

# 33rd India Fellowship Seminar

## 26 June 2020

### **IAI Disciplinary Process**

**By Richard Holloway FIAI**

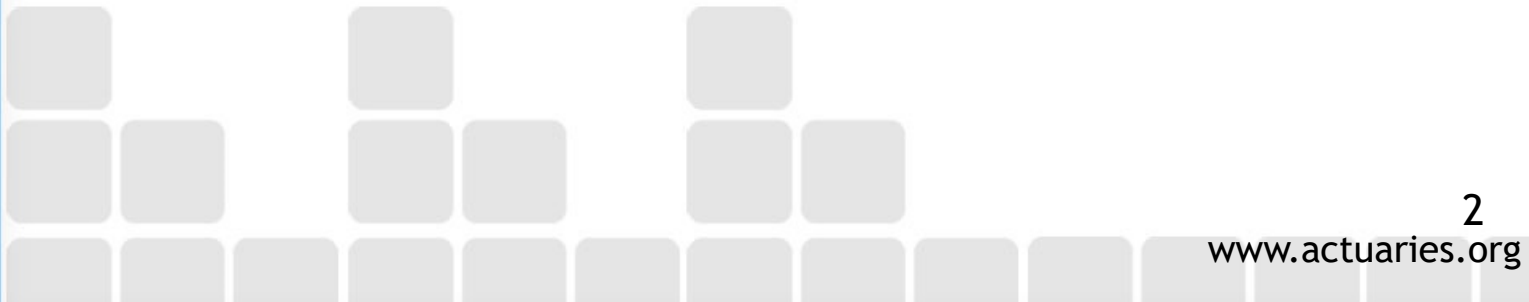
**Chair of Disciplinary Committee**



# Disclaimers



*In no way the Presentation should be construed as opinion of the presenter or the Institute on any such matters related with the disciplinary process.*



# Disciplinary Framework



## Agenda:

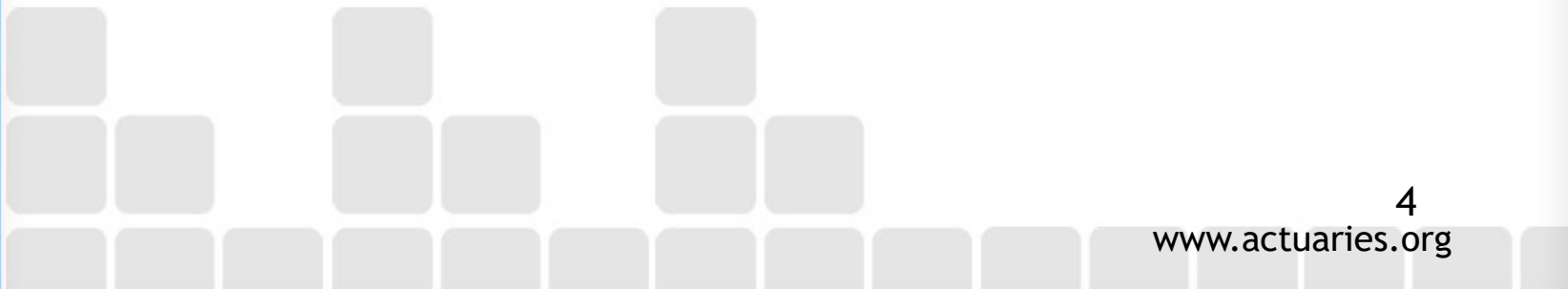
1. Profession and Legislation
2. Disciplinary Committee (“DC”)
3. Powers of Council
4. Appellate Authority
5. Miscellaneous
6. Q & A

# Disciplinary Framework



## Agenda:

1. Profession and Legislation
2. Disciplinary Committee [DC]
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# Profession & Legislation



- Profession means a type of job that is needed by the public. Best examples: medical, legal, doctor, accounting, actuarial professions...
- Discipline means the practice of training people to obey rules or a code of behavior, and using punishment to correct disobedience.

# Profession & Legislation



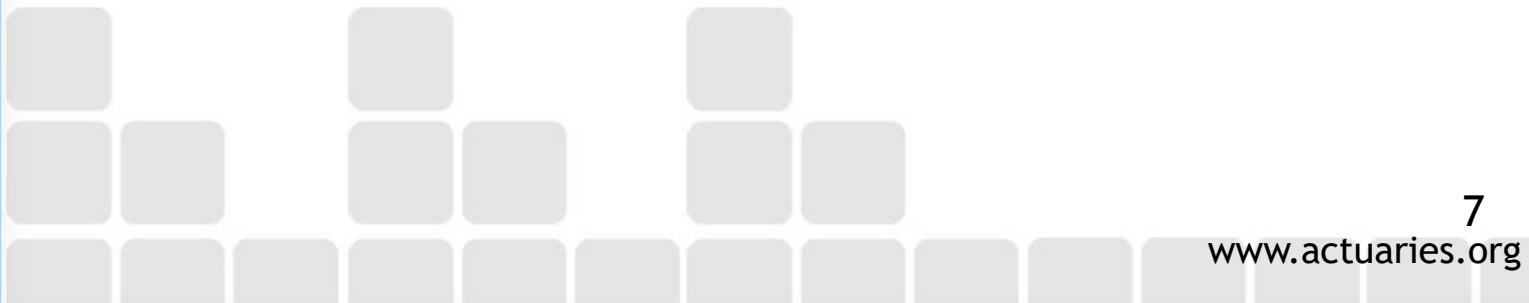
## Characteristics of true professionals:

1. A Neat Appearance.  
A professional is neat in appearance...
2. Proper Demeanor.  
Your demeanor should express confidence, but not attitude...
3. Reliable...
4. Competent...
5. Communicator...
6. Good Phone Etiquette...
7. Poised...
8. Ethical...
9. Organized...
10. Accountable...

# Profession & Legislation



- Every profession has members. Entry to the profession is by law and regulated. All members will be subject to code of conduct.
- All members shall maintain standards of the profession.
- Image of the profession depends on the conduct of its Members.
- A member shall behave in the manner in which others expect him/her to behave.



# Profession & Legislation



The objects of the Institute shall be:

- (a) to promote, uphold and develop the standards of professional education, training, knowledge, practice and conduct amongst Actuaries;
- (b) to promote the status of the Actuarial profession;
- (c) to regulate the practice by the members of the profession of Actuary;
- (d) to promote, in the public interest, knowledge and research in all matters relevant to Actuarial science and its application; and
- (e) to do all such other things as may be incidental or conducive to the above objects or any of them.



# Profession & Legislation

Members need to know thoroughly, and comply with:

1. Provisions of the Actuaries Act, 2006;
2. Professional Conduct Standard.
3. All APSs
4. CPD
5. Rules and Regulations and Directions.

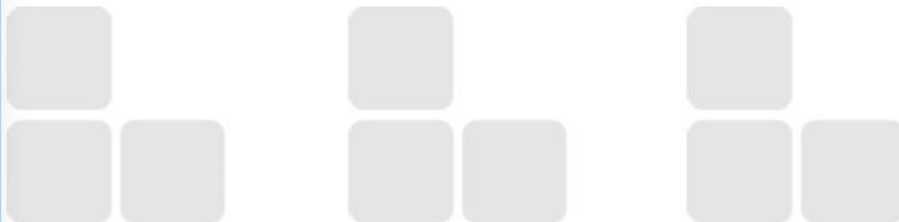


# Disciplinary Framework

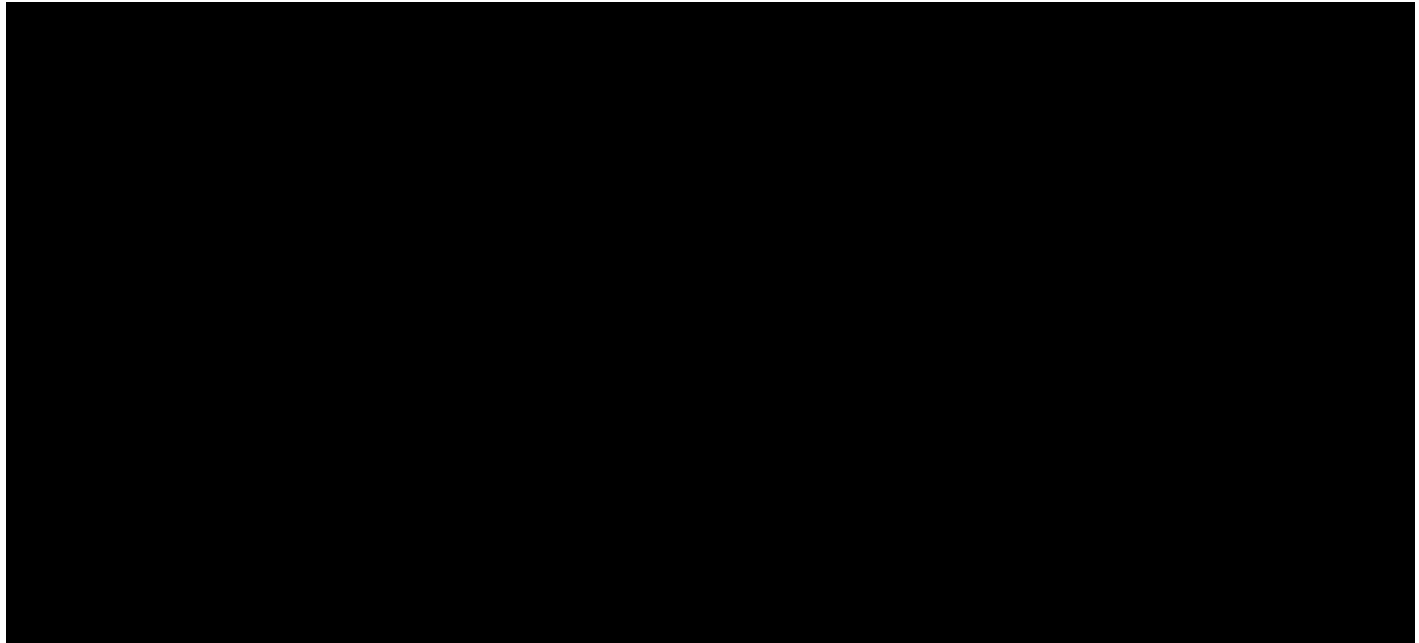


## Agenda:

1. Profession and Legislation
2. **Disciplinary Committee [DC]**
3. Powers of Council
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# Disciplinary Process - Example



[https://www.youtube.com/watch?v=CEhcFJ10Jhk&feature=emb\\_title](https://www.youtube.com/watch?v=CEhcFJ10Jhk&feature=emb_title)

# Disciplinary Committee



A role established through legislation:  
**THE ACTUARIES (PROCEDURE FOR ENQUIRY OF PROFESSIONAL AND OTHER MISCONDUCT) RULES, 2008**

- Receipt of Compliant / Information against Member; and Registration of compliant, if ok.
- Sending notices to defendant(s)
- Prima Facie Opinion and call for Written Statements, Evidences, etc.
- Hearings

# Disciplinary Committee



Its job is to:

- Decide whether the Defendant is guilty or not.
- For this decision, it can----Call for evidence, witnesses [even by force—powers of civil court]
- It can enquire into the conduct of any other member, suo moto.

# Disciplinary Framework



## Agenda:

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# Powers of Council



## Sec 26

*(Section 26)* On receipt of Report from the DC, the Council shall:

- a) Discuss the matter whether to accept or reject report;
- b) If member is held guilty, it shall afford opportunity of hearing, and take action by:
  - reprimand the member; or
  - remove the name of the member from the register permanently or for such period, as it thinks fit; or
  - impose such fine as it may think fit, which may extend to five lakh rupees.

# Powers of Council

- In case the Council is not satisfied with the report of the DC and is of the opinion that it requires further inquiry, it may refer the report again to the DC for such further inquiry as may be directed through an order of the Council.
- If the Council disagrees with the findings of the DC, it may direct the Prosecution Director or itself make an appeal to the Authority.
- It will be observed, that the Council cannot reverse the decision of the DC.



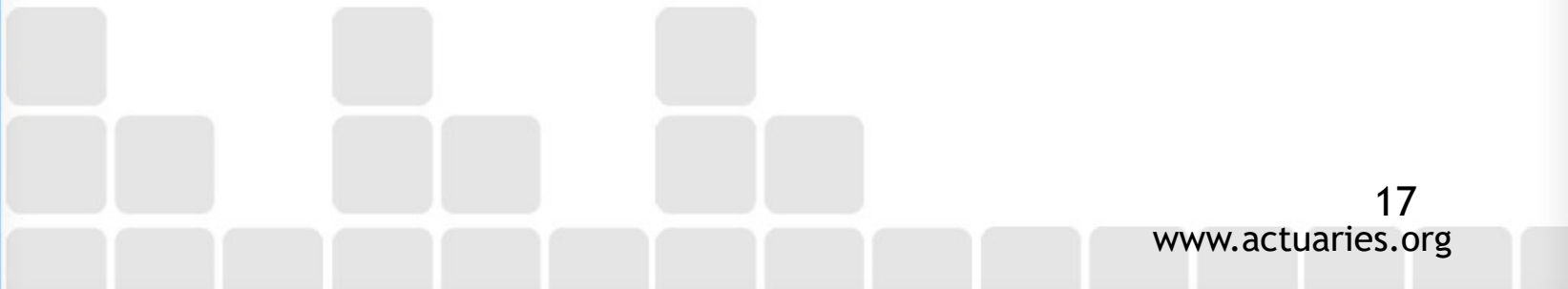


# Disciplinary Framework



## Agenda:

1. Profession and Legislation
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4. **Appellate Authority**
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# Appellate Authority



Any member of the Institute aggrieved by any order of the Council imposing on him any of the penalties referred to in section 30, may, within 90 days of the date on which the order is communicated to him, prefer an appeal to the Authority:

Provided that the Authority may entertain any such appeal after the expiry of the said period of 90 days, if it is satisfied that there was sufficient cause for not filing the appeal in time.

# Appellate Authority



The Authority may, after calling for the records of any case, revise any order made by the Council under Section 30 and may-

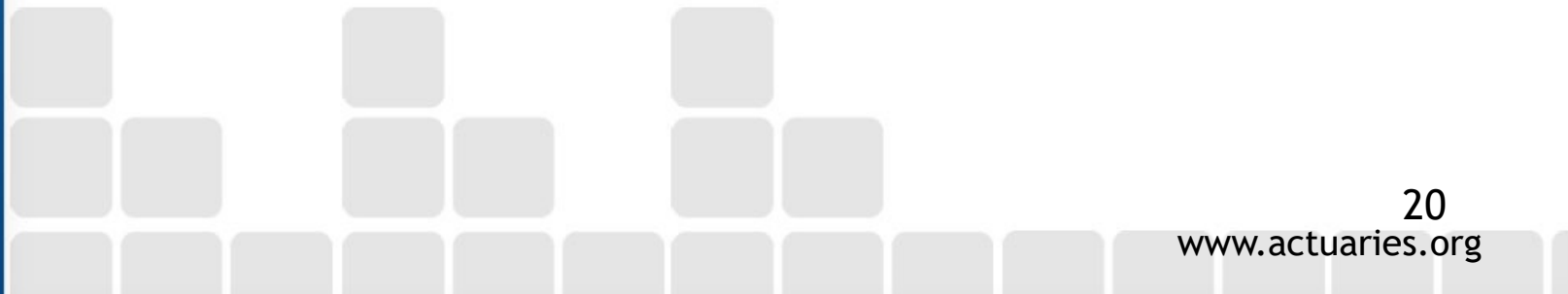
- (a) confirm, modify or set aside the order;
- (b) impose any penalty or set aside, reduce or enhance the penalty imposed by the order;
- (c) remit the case to the DC for such further inquiry as the Authority considers proper in the circumstances of the case; or
- (d) pass such other order as the Authority thinks fit: provided that the Authority shall give an opportunity of being heard to the parties concerned before passing any order.

# Disciplinary Framework



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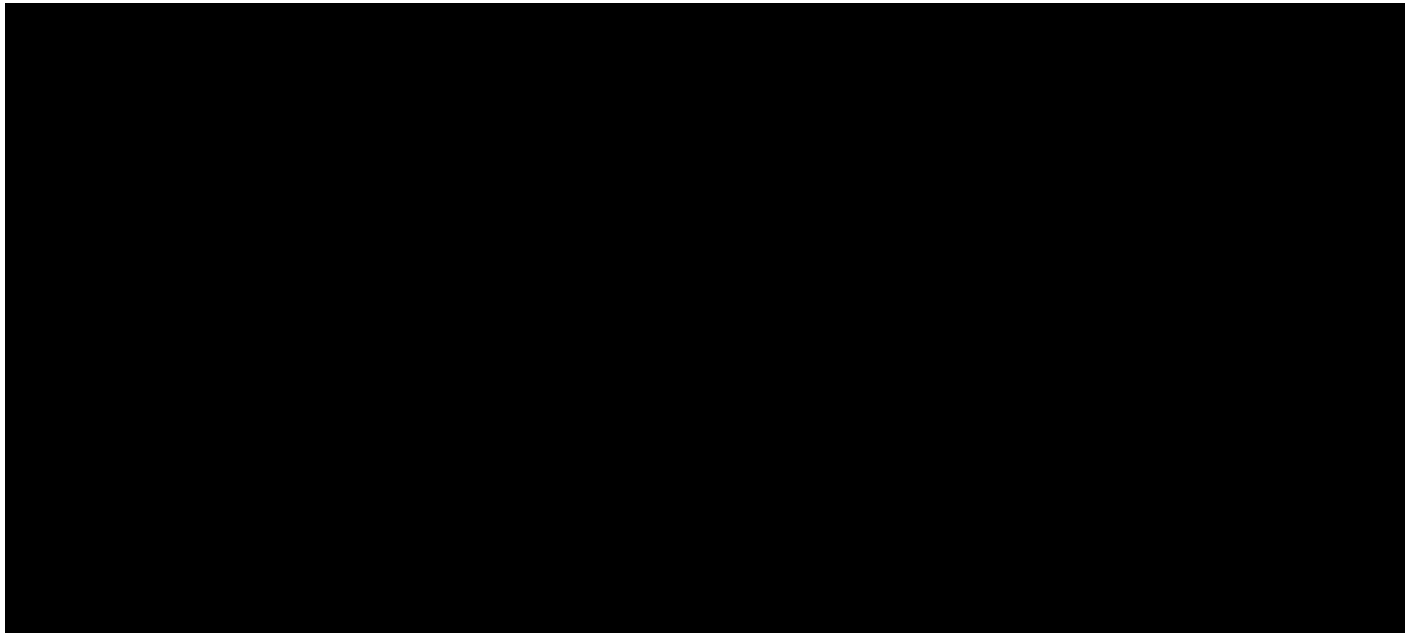


# Miscellaneous

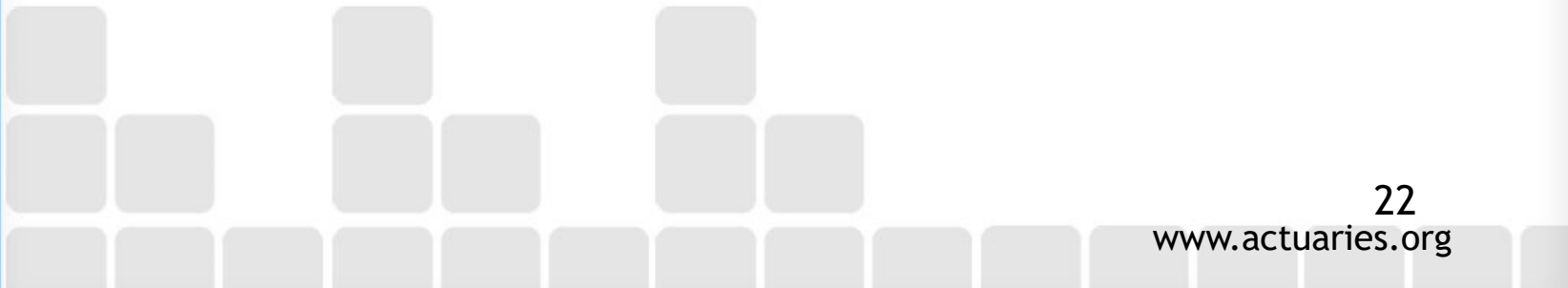


- The Council publishes the disciplinary cases in its website, and/or the Actuary India Magazine, being member of the International Actuarial Association. The purpose includes educating the members on how to act professionally and not to commit such mistakes.
- Anonymous complaints are not entertained.
- Be wary of members: in practice; in service; and not in practice.
- Members can be charged in relation to matters other than professional misconduct.

# Investigation Process - Example



[https://www.youtube.com/watch?v=ql3a\\_BvQoTc&feature=youtu.be](https://www.youtube.com/watch?v=ql3a_BvQoTc&feature=youtu.be)



# Conclusion



- The disciplinary process is in existence to protect the public and the integrity of the actuarial profession.
- The process is documented in legislation and has to be followed.
- Members should think carefully before making a complaint; talk to others, ask for advice before lodging complaint. Consider the impact of whistleblowing (many good videos to watch on IFoA website).
- Worth reading past cases (all IFoA cases are documented in detail).

*Thank  
You*



# Disciplinary Framework



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