

ANNUAL REPORT FROM ASSA DISCIPLINARY COMMITTEE AS AT 31 DECEMBER 2024

This is the second annual report from the Disciplinary Committee (**Committee**) on the outcomes of disciplinary proceedings. It aligns with the commitment of the Actuarial Governance Board (**AGB**) and the Council of ASSA (**Council**) to keep members informed about these matters on a regular basis.

In order to give context, this report covers the work of the Committee over the past four calendar years rather than only during 2024.

The ASSA disciplinary process is by its very nature confidential with the result that members of ASSA are largely unaware of disciplinary proceedings that are taking place in the background. Council does, however, publish the outcomes of complaints where a member has been found guilty of unprofessional or unacceptable conduct subject to the discretion to identify the member concerned.

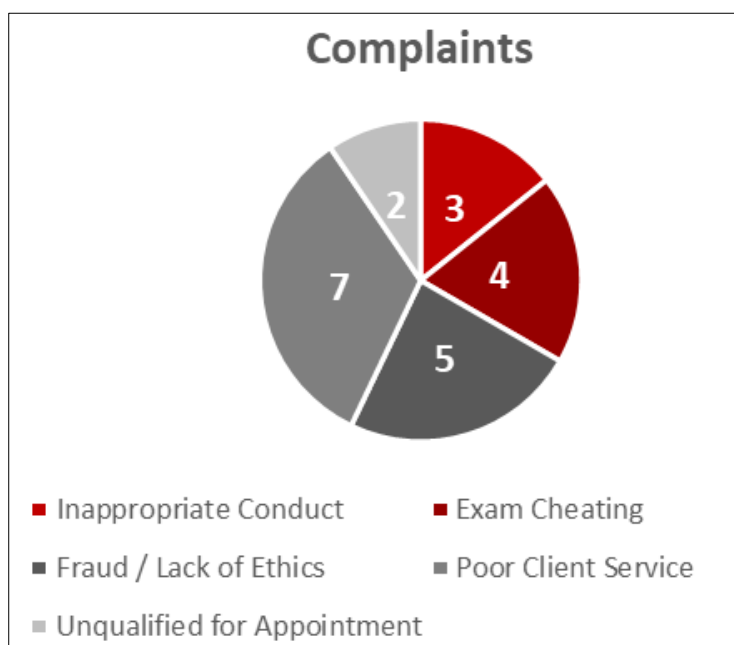
Number and Themes of complaints

The following table summarises the number of complaints received and processed over the four-year period:

Year	Number of complaints			
	New	Finalised	Referred to mediation	Referred to tribunal
2021	6	4	0	2
2022	7	3	1	1
2023	7	4	1	0
2024	1	9	1	0
Total	21	20	3	3

In our report of last year we expressed concern at the increase in the number of complaints compared to five or ten years earlier; however, the trend appears to have reversed with only one complaint being received in 2024.

The bulk of the complaints over the four years related to poor service to clients, exam cheating and the ethics cluster (fraud, misrepresentation, lack of ethics), as shown in the following pie chart:



Findings

The Committee investigates each complaint and decides whether the complaint should be dismissed or whether the respondent should be charged with either Unacceptable Conduct or Unprofessional Conduct. “Unacceptable Conduct” relates to any type of misconduct whereas “Unprofessional Conduct” relates to misconduct that is considered to be material.

The following table summarises the findings of the Committee over the four-year period (including one complaint lodged in 2020)

Year	Finding						
	Complaint withdrawn	Dismissed	Prima facie evidence of Unacceptable Conduct	Prima facie evidence of Unprofessional Conduct	Successful mediation	Terminated by AGB	Decision pending
2021	0	3	0	1	0	0	0
2022	0	3	0	0	0	0	0
2023	1	0	2	1	0	0	1
2024	0	3	0	3	1	2	1
Total	1	9	2	5	1	2	2

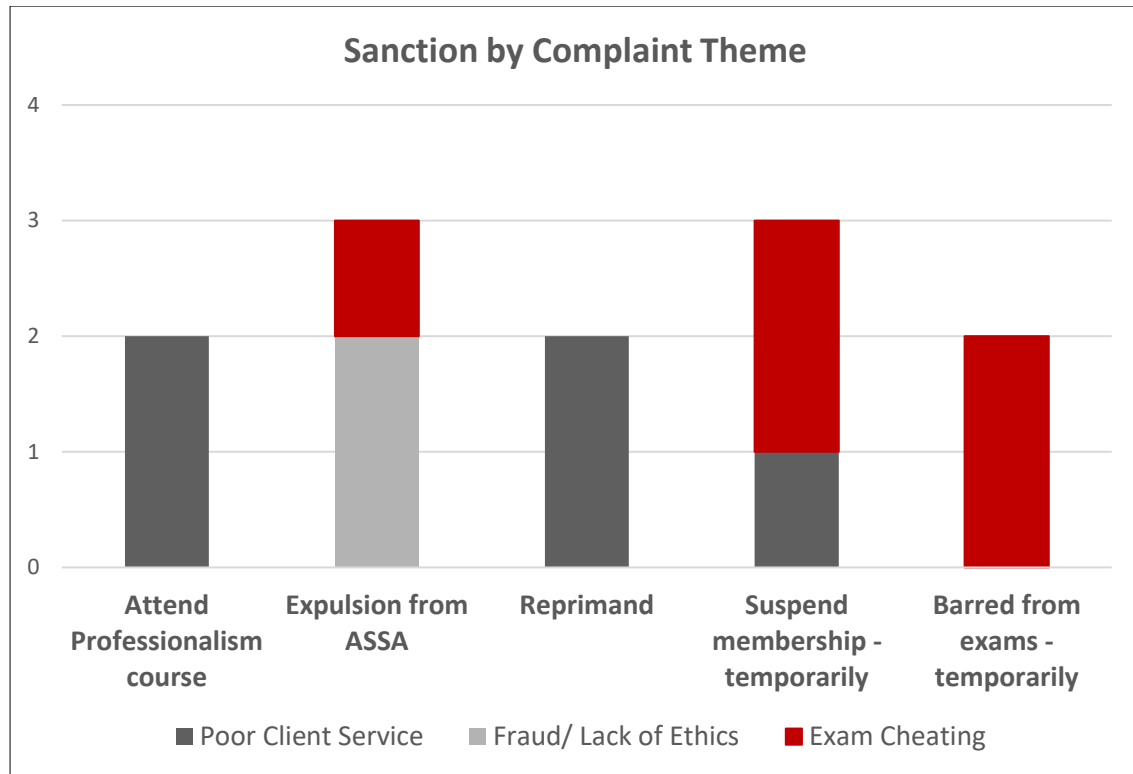
Points of interest regarding the above figures:

- In one case, where the Committee had charged the respondent with Unprofessional Conduct, the complainant withdrew the complaint after coming to a mutually acceptable arrangement that resolved the performance issues relating to a client contract for actuarial services. In terms of the Disciplinary Procedure, the Committee terminated its investigation and closed the case without making a finding or imposing a sanction.
- Almost 50% of the complaints were dismissed for various reasons such as, for example, lack of supporting evidence, or the complaint being frivolous, or the complainant attempting to use the ASSA disciplinary process to settle personal grievances. The submission of a complaint against a member of ASSA can have serious consequences on the reputation of the respondent and the Committee is very aware of its duty to protect members against unfair complaints.
- The Committee reports to the AGB who is responsible for oversight of ASSA’s disciplinary process. The AGB consists of four members comprising a senior FASSA (Mickey Lowther) plus highly qualified and experienced representatives from the FSCA, SAICA and the General Counsel of the Bar of South Africa. During 2024 the AGB reviewed three long-standing complaints that the Committee had referred to Tribunals, and decided as follows:
 - The disciplinary process relating to two complaints in respect of Covid modelling be terminated. The Committee has therefore ceased its work, and closed its files, on these two complaints.
 - The Tribunal process in respect of a complaint of alleged misrepresentation be interrupted and the complaint be referred to mediation. A mediation panel was set up in terms of the Disciplinary Procedure and successfully arrived at an agreement between the complainant and the respondent. The Committee has therefore closed its file on this complaint. In terms of ASSA’s Disciplinary Procedure, the mediation process is confidential and the outcome is therefore not advised to members of ASSA.

- At the end of 2024 there were two complaints still being processed. Both of these relate to the same FASSA and are being dealt with by a mediation panel.

Sanctions imposed

The following graph shows the findings by theme of the complaint. Note that it is possible for multiple sanctions to apply to a single complaint, i.e. historically in exam cheating cases, it was possible to be both temporarily suspended from ASSA and temporarily barred from writing exams.



The sanctions which the Committee is permitted to impose are listed in the Disciplinary Procedure. In each case the Committee proposes to Council the sanction that it believes to be appropriate and Council makes the final decision, either approving the Committee's proposal or replacing it with an alternative sanction.

It will be seen that the Committee does not hesitate to propose severe sanctions in appropriate circumstances; for example, over the four years, three members have been expelled from ASSA as a result of the complaints received against them. A member was also expelled in 2020 (not included in the table above) for violating data privacy requirements, sharing confidential information with third parties and refusing to co-operate with the Committee in the disciplinary process.

It will also be noted that there were four exam-cheating complaints received, of which one resulted in a dismissal. The sanctions applied in the other cases varied from expulsion from ASSA to suspension of membership of ASSA plus debarment from writing examinations for four years. However, towards the end of 2024, the ASSA Council adopted a zero-tolerance approach to exam-cheating and informed members that, in future, any student found guilty of cheating in the examinations is likely to be expelled from ASSA.

The Disciplinary Procedure requires all parties to fully co-operate in the disciplinary process. Failure to do so automatically amounts to Unprofessional Conduct and the sanction can be severe. There have been cases where a respondent has not fully co-operated with the Committee or the Investigator in

the disciplinary process; in these cases the Committee has found the respondent guilty of Unprofessional Conduct and has sanctioned the respondent appropriately. This sanction is in addition to any sanctions that may arise from the primary complaint.

General

The Committee and the AGB are in the process of publishing a guide to assist persons who wish to lay a complaint, which will cover issues such as how specific a complaint needs to be, the need for a complainant who is also a member of ASSA to first consult the member against whom the complaint is to be laid etc. The intention is for this guide to assist in ensuring that complaints can be accepted as valid and substantiated. The aim is for the guide to be published during the course of 2025.

The AGB has consulted stakeholders on a general revision and update of the Disciplinary Procedure. An exposure draft is expected to be released for comment during 2025.

A handwritten signature in black ink, appearing to read 'A. R. Els'.

ARTHUR ELS

Chairperson of ASSA Disciplinary Committee

30 April 2025