

**MINUTES OF MEETING #2–21
Actuarial Profession Oversight Board
Video conference call**

June 21, 2021

Present: Michel Benoit, *chair* Suzanne Michaud
Danielle Boulet Alain Paquet
John Carter Neil Parkinson
Harold Geller Marian Passmore
Philip Howell Dave Pelletier
Anne Kleffner Marc Tardif
Raymond Léger Kim Young

Staff: Leona Campbell, Lynn Blackburn, Michel Simard, *ex officio*

Guests: Josephine Marks (*for ASB*), Jean-Claude Primeau (*for PCB*), Amy Pun (*for PCMB*),
Simon Curtis (*for DTP*)

Item 2–21.1 Welcome

Michel Benoit, Chair of the Actuarial Profession Oversight Board (APOB) welcomed members and called the meeting to order.

Item 2–21.2 Approval of the agenda

It was asked that the ethical concerns survey and Bylaw updates be discussed during ‘Other business.’

Motion 2–21.2.1

That the agenda be approved, as presented.

Carried

Item 2–21.3 Approval of the minutes

Motion 2–21.3.1

That the minutes of the APOB meeting held on March 31, 2021, be approved as presented.

Carried

Item 2–21.4 Guest Speakers: André Choquet and Gaetano Geretto

André Choquet, current chair of the Climate Change and Sustainability Committee, and Gaetano Geretto, past chair, provided an overview of the work the committee has been doing and how it responded to the OSFI consultation.

Item 2–21.5 Report from the APOB Nominating Committee (NC) Chair

John Carter presented the report from the June 21, 2021, NC meeting. The matrices for all Boards under APOB were updated.

1. Actuarial Profession Oversight Board (APOB) membership

There are no appointments to APOB at this time.

2. Actuarial Standards Board (ASB)

Motion 2–21.5.2.1

That Thierry Chamberland be appointed as vice-chair of the ASB, effective immediately until December 31, 2021.

Carried

3. Professional Conduct Board (PCB) membership

Motion 2–21.5.3.1

That the term for Pierre Laurin be extended on the PCB for one additional year.

Carried

4. Professionalism and Credential Monitoring Board (PCMB)

There are no new PCMB appointments at this time.

5. Disciplinary Tribunal Panel (DTP) membership

Motion 2–21.5.5.1

That John Dark and Sharon Giffen be appointed to the DTP effective July 1, 2021.

Carried

Note: Jacques Lafrance, Robert McKay, Neville Henderson, and Michel St-Germain will no longer be on the DTP effective June 30, 2021.

Action item:

- **Leona Campbell will update the matrices with the new appointments.**

Item 2–21.6 Report from ASB

Josephine Marks provided an overview of the report from the ASB with additional comments as follows:

General Standards: Non-actuaries are saying they are following or referring to our Standards which can be an issue as we have no disciplinary jurisdiction over non-actuaries if they are applying our Standards inappropriately. It was also noted that non-actuaries may not even be aware of Part 1000 (General Standards) which are intended to apply to all work performed under our practice-specific standards. ASB will further discuss this issue at their September meeting.

IFRS 17: Two groups are looking at this. Not currently working toward promulgation but AMF is encouraging us to promulgate, while OSFI is silent on the issue. ASB is currently reviewing various

aspects of Standards which pertain to setting discount rates and will work with the designated groups to document the rationale behind the final decision as to whether to promulgate.

Role of AA: They are currently reviewing the feedback received on the Exposure Draft.

Part 3000: These groups are moving forward, and discussion is expected at the upcoming ASB meeting. The Exposure Draft is expected to be released over the summer.

Actuarial Evidence: They are working toward an exposure draft for later this year.

Post-employment: NOI is expected imminently for approval and an exposure draft will follow.

Regulators: Ongoing meetings are taking place with the regulators which are well received.

Pension regulators are raising issues but are not giving specific examples to assist ASB in determining ways to address and rectify (related to the range of assumptions used by actuaries in valuations).

COI: A Conflicts of Interest (COI) working group was set up following directions from APOB. Initially, there was a lack of understanding from ASB members on this issue, but Jamie Jocsak structured a presentation that caused more members to be supportive and willing to participate in the group. It is important that the perception of COI is considered.

Item 2–21.7 Report from PCB

Jean-Claude Primeau provided an update from the PCB. The Appeal Tribunal decision was received recently and will be published to the membership. The terms of reference note that it is desirable to have two non-members on the PCB, but Michel Benoit suggests that there should be additional non-members recruited for outside perspective given that it is a self-regulated body. The role of Fasken as the legal counsel to the PCB was clarified.

Item 2–21.8 Report from PCMB

There is no update at this time.

Item 2–21.9 Report from CIA

Michel Simard provided an update on the activities of the CIA and the Head Office.

Three new Canadian education pathways were recently approved by the CIA Board. Thorough due diligence and risk and cost analysis were performed. The presentations to key groups about the pathways were well-received.

Recent superior Québec judgment may affect standards related to gender. A Board task force was formed to consider gender activity to monitor and understand how the decision will affect work done by actuaries, as well as what is being done internationally.

In-person meetings will not take place until at least January 1, 2022.

Item 2–21.10 Next meeting

The next meeting will need to be scheduled for fall 2021. It was suggested that it take place after ASB and PCB have their fall meetings. The 2022 meetings will be set later in the year when there is a better sense as to when in-person meetings can be held.

Action item:

- **Leona Campbell will poll for a meeting date later in October.**

Item 2–21.11 Other business

It was questioned why there was such a significant delay in publishing the results of the ethical survey as it was done four years ago but the results were only just recently released. There was a long discussion as to what to publish from the results of the survey and how to disseminate. Even though the numbers seem low, the number of respondents is actually considered to be high for a survey of this nature and was representative of the profession. It was questioned whether, given the time that has passed and the events that have occurred during the pandemic, the survey could be done again. More demographic information on the respondents would be helpful.

A task force to review the CIA Bylaws is being chaired by Dave Pelletier. He will be contacting Michel Benoit to determine the next steps by APOB.

With respect to the Appeal Tribunal (AT) decision, it was noted from the comments of the AT that the Rules of Professional Conduct are designed to deal with the relationship between actuary and client. They are contractual in nature and should not be analyzed in the same way as if they were part of governmental regulation. The AT decision should be considered during the review of the Rules of Professional Conduct.

Item 2–21.12 In-camera meeting review

APOB held an in-camera session.

There being no further business, the meeting was adjourned.