



Memorandum

To: CIA members and stakeholders
From: Hélène Pouliot, CIA President
Date: December 15, 2022
Subject: **Notice to members: Proposed amendments to the *Bylaws* – *New member categories***

Document 222168

Executive summary

Last year, the Education and Qualification Council (EQC) proposed changes to the CIA member categories to eliminate the Affiliate and Correspondent categories and create two new categories – Candidate and Student. Members were consulted on the concept for these new categories as part of the Bylaw Review Project in the fall of 2021.

The proposed changes were intended to be part of Phase 2 of the Bylaw Review Project, but were postponed until now, to be implemented instead, with the review the Rules of Professional Conduct (Rules) that is underway. Given that there are implications related to the application of the Rules for these new membership categories, it makes sense to follow the same timeline for approval of both the revised Rules and Bylaws in 2023.

Over the last several weeks, the EQC has consulted the Professional Conduct Board (PCB), the Professionalism and Credential Monitoring Board (PCMB), and the Governance and Nominations Committee (GNC) on the proposed approach and changes, and has incorporated their feedback, along with member feedback received during the original 2021-2022 consultation.

The creation of the two new member categories required consideration of their rights and obligations as members of the Institute, including being subject to the observance of the Rules, continuing professional development (CPD) compliance requirements, specific codes of conduct related to education, and ultimately the potential for discipline should transgressions arise.

This memo provides members with an overview of the resulting proposed changes to the Bylaws, as well as to key related policies and documents, along with their rationale. The project timeline leading to adoption of the revised Bylaws in the spring of 2023 is also included.

Members and stakeholders are invited to give consideration to this material and to provide the EQC with any feedback as per the instructions at the end of this memo. **The deadline for comment is February 17, 2023.**

Note that a separate consultation is also underway on [proposed changes to the Rules](#). These proposed changes to the Bylaws will have an impact on the Rules and a few relevant high-level changes have already been included in the draft Rules out for consultation. Following the consultations, additional changes and/or guidance may be required.

Proposed amendments

You will find attached the revised drafts of the following documents:

- **Revised CIA Bylaws**
- **Policy on Qualification Requirements**

- **Revised Code of Conduct and Ethics for Participants in the CIA Education System** – The [current Code](#) may also be consulted for reference since the changes are too extensive to redline.
- **Revised Policy on Enforcement of the Code of Conduct and Ethics for Participants in the CIA Education System**

A few things to note about the proposed amendments and the rationale behind them:

Correspondents and Affiliates

- The Correspondent member category has existed for decades and was a way for a fully qualified actuary in their country of residence (not in Canada) to maintain a connection with the CIA, even though they could not qualify for, or did not want to pursue Associateship or Fellowship in the CIA. It was often used by Fellows who moved to another country temporarily, for example, and who did not need their FCIA designation any longer. This allowed them to pay less dues, while keeping a connection to the CIA. They are not voting members and are not required to file CPD. Currently there are 10 active Correspondents (two are on a partial waiver of dues exemption) equalling \$3,630 in current annual membership dues.
- The Affiliate route to Fellowship is the current qualification process for fully qualified foreign actuaries, who are now living in Canada, from countries with which the CIA does not have a mutual recognition agreement or memorandum of understanding on education. The Affiliate category was created in 2002 as a transitional membership category while an individual completed the requirements to become an Associate (ACIA) or Fellow (FCIA). A review of the individual's education and experience is undertaken upon application and a path to CIA Fellowship is laid out for them. It was never intended that an individual join the CIA as an Affiliate and remain in that member category permanently.

Over the years, it has, however, become an alternative for some individuals living in Canada, who do not want to pursue ACIA or FCIA and are satisfied with Affiliate status.

There are currently seven active Affiliates equalling \$3,045 in annual membership dues at the current rate.

The EQC is proposing that the Affiliate membership category be replaced by two new categories:

- **Students** – For individuals currently enrolled in a CIA accredited university program and working towards a CIA designation (these would most often fall under [Pathway 1 of the new CIA education system \(CIA modules and examinations\)](#))
- **Candidates** – For Individuals pursuing ACIA or FCIA under [Pathway 2 or 3 of the new CIA education system](#), are completing their full-time studies, or are completing some or all of their education and examinations with another actuarial organization.

The EQC is recommending criteria for these new membership categories under a revised [Policy on Qualification Requirements](#).

Should the current Affiliates wish to remain enrolled in the CIA, they will likely be able to qualify for ACIA or FCIA under Pathway 2 or 3 of the new CIA education system.

- The current Affiliates and Correspondents will be contacted to communicate how they would be impacted by the proposed changes, and what alternative options will be available for them to remain connected to the Institute. It is likely that Affiliates will easily qualify for ACIA which will then provide them the opportunity to become FCIA should they choose. Correspondents, who are individuals fully qualified with another actuarial body, not living in Canada, and with no intention to become qualified with the CIA will be invited to join our new communications lists so that they may continue to be connected to the Institute should they choose.

CPD Compliance

- All members are currently subject to the CPD qualification standard (QS) and it is proposed that the new member categories would be as well. No changes were therefore needed to the Bylaws to address this. Any changes to, or exemptions from, the requirements would be addressed in the

QS itself (i.e., Student or Candidate may be deemed compliant due to the exams and study that they are doing). The PCMB's input was of particular importance on this issue. Changes (likely minor) will be needed to the CPD QS as part of the final revisions.

Conduct

The EQC is currently responsible for handling any violations related to the CIA education system under the Code of Conduct for Candidates in the CIA Education system, introduced in 2012. They would continue to be responsible for handling any violations using an approach similar to the process followed for disclosure of a criminal conviction which is assessed by the PCMB. The Bylaws would delegate the power to the EQC to not only assess the violations, but also take action, up to a certain limit (i.e., issuing warnings, imposing bans from the CIA education system for a certain period). If a violation were deemed serious enough to consider harsher penalties (i.e., membership suspension or expulsion), the matter would be referred to the PCB for an investigation, and the ultimate decision on whether the member should be further penalized would be made through the regular CIA disciplinary process.

Membership requirement for participation in the CIA education system

- The EQC is proposing that all participants in the CIA education system be required to be members of the CIA before enrolling in any educational activity leading to qualification with the Institute. This would mean that they would be subject to the CIA Bylaws and Rules early in their pursuit to join the profession, likely while still in university. This strengthens the quality of candidates coming out of the CIA education system by ensuring they are aware of professionalism and ethical conduct early on. It is understood that it will be important to clearly define expectations regarding the applicability of the Rules for Candidates and Students whose professional training is not yet complete. Guidance to this effect will be included in the final Guidance on the Rules of Professional Conduct that is currently in development.

Project timeline

The target timeline currently anticipates adoption of the proposed amendments by the Board in March 2023, with member confirmation sought at the 2023 Annual General Meeting next June. The anticipated effective date of the amendments would be October 1, 2023, at the earliest, depending on any implementation or transitional measures that are needed.

Action for members

Members interested in commenting are asked to provide feedback to the EQC on the proposed amendments **by February 17, 2023** using the [online form](#) on the CIA website or by email to [Lynn Blackburn](#), Director, Professional Practice, Research and Governance.

We hope members will take this opportunity to review the material and share their thoughts or questions.

HP