applied. It is the professional responsibility of the member to be knowledgeable about, and to keep current with, the revisions to the Rules and Annotations. In addition to these Rules, a member is subject to applicable law and rules of professional conduct or ethical standards that have been promulgated by a *recognized actuarial organization* for the jurisdictions in which the member renders *professional services*. *Professional services* are considered to be rendered in the jurisdictions in which the member intends them to be used unless specified otherwise by an agreement between the *recognized actuarial organization* for any such jurisdiction and the Institute. The member is responsible for securing translations of such law or rules of conduct as may be necessary.

[Modified July 13/95; Modified July 1/03; Modified Jan. 1/24]

Bylaws 4.2.4 and 4.2.5 also provide for a process related to violations of the CIA Code of Conduct and Ethics for Participants in the CIA Education System which is applicable to members (i.e., Students, Candidates, or Associates) when participating in the CIA education system. These violations are initially assessed and handled through a process outside the normal disciplinary system. The Policy on the Enforcement of the Code of Conduct and Ethics for Participants in the CIA Education System provides detailed information regarding that process, which includes the potential referral of the matter to the Professional Conduct Board if the violation could also be a violation of the CIA Bylaws, Standards of Practice, or these Rules.

Definitions

As used throughout these Rules, the following terms are italicized and have the meanings indicated:

Confidential information: Information not in the public domain of which the member becomes aware in conjunction with the rendering of *professional services* to a client or employer. It may include information of a proprietary nature, information which is legally restricted from circulation, or information which the member has reason to believe that the client or employer would wish not to be divulged.

[Modified July 1/03]

Direct user: A client or employer or any other person retaining the member's services who has had the opportunity to select the member and is in a position to communicate directly with the member about qualifications, work and recommendations.

[Modified July 1/03]

Indirect compensation: Any material consideration received from any source in relation to an assignment for which the member provides *professional services* (examples of which may include volume bonuses, finder's fees and commissions), other than direct remuneration for those services.

[Modified July 1/03]

Professional services: The rendering of advice, recommendations or opinions based upon actuarial considerations, including other services provided from time to time by a member to a client or employer.

[Modified July 1/03]

¹ "member" includes Fellows, Associates, Candidates and Students/Affiliates.