

**MINUTES OF MEETING #1–24**  
**Actuarial Profession Oversight Board**  
**Video conference**  
**February 13, 2024**

**Present:** Arvind Baghel  
Danielle Boulet  
Charlene Butler  
Annabelle Caron  
John Carter, *Chair*  
Nick DiRenzo  
Ann Etter  
Dick Freeborough

Geoffrey Melbourne  
Alain Paquet  
Neil Parkinson  
Marian Passmore  
Hélène Pouliot  
Amy Pun  
Michel Simard, *ex officio*

**Staff:** Leona Campbell, Lynn Blackburn

**Guests:** John Dark (for PCMB), Dave Dickson (for PCB), Edward Gibson (for ASB), Jacques Tremblay (for TP)

**Absent:** Harold Geller

**Item 1–24.1 Welcome**

John, Chair of the Actuarial Profession Oversight Board (APOB) welcomed new members Arvind, Annabelle and Nick to their first official meeting and called the meeting to order.

**Item 1–24.2 Approval of the agenda**

**Motion 1–24.2.1**

**That the agenda be approved, as presented.**

**Carried**

**Item 1–24.3 Approval of the minutes**

**Motion 1–24.3.1**

**That the minutes of the APOB meeting held on October 27, 2023, be approved, as presented.**

**Carried**

**Item 1–24.4 Report from the Actuarial Profession Oversight Board Nominating Committee chair**

Neil presented the APOB Nominating Committee (NC) report including proposed nominations from the October 27, 2023, NC meeting. The matrices for all boards under APOB were updated.

1. Actuarial Profession Oversight Board membership

As two members of the NC finished their terms on December 31, 2023, Charlene and Danielle have agreed to join the NC to replace them.

There are no immediate requirements for APOB, but John will have his term as Chair end in December 2024. Marc Ranger has previously been appointed to start on January 1, 2025.

**Motion 1–24.4.1.1**

**That Danielle Boulet and Charlene Butler be appointed as members of the Actuarial Profession Oversight Board Nominating Committee, effective February 13, 2024.**

**Carried**

2. Actuarial Standards Board membership

Edward’s term as Chair of the Actuarial Standards Board (ASB) will end in June 2024, but he has agreed to stay on as Chair for an additional six months until a new chair can take over the position. The ASB has a strong candidate, but this person is already chair of another council until June 2025. The candidate will be interviewed by John and Neil.

Edward recommends that the process for appointing a vice-chair be reviewed for better succession planning.

**Motion 1–24.4.2.1**

**That Edward Gibson’s term as Chair of the Actuarial Standards Board be extended by six months to December 31, 2024.**

**Carried**

3. Professional Conduct Board membership

There are no nominations to the Professional Conduct Board (PCB) at this time. It will be looking to recruit some new members working in the pension area this year as there are a few current pension practitioners whose terms will be ending in 2024.

4. Professionalism and Credential Monitoring Board membership

There are no nominations to the Professionalism and Credential Monitoring Board (PCMB) at this time. John is working with Volunteer Services to recruit members to the PCMB.

5. Tribunal Panel membership

There are no nominations to the Tribunal Panel (TP) at this time. Jacques will be looking to recruit members from P&C and academia areas. It currently has a diverse roster of members on the panel.

**Action item:**

- **Leona will update the matrices with the new appointments.**

**Item 1–24.5 Report from the Professionalism and Credential Monitoring Board**

John Dark provided an update from the PCMB.

The PCMB is in the process of finalizing its audit. It had conducted an audit of previously retirement exempt members and there were a fair number that the PCMB feels should be continuing professional development (CPD) compliant based on the paid or unpaid work they are doing. These members were asked to become CPD compliant. There has been some pushback, and the PCMB is looking at drafting new guidelines to educate members on the requirements. Many have agreed to become CPD compliant or have attested that they already are though they had not been tracking their activities; others have resigned their membership.

The opening of the CPD filing period saw low numbers, but filing has been going strong.

**Item 1–24.6 Report from the Tribunal Panel**

There is no update from TP at this time.

**Item 1–24.7 Report from Professional Conduct Board**

Dave, Chair of the PCB, provided an update from the PCB.

There are three outstanding cases and there will be a meeting next week to discuss next steps. Progress on the discipline educational video (mock trial) has been delayed due to staff workload with the website and education pathways.

As it has a few pension members finishing their terms this year, it will consider extending their terms or replacing these members. They have had new members take part in subgroups to help educate them in the member integration process and enable them to be stronger members.

**Item 1–24.8 Report from the Actuarial Standards Board**

Edward provided an overview of the report from the ASB with additional comments.

Quinquennial review of *Standards of Practice* (Standards): Life insurance and pension were done in the last couple of years, as well as group insurance, employee benefits on social services, and enterprise risk management more recently. The general Standards are currently being reviewed by a designated group led by Josephine Marks. As it is a big initiative, it has distributed the tasks to smaller groups. They expect to have a notice of intent released to the membership later this year.

The criminal rate of interest was recently changed, so a focussed notice of intent was produced in the actuarial evidence section where it is applicable, which will likely drive a standard change that is aligned with the changes to the *Criminal Code*.

Gender identity: There is a designated group looking at changes to the standard.

Investigative groups are formed to review potential issues that may require changes necessary to standards. Climate change and predictive analytics fall into this category. Work is being done, but timing for the execution of the changes to the standard may take some time. Climate change could affect many sections of the standards. The ASB is closely monitoring the work being done on an international level on climate standards. It may look at extending the review to environment, social and governance factors.

It is looking at what the responsibility level should be for actuaries regarding complicated social issues.

APOB suggested that artificial intelligence may require investigation for its possible implications to standards.

### **Item 1–24.9 Report from the CIA**

Michel provided a written report of the activities of the CIA and the Head Office. He highlighted the following items:

- Strategic priorities:
  - Build the CIA brand.
  - Foster workplace culture and member engagement.
  - Be a technology savvy organization.
  - Provide knowledge-based services and products:
    - 100% Canadian education pathways are being developed.
      - First Capstone Exam was administered.
      - Education modules are being prepared.
      - Fellowship exam has been delayed but is expected to be delivered in fall 2024.
    - Successful seminars were held:
      - virtual Appointed Actuary Seminar
      - in-person Actuarial Evidence Seminar
      - in-person Pension and Investment Seminar
    - 2024 Annual Conference will be held in June in Quebec City.
    - 2024 Appointed Actuary Seminar will be held in Toronto in the fall.
  - Serve the public interest:
    - The *Rules of Professional Conduct* were reviewed and changes were proposed, but they did not get approved by membership. Head Office is looking at developing a member consultation/survey to determine how to move forward. It is expecting the changes to be brought to the June 2025 Annual Conference. More education to and discussion with membership will be undertaken to ensure better awareness of the reasoning for proposed changes.
- Research program and policies are being revamped to adapt to the needs of the public and of the organization.
- Public statements are being drafted on the topics of gender and climate change.

### **Item 1–24.10 Actuarial Profession Oversight Board Statement of Operating Procedures**

APOB reviewed the draft revisions to the *Actuarial Profession Oversight Board Statement of Operating Procedures* to address the removal of a member of the boards under its oversight. As APOB can appoint members, it should also have the power to remove any members who breach the *Volunteer Code of Conduct*. The Accounting Standards Board policies were used in the original

creation of the Actuarial Standards Oversight Council (ASOC)<sup>1</sup> policies and procedures. Approval by 75% of the board is the threshold that is used in the Bylaws for many approval processes.

**Motion 1–24.10.1**

**That the revised *Actuarial Profession Oversight Board Statement of Operating Procedures* be approved as presented.**

**Carried**

**Item 1–24.11 Actuarial Profession Oversight Board policy updates**

Draft changes to APOB policies were reviewed predominately due to the changes to member categories. Additional changes will be considered for the next meeting including the review of timelines to ensure consistency.

**Motion 1–24.11.1**

**That the revised *Policy on the Review of a PCMB Assessment of a Criminal Conviction for an Applicant to the CIA* be approved as presented.**

**Carried**

**Motion 1–24.11.2**

**That the revised *Policy on the Review of a PCMB Determinations Regarding Non-compliance with, or Ineligibility for an Exemption from, the CIA Qualification Standard – Requirements for Continuing Professional Development* be approved as presented.**

**Carried**

**Motion 1–24.11.3**

**That the revised *Procedure for the Appointment of a CIA Appeal Disciplinary Tribunal* be approved as presented.**

**Carried**

**Action item:**

- **Lynn will review policies to ensure consistency of timelines.**

**Item 1–24.12 Risk analysis**

ASOC had previously conducted a risk analysis and John and Neil discussed creating a new group to do an updated analysis. Dick, Charlene and Alain had an initial discussion on next steps agreeing that it is a worthwhile process to be done regularly. They are working on creating a template that will be used by APOB and its boards. APOB will have a chance to review before asking for it to be completed.

**Motion 1-24.12.1**

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<sup>1</sup> The Actuarial Standards Oversight Council is discontinued.

**That the Actuarial Profession Oversight Board approves the establishment of a risk committee and appoints Dick Freeborough (Chair), Charlene Butler, and Alain Paquet as members. The committee will be authorized to appoint up to two other members at its discretion.**

**Carried**

**Item 1–24.13 Board self-assessments**

Given the issues with the last assessment, the next version will require names to be provided to ensure that everyone responds.

**Item 1–24.14 Meetings with the CIA and regulators**

John and Neil will confer with Michel to determine how to be involved in potential meetings with regulators.

The focus of the meeting with Office of the Superintendent of Financial Institutions (OSFI) was on issues of climate change and disclosure.

**Item 1–24.15 May/joint meeting**

Head Office will look at meeting space potentially in Montreal for the joint meeting in May.

Potential speakers/topics include:

- AI from technical perspective or from organizations that are already using it (panel speakers of practitioners)
- cyber security in today's environment
- regulators (i.e., Autorité des marchés financiers, OSFI)
- climate change concerns from actuarial perspective (panel speakers from different practice areas)

**Action items:**

- **John and Michel will look for speakers.**
- **Head Office will book a meeting space for the May meeting.**

**Item 1–24.16 Upcoming meetings**

The next meeting will be held on May 8-9 in person.

**Item 1–24.17 Other business**

There was no other business to be discussed.

**Item 1–24.18 In-camera meeting review**

APOB held an in-camera session.

There being no further business, the meeting was adjourned.

