

## Regulations for Use of the Certification Mark



(Series of two)

in the name of the Institute and Faculty of Actuaries

### I. Identification of the Applicant

The Certification Mark depicted above (series of two) (referred to herein as the "Certification Mark") is owned by the Institute and Faculty of Actuaries of Holborn Gate, 326-330 High Holborn, London, United Kingdom, WC1V 7PP

### II. About the Institute and Faculty of Actuaries

The Institute and Faculty of Actuaries (IFoA) is incorporated in the United Kingdom by Royal Charter (No. RC 000243). The IFoA came into being on 1st August 2010 as a result of the merger of the Institute of Actuaries (hitherto incorporated by Royal Charter in England) and the Faculty of Actuaries in Scotland (hitherto incorporated by Royal Charter in Scotland).

The IFoA is the UK's only chartered professional body dedicated to educating, developing, promoting and regulating actuaries based both in the UK and internationally.

According to its Royal Charter, "the objects of the Institute and Faculty of Actuaries shall be, in the public interest, to advance all matters relevant to actuarial science and its application and to regulate and promote the actuarial profession."

The IFoA represents and regulates its members for the benefit of the outside world and oversees their education at all stages of qualification and development throughout their careers. As a professional body it works with employers to encourage and develop their actuarial employees to better themselves, the employer and the financial sector.

At the date of these Regulations, the IFoA has a website at [www.actuaries.org.uk](http://www.actuaries.org.uk).

### III. About the Quality Assurance Scheme (QAS) operated by the Institute and Faculty of Actuaries

The scheme behind the Certification Mark is a voluntary accreditation scheme for organisations that employ or consist of one or more actuaries. The scheme has as its key objective the reinforcement of

confidence in the quality of actuarial work and the recognition of the important role of the organisations which employ IFoA members.

In order to be accredited through the scheme, organisations will be required to demonstrate the application of policies and procedures in the areas of quality assurance (including peer review); engagement and communication with users of actuarial work; conflicts of interest; the development, training and support of IFoA members, whistleblowing, handling of complaints about professional matters regarding members of the IFoA or actuarial work and professional indemnity insurance.

#### **IV. Persons Authorised to Use the Certification Mark**

Use of the Certification Mark is strictly limited to those organisations who have complied with the standards set by the IFoA, as set out in section V of these Regulations. All such authorized users must comply with the regulations governing the use of the Certification Mark.

#### **V. Certification Standards of the Certification Mark**

The Certification Mark certifies that an organisation achieves the outcomes set out in the Actuarial Professional Standard APS QA1 (**Annex 1**), which at the time of these Regulations is available on the IFoA's website at <http://www.actuaries.org.uk/research-and-resources/documents/aps-qa1-quality-assurance-scheme-organisations>. Achievement of these outcomes will be determined through assessment visits and through information provided by the applicants during the application process.

Accredited organisations will be required to permit an external assessment team to carry out an initial accreditation visit, and will thereafter be monitored in a number of ways, including:

1. Interim monitoring visits;
2. Information provided in annual returns;
3. The imposition of a duty to provide information;
4. The imposition of a duty to notify of significant changes; and
5. A potential of having additional discretionary monitoring visits on giving a minimum of 4 weeks notice.

#### **VI. Conditions of Use of the Certification Mark**

1. You must use the Certification Mark only in connection with the following services:

Actuarial services, actuarial support services; financial evaluation; financial analysis; provision of financial information; provision of fiscal assessments; provision of insurance information; actuarial services relating to financial transactions; financial analysis services; providing business appraisals for financial valuation; comparison of performance of securities; information services relating to financial management; financial data services; information services relating to insurance and financial matters; economic financial research services; providing estimates for financial purposes; providing estimates for insurance purposes; preparation of financial analyses; financial analysis and research services; financial appraisal services; financial evaluation; financial forecasting; providing financial information and evaluations; financial information processing; financial investment analysis and stock research; preparation of financial reports; financial research and information services; financial studies; financial valuation services; fiscal valuations and assessments; information services relating to insurance; investment analysis; investment information; investment

research; monitoring of pension funds, investment funds and financial portfolios; preparation of financial analysis; provision of information relating to insurance, pension and financial services; provision of insurance information; provision of investment information; providing information on variable annuity investments.

2. You may not omit part of, or make any additions or alterations to, the Certification Mark.
3. You may not use the Certification Mark in a manner which is deceptive or would lessen the Certification Mark's value, challenge its validity, or cause other harm to the Certification Mark or to the reputation of the IFoA.
4. You may not sub-license, assign or in any other way transfer your rights to use the Certification Mark.
5. You must market, advertise, and provide services under the Certification Mark in compliance with all applicable laws, codes of practice, standards and regulations in the United Kingdom or in any other country where you practise.
6. The Certification Mark shall not be used without indicating that it is a certification mark.

## **VII. Supervision of Use of the Certification Mark**

Use of the Certification Mark is strictly limited to those organisations which are properly certified by the IFoA as set forth in this document. All such authorised users must comply with the regulations regarding the use of the Certification Mark.

As the certifying body, the IFoA controls use of the Certification Mark. The IFoA is the sole owner of all rights in the Certification Mark and is solely responsible for addressing any actual or alleged infringements of the Certification Mark. Any complaints by the public or other third parties of misuse of the Certification Mark will be investigated and handled solely by the IFoA or its designee.

The IFoA reserves the right to take any actions it may deem appropriate or necessary with respect to any unauthorised use of the Certification Mark. If a member of the IFoA engages in alleged unauthorised use of the Certification Mark, they are liable to be disciplined under the IFoA's disciplinary scheme. Details of the disciplinary scheme can be viewed at the IFoA's website, which at the date of these Regulations is [www.actuaries.org.uk](http://www.actuaries.org.uk)

For the protection of the IFoA and other authorised users, misuse of the Certification Mark or failure to comply with these regulations may result in disqualification to use the Certification Mark. In the case of an IFoA member, this may result in the loss/suspension of their membership of the IFoA should a disciplinary tribunal find that their actions amounted to misconduct.

## **VIII. Fees to be Paid in Connection with Use of the Certification Mark**

The applicable annual fees at the date of these Regulations are set out in Table 1 below.

'Band 1' denotes an organisation that has:

- A turnover (of whole organisation, even if only part is applying for accreditation) of over £20m;
- Four or more office sites; and
- Over 20 members of the IFoA as employees.

'Band 3' denotes an organisation that has:

- A turnover (of whole organisation, even if only part is applying for accreditation) of less than £6.5m;
- 0-1 office sites; and
- At least 1 member of the IFoA as an employee.

'Band 2' denotes an organisation that is neither Band 1 nor Band 3.

**Table 1**

<b>Organisation</b>	<b>Annual Fee</b>
<b>Band 1</b>	£5,000 plus VAT
<b>Band 2</b>	£3,000 plus VAT
<b>Band 3</b>	£1,000 plus VAT

### **IX. Maintenance of Certification**

The accreditation will run for a period of six years prior to any necessary re-accreditation. For users of the Certification Mark, continuing use of the Certification Mark is based on adherence to the IFoA's Royal Charter, Bye-laws, Rules, Regulations, standards, including standards with respect to continuing professional development and guidance. Details of these policies can be viewed at the IFoA's website, which at the date of these Regulations is [www.actuaries.org.uk](http://www.actuaries.org.uk).

### **X. Procedures for resolving disputes**

Anyone disputing the decision of the IFoA with regard to awarding and use of the Certification Mark may appeal to the IFoA under due process procedures established by the IFoA for the review of such decisions.

Internal routes of appeal are available. Details of the IFoA's appeals process can be viewed at the IFoA's website, which at the date of these Regulations is [www.actuaries.org.uk](http://www.actuaries.org.uk).

Once the internal routes of appeal have been exhausted, candidates have the right to request judicial review.

### **XI. Amendment of Standards and Regulations**

All matters not covered by these Standards and Regulations are subject to the decision of the IFoA.

The IFoA may amend or supplement these Standards and Regulations in its discretion at any time.

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## **Annex 1**



## APS QA1: Quality Assurance Scheme for Organisations

<b>Author:</b>	Regulation Board
<b>Status:</b>	Approved under the Standards Approval Process
<b>Version:</b>	1.0, effective from 1 September 2015
<b>To be reviewed:</b>	No later than 1 September 2018
<b>Purpose:</b>	To promote the application by <b>Organisations</b> of effective quality controls, in order to assure high quality in relation to <b>Actuarial Work</b> .
<b>Authority:</b>	Institute and Faculty of Actuaries
<b>Target Audience:</b>	<p>This <b>APS</b> is intended for use by <b>QAS Accredited Organisations</b>.</p> <p>Wider adoption by other <b>Organisations</b> is strongly encouraged.</p> <p>Although the requirements of this <b>APS</b> do not apply to <b>Members</b> as individuals this <b>APS</b> is relevant to, and may have professional implications for, <b>Members</b> working for <b>QAS Accredited Organisations</b> (or for <b>Organisations</b> by which this <b>APS</b> is adopted).</p>

### General Professional Obligations:

All **Members** are reminded of the Status and Purpose preamble to the **Actuaries' Code**, which states that the Code will be taken into account if a Member's conduct is called into question for the purposes of the Institute and Faculty of Actuaries' Disciplinary Scheme. Rule 1.6 of the Disciplinary Scheme states that misconduct:

"means any conduct by a Member in the course of carrying out professional duties or otherwise, constituting failure by that Member to comply with the standards of behaviour, integrity or professional judgement which other Members or the public might reasonably expect of a Member, having regard to any code, standards, advice, guidance, memorandum or statement on professional conduct, practice or duties which may be given and published by the Institute and Faculty of Actuaries and/or by the FRC (including by the former Board for Actuarial Standards)".

In the event of any inconsistency between this **APS** and the **Actuaries' Code**, the Code prevails.

## **Use of the words “must” and “should”:**

This **APS** uses the word “must” to mean a specific mandatory requirement.

In contrast, this **APS** uses the word “should” to indicate that, while the presumption is that **Organisations** comply with the provision in question, it is recognised that there will be some circumstances in which **Organisations** are able to justify non-compliance.

## **1. Responsibilities of Organisations**

1.1 The requirements of this **APS** apply to **QAS Accredited Organisations**, to the extent of their accreditation, although all other **Organisations** are encouraged to follow its requirements.

1.2 **Organisations** must:

1.2.1 Provide appropriate support to **Members** who:

- (i) are employed by;
- (ii) are a partner in; or
- (iii) comprise,

the **Organisation** in question, in complying with the **Actuaries’ Code** and their other professional responsibilities in order to help them achieve high quality **Actuarial Work**;

1.2.2 Demonstrate commitment to the quality of **Actuarial Work**; and

1.2.3 Co-operate with any reasonable request for information and explanation from relevant regulatory bodies, including (but not limited to) the **IFoA**.

## **2. Good practice policies and procedures**

2.1 **Organisations** must maintain and apply appropriate policies and procedures designed to achieve the outcomes in the Appendix to this **APS** in relation to each of the following areas regarding its **Actuarial Work**:

2.1.1 Quality assurance (including **Work Review**);

2.1.2 Conflicts of interest;

2.1.4 The development and training of **Members**;

2.1.5 **Members** speaking up where they identify issues of concern;

2.1.6 Their relationship with **Users** including:

2.1.6.1 engagement and communication; and

2.1.6.2 handling and appropriate resolution of concerns raised with **Organisations** or the **IFoA** in relation to **Members** or **Actuarial Work**.

- 2.2 **Organisations** must take reasonable steps to ensure that the policies and procedures required under paragraph 2.1 are applied, appropriately documented and meet the following requirements:
- 2.2.1 they are applied within the context of a clearly defined structure of leadership and operational responsibilities in relation to the assurance of actuarial quality;
  - 2.2.2 they are clearly communicated and understood across the **Organisation**;
  - 2.2.3 they serve to promote action to remedy deficiencies, where work is found to fall short of relevant quality standards.
- 2.3 **Organisations** must take reasonable steps to monitor regularly (i) the extent to which the outcomes set out in the Appendix to this **APS** are achieved; and (ii) the effectiveness of the policies and procedures required in terms of paragraph 2.1, and to identify and act upon areas for improvement.



## Definitions Appendix

<b>Term</b>	<b>Definition</b>
Actuarial Work	Work undertaken by a Member, or for which a Member is responsible, or in which a Member is involved, in their capacity as a person with actuarial skills on which the intended recipient of that work is entitled to rely. This may include carrying out calculations, modelling or the rendering of advice, recommendations, findings, or opinions.
Actuaries' Code	The ethical code for Members issued by the Institute and Faculty of Actuaries.
APS	Actuarial Profession Standard issued by the Institute and Faculty of Actuaries.
Independent Peer Review	Work Review undertaken by one or more individual(s) who is, or are, not otherwise involved in the work in question and who would have had the appropriate experience and expertise to take responsibility for the work themselves.
IFoA	Institute and Faculty of Actuaries
Member	A member, of any category, of the IFoA.
Mandatory Actuarial Standards	Any professional, regulatory or other standards with which Members or Organisations are required to comply including, but not limited to, APSs and technical actuarial standards issued by the Financial Reporting Council.
Organisation	A legal entity, including: (a) a corporate body; (b) a limited liability partnership; (c) a partnership; (d) a sole practitioner; or (e) a public body, which consists of or employs one or more Members.
Quality Assurance Scheme	The scheme for Organisations operated by the IFoA and known as the Quality Assurance Scheme.
QAS Accredited Organisation	An Organisation, or identifiable part of an Organisation, that is currently accredited by the IFoA in terms of its Quality Assurance Scheme.
User	A legal entity, including a person or a body corporate, for whose use Actuarial Work is produced.
Work Review	Process by which a piece of Actuarial Work (or one or more parts of a piece of Actuarial Work) for which a Member is responsible is considered by at least one other individual for the purpose of providing assurance as to the quality of the work in question.

## APPENDIX

### Outcomes relevant to good practice, policies and procedures, to which section 2 of this APS refers

This standard aims to promote a working environment which supports **Members** in complying with their professional obligations and in delivering high quality **Actuarial Work**.

1. Quality assurance

- (a) There is appropriate supervision of those undertaking **Actuarial Work**.
- (b) There is compliance with all applicable **Mandatory Actuarial Standards** and other relevant legal and regulatory requirements.
- (c) There is clear, consistent and effective use, as appropriate and proportionate, of **Work Review** including **Independent Peer Review**.

2. Conflicts of interest

**Members** employed by the **Organisation** are able to identify, manage and, where possible and appropriate, reconcile actual and potential conflicts of interest.

3. The development and training of **Members**

The **Organisation** supports and facilitates the development and training of **Members** to maintain competence appropriate to their role and level of responsibility.

4. Speaking up

There is an environment in which **Members** feel able to speak up where they have concerns of a professional nature in relation to **Actuarial Work**.

5. Relationship with **Users**

- (a) There is clear and appropriate engagement and communication with **Users**.
- (b) Any concerns raised with the **Organisation** or the **IFoA**, about **Members** or **Actuarial Work** are appropriately identified, addressed and, where possible, resolved.