

**Groupe Consultatif des Associations
d'Actuaires des Pays des
Communautés Européennes**

CODE OF PROFESSIONAL CONDUCT

Common Principles

accepted by the Actuarial Associations

affiliated to the Groupe Consultatif

Code of Professional Conduct for Actuaries in EU Countries

Common Principles accepted by the Actuarial Associations affiliated to the Groupe Consultatif

The National Associations of actuaries affiliated to the Groupe Consultatif have agreed that this Code shall apply to all full members of the Associations, and that the national Codes of Conduct shall contain the substance of the principles defined in this common Code of Conduct.

Any Association may adopt rules which have the same effect as the rules prescribed herein, although expressed in different words; and any Association may adopt rules additional to the ones prescribed herein, or Guidance Notes relevant to certain professional areas, provided such rules or notes do not conflict with any prescribed in this Code.

The definition of “full member” is the same as that notified by each Association for the purposes of the Agreement of April 1991 between the Associations concerning the recognition by each EC Association of members of the other EC Associations.

This Code shall also be adopted by any National Association of actuaries applying for membership of the Groupe Consultatif in future. Such Association shall define “full member” for the purposes of mutual recognition and for this Code of Conduct.

The exact definition of “actuary” is left to the Associations.

The Associations affiliated to the Groupe Consultatif shall establish appropriate Codes of Conduct, consistent with the Code of Conduct described herein, for their other categories of members who do not qualify as full members.

In order that an Association can enforce this Code of Conduct it is necessary for the Association to include in its rules appropriate disciplinary procedures, which are consistent with the legal system of the Member State of the Association, and which include the right of appeal to any judgement passed.

This Code states the professional standards by which the actuary is expected to abide. It is the professional responsibility of the actuary to know the current version of the Code.

1. An actuary shall perform professional services with integrity, skill and care. He shall fulfil his professional responsibility to his client or employer and shall not act against the public interest.

[Note: In this Code no distinction is made between the various subsets of actuaries (consultants, actuaries serving companies or pension funds et cetera).

The word “client” always refers to the person or institution “consuming” the services of an actuary or the services of the firm or company for which the actuary is working.

“Employer” refers to the situation where an actuary is employed by an insurer or other institution.]

2. An actuary shall act in a manner to uphold the reputation of the actuarial profession. He shall avoid publicity that might lead to undue or unfair professional advantage, that cannot be substantiated or that is of a misleading nature.
3. An actuary shall perform professional services with courtesy and shall co-operate with others serving his client or employer.
He must treat client information with confidentiality.
4. An actuary shall perform professional services only if he is competent and appropriately experienced to do so.

[Note: This Code of Professional Conduct shall apply to all full members. It may be necessary to develop Guidance Notes to supplement this Code which would apply to actuaries operating in specific professional circumstances.

Such Guidance Notes would only apply to actuaries operating in those circumstances.]

5. An actuary is responsible for maintaining applicable practice standards in his work.
He must take into account any relevant Guidance Notes issued or endorsed by his Association and the status of those Guidance Notes (eg mandatory, recommended practice ...).
6. An actuary shall, in communicating his professional findings, show clearly that he is the source of the findings and that he is available to provide the client or employer with supplementary information and explanation about scope, methods and data.
7. An actuary shall, in communicating his professional findings, identify the client for whom these findings are made and in what capacity the actuary serves.
8. An actuary shall not perform professional services involving an actual or potential conflict of interest, unless the actuary’s ability to act fairly is unimpaired and there has been full disclosure of the actual or potential conflict.
9. When an actuary is asked to take on professional services previously provided by another actuary, he shall consider whether it is appropriate to consult with the previous provider of the professional service to ensure that it is suitable for him to take on this new responsibility.

[Note: This paragraph requires the actuary to reflect on the professional implications that would arise if he were to take on the assignment. In some circumstances it

may not be appropriate to consult the other actuary because of the nature of the assignment, but it is for the actuary to weigh up the professional aspects involved in any particular case.]

10. An actuary shall disclose, in writing and timely, to his client all sources of income related to any service on behalf of a client.
11. An actuary shall be subject to the disciplinary procedures prescribed in the rules of his Association, and, subject to the right of appeal within those rules, shall accept any judgement passed, or the decision of any appeal procedure.

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