ACTUARIAL SOCIETY
OF SOUTH AFRICA

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Actuarial Society Update – August 2019

Key Dates for the Year

Event	Cape Town	Johannesburg	Other venue	
Seminars				
Life	3 April@			
Health	5 April@			
Investments	13 June			
Retirement	2 April@			
Short term	4 April@			
Risk mgt		**4 September**		
Banking		24 July		
Education				
Wider fields		20 August		
Alternative Investments		**10 September**		
NHI Seminar		**25 September**		
IAA meetings			Washington Tokyo	15-18 May 18-22 Nov
IAA Colloquium	1-5 April			
Annual general meeting	19 Jun	19 Jun		
Convention		22-23 Oct		
Africa Seminar		21 Oct		
A100/A200 & F106 exams	03-23 April & 20 Sept – 10 Oct			
A301 exams	2-3 May & 2-3 Oct			
A302 exam	15 May & 24 Oct			
F201-F206 exams	17 May & 18 Oct			
F101-F105	22-31 May & 29 Oct – 08 Nov			
Normative skills workshops	3-26 June & 4-28 Nov			

@ These seminars were held as part of the colloquium

Convention

We are nearing the time for actuaries to convene at the Annual ASSA Convention, which as you should know by now, will be taking place in Sandton on 22 and 23 October. Over 1 300 have already registered for what promises to be an excellent convention providing opportunities to network, learn and grow. The programme can be viewed at https://www.actuarialsociety.org.za/assa-convention/programme/ and presentation summaries at https://www.actuarialsociety.org.za/presentation-summaries-2/. You can still register at https://www.actuarialsociety.org.za/registration/.

Professionalism concerns

Professionalism issues are often not clear cut and can catch us unawares. Members are reminded that if they have concerns on professionalism related issues they are welcome to contact the President of the Society (president@actuarialsociety.org.za), or the chair of the Professional Matters Board (email Wim Els (wels@actuarialsociety.org.za) in the ASSA office who will forward your message). These exchanges are confidential and may concern issues where either you have concerns about choices you need to make or reservations about the conduct of other actuaries.

Disciplinary finding

A complaint against a Fellow member of the Actuarial Society alleged that the member had acted in an unacceptable manner by not having met deadlines and having failed to respond to repeated enquiries. The complainant later escalated this to a complaint of unprofessional, as opposed to unacceptable, conduct.

The complaint emanated from actuarial valuations that had to be performed after a retirement fund had terminated, and the liquidator discovered that the last valuation had not been conducted. The Fellow member concerned was appointed to perform this valuation.

In considering the matter, the Disciplinary Committee noted the role played by legal issues, and how these contributed to the delay. Various other issues, typical of "legacy" funds, had an impact on the finalisation as well.

The Committee deemed the matter to be one involving underperformance and poor communication. Underperformance would usually be resolved between the actuary and the employer or client by way of remuneration (performance bonuses, salary increases, etc.) or even "dismissal" in severe cases.

The difference between unacceptable conduct (the original complaint) and unprofessional conduct (the later escalation) lies in the materiality of the misdemeanour. The potential sanctions are the same.

In the opinion of the Committee, the continued lack of communication around inability to deliver required valuation reports to the client suggested a behavioural issue, rather than a competence or ethical issue. It noted that no allegations had been made regarding technical incompetence, dishonesty, non-disclosure or conflicts of interest, which would all clearly constitute unprofessional conduct. While it can be argued that the member had

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brought the profession into disrepute, the evidence suggests that this was not because he is incompetent or unethical, and that his conduct had been unacceptable, rather than unprofessional.

The Committee found that the member had made himself guilty of unacceptable conduct and recommended that he be admonished in writing. It furthermore recommended that his membership of the Society be suspended for a period of two years, but that this suspension only come into effect if the member is found guilty of unacceptable or unprofessional conduct within two years of the date of the written admonition.

In line with the disciplinary procedure, Council felt it was appropriate not to publish the individual's name in this instance.

Actuarial Society on the move

As communicated last month, the Actuarial Society is on the move. We will be moving to new premises during the last week of September. I apologise in advance for any inconvenience that may occur during the transition period.

Our new premises will be:	**Birkdale 1** **River Park Business Complex** **Gloucester Road** **Mowbray**
Our new phone number will be:	**087 073 8940**

There will be no changes to our email or website addresses. Individual phone numbers will be available on the website by the time we move.

Cape Town based Academy tuition as well as some board, committee and smaller sessional meetings will be held in our new premises.

Alternative investments seminar

The Alternative Investments Committee will be holding their first seminar on **10 September** in Johannesburg. Members working in the investment field and those with an interest in possible prescribed investments legislation are encouraged to attend.

Exploring greed

A Royal commission into the Australian financial services industry, recently highlighted greed as one of the key factors adversely impacting the industry. Professor Anthony

Asher, former head of actuarial Science at Wits, will be delivering a sessional meeting on *the need for greed in business* on **26 September**. Professor Asher has produced a paper on the topic for the Actuaries Institute Australia that was presented at their most recent convention. More mature Wits graduates and convention attendees will recall that Prof Asher is rarely short of a strongly held but carefully thought through opinion so the session can be expected to be challenging, thought provoking and possibly entertaining. The meeting will be held via video conference.

Closing note on CPD

Documents concerning CPD have been updated on the website. Follow the link below then open the "How do I go about doing CPD?" tab near the bottom of the page. Any queries can be addressed to Niel Fourie (nfourie@actuarialsociety.org.za)

Regards

Mike McDougall

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