

ACTUARIAL STANDARDS BOARD (ASB) MEETING N° 128
MARCH 1, 2023
VIDEOCONFERENCE
13:00 – 14:00

Present: Mel Bartlett
Gavin Benjamin
Thierry Chamberland
Simon Curtis
Pierre Dionne
Edward Gibson, *Chair*
Azmina Jiwani
Jamie Jocsak
Marshall Posner
Michel Simard, *Executive Director*

Absent: Renée Couture, Steve Easson, Dean Newell, *ex officio*

Staff: Lynn Blackburn and Josée Racette

The Chair opened the meeting. He reminded attendees that there was only one topic on the agenda of the meeting, namely the review of the proposed Rules of Professional Conduct and Guidance document.

128.1 Approval of Agenda

Motion: That the agenda be approved as presented.

Carried

128.2 Review of the Proposed Rules of Professional Conduct and Guidance Document

Lynn Blackburn joined the meeting for this item.

An overview of the process to date was provided. The task force is scheduled to meet March 3 to review the more recent comments received. The challenge is for the Rules to remain principles-based while providing “guardrails”.

One of the main issues identified by the commenters was the expansion of the rules beyond actuarial services. The task force is aware that judgment will be required (Rules are principles-based and leave room for interpretation and judgment).

One of the concerns: are the proposed rules too broad?

The ASB reviewed the guidance document as the proposed rules are also included. It looked at it from an ASB perspective rather than a personal perspective. For example, do the proposed rules sufficiently cover volunteers (i.e., in this case ASB members and volunteers serving on designated groups).

Hypothetical scenario: a life actuary (member of the ASB) is asked to review/approve revisions to the standards related to P&C insurance. Would this person be considered not qualified to do so?

It was clarified that in the case of an ASB member, the ASB is looking for various perspectives and it would be appropriate for this ASB member to review/approve said revisions to the

standards. It was also suggested that the ASB terms of reference be reviewed/expanded to cover such an hypothetical situation.

There was some discussion about section 13.12 of the Guidance document. Should there be similar support for CIA members who may want to consult in confidence about a potential breach of the Rules? If not, could it prevent some CIA members from seeking advice?

It was clarified that reporting by an exempted member is only required if the issue has not been resolved.

Some concern was expressed about section 5.9 where it was felt that it is still very weak. It was clarified that we don't force people to recuse themselves from the discussion if, for example, their employer(s) would be significantly impacted. However, the volunteer should recuse themselves from the deliberation and decision phases. The task force will add a bullet to section 5.9 to address this issue clearly.

Impartial: some ASB members felt that this concept is not realistic (for example, a consultant has to look out for the interest of their client while remaining professional). It was explained that impartiality should be viewed in the context of the engagement.

There was some discussion on the concept of "perceived" conflict of interest and how the issue is "reconciled."

Section 8.2: some wording is repeated from section 1.5. It was felt that there is no need to repeat.

Under Rule 3, a regulator had suggested that it continue to include standards of practice. The ASB is in agreement and recommends that the word "applicable" be added so it reads "applicable standards of practice".

The Chair thanked everyone for their participation and comments.

128.3 Other ASB Business

There being no further business, the meeting concluded at 14:00. The next regularly scheduled meeting of the ASB will take place on March 28, 2023, via videoconference.