



## **RULES RELATING TO CERTIFICATES TO ACT AS A PRSA ACTUARY**

The Council, in accordance with the Regulations relating to Practising Certificates pursuant to Article 42 of the Articles of Association, requires all members who hold the position of PRSA Actuary pursuant to Part X of the Pensions Act 1990 to possess a certificate issued by the Society of Actuaries in Ireland ("Society").

The requirements for obtaining or renewing a certificate are that the applicant must:

- (a) be a Fellow of the Society;
- (b) have had either:
  - (i) a minimum period of three years holding the qualification on the basis of which Fellowship of the Society is held; or
  - (ii) a minimum period of six years' practical actuarial experience;
- (c) have demonstrated compliance with Actuarial Standard of Practice PA-1 Continuing Professional Development during the CPD year ending on the previous 31<sup>st</sup> August;
- (d) have recent appropriate practical experience (guidance relating to the appropriate practical experience that would normally be considered acceptable is set out overleaf);
- (e) certify that they have the appropriate knowledge and practical experience for the role of PRSA Actuary;
- (f) for the purposes of an initial application, obtain references from two actuaries; one of the referees should be external to the applicant's practice or firm, but in exceptional circumstances the Practising Certificate Committee may waive this requirement; and
- (g) in the opinion of the Practising Certificate Committee be an appropriate person.

In deciding whether an applicant is an "appropriate person", the Practising Certificate Committee will have regard to such matters as:

- (i) convictions (other than under the Road Traffic Acts) by any Court in Ireland or elsewhere;
- (ii) censuring, discipline or public criticism by any professional body, dismissal from any office of employment or refusal of entry to any profession or occupation in Ireland or elsewhere or refusal of any practising certificate application;
- (iii) being adjudged bankrupt by a Court in Ireland or elsewhere, where that bankruptcy remains undischarged;

- (iv) failure at any time to satisfy any debt adjudged to be due and payable under an order of a Court in Ireland or elsewhere;
- (v) in connection with the formation or management of any body corporate, insurance company or pension fund being adjudged by a Court in Ireland or elsewhere to be civilly liable for any fraud or other misconduct towards such a body, company or pension fund or towards any member thereof;
- (vi) being associated as a director or a controller in Ireland or elsewhere with any body corporate or insurance company which has been compulsorily wound up or made any compromise or arrangement with its creditors or ceased trading in circumstances where its creditors did not receive or have not received full settlement of their claims, either while the applicant was associated with it or within one year after the applicant ceased to be associated with it;
- (vii) being associated as actuary with an insurance company, pension fund or PRSA provider which, in the last five years, was subject to judicial proceedings, quasi-judicial proceedings or litigation where actuarial involvement has been questioned;
- (viii) whether the Pensions Authority, or an equivalent authority in any jurisdiction, has raised any concerns about professional or actuarial issues in relation to work in which the applicant has been involved and whether, as a consequence, any material changes had to be made to the work concerned;
- (ix) whether any judgement or decree has been given against the applicant (other than any to which they are entitled, as respects the whole effect of the judgement or decree upon them, to indemnity or relief from any other persons) which remains unsatisfied in whole or part; and
- (x) whether any of the provisions of the Companies Act 2014 dealing with disqualifications and restrictions as regards directors and other officers apply to the applicant.

Details of relevant experience must be provided when making an initial application for a certificate. If a renewal application is not received at least fourteen days before the expiry date of a certificate, the applicant will be required to complete an initial, rather than a renewal, application form.

Applications should be made using the website ([link](#)) and will normally be processed within one calendar month of receipt of all of the necessary information, including references.

An initial certificate granted within six months of the last annual renewal date for PRSA Actuary certificates will be granted for the period until the next annual renewal date (i.e. for a period between six and twelve months) while an initial certificate granted within six months of the next annual renewal date will be granted for the period until the following annual renewal date (i.e. for a period between twelve and eighteen months); an appropriate proportionate fee will be charged for an initial certificate. Thereafter, certificates will be valid for one year.

### Going on Extended Leave

If a certificate holder goes on extended leave of at least 90 days and changes CPD Category to Category E, they must notify the Society that they wish to relinquish their PRSA Actuary Certificate. The Society will notify the Pensions Authority that the certificate has lapsed. The member will be required to satisfy relevant pro-rated CPD requirements for the CPD year(s) ended 31 August whilst they are on leave. For example, a member who is in Category R for 8 months of the CPD year and Category E for 4 months must complete 8/12ths of the Category R CPD requirements.

Alternatively, the member can remain in Category R and meet the full CPD requirements for that category, in which event the PRSA Actuary Certificate remains valid until its expiry date.

### Certificate Expiry while on Extended Leave

If a certificate expires whilst the certificate holder is on extended leave, and the certificate holder does not submit a renewal application, the Society will notify the Pensions Authority that the certificate has lapsed with effect from the expiry date.

### Returning from Extended Leave

If a member whose certificate expired while they were on extended leave, and whose period of absence from work is not more than 18 months, wishes to submit an application for a PRSA Actuary Certificate on their return to work, they must complete 5 hours of CPD, to include 2 hours of role-relevant CPD, in the period commencing not more than 3 months before submitting their renewal application. They will be required to confirm in their application that they have met this requirement. They are not required to have 3 months' relevant experience in the 18-month period before submitting the application.

A member who submits an application for a certificate after a longer period of extended leave will be treated as making an initial application.

Enquiries regarding certificates should be addressed to the Secretary, Practising Certificate Committee, Society of Actuaries in Ireland.

## **GUIDANCE RELATING TO APPROPRIATE PRACTICAL EXPERIENCE FOR PRSA ACTUARIES**

Any actuary, before accepting an appointment as a PRSA Actuary, must consider most carefully, in light of their knowledge and experience, whether acceptance would be in line with proper professional behaviour and standards. No actuary should act as a PRSA Actuary without appropriate knowledge and practical experience relevant to the PRSA provider concerned.

An actuary can consider two approaches to demonstrating appropriate knowledge and practical experience for the PRSA Actuary role (or a combination of the two):

1. Direct experience; and/or
2. Other relevant experience.

Direct experience means working closely with an existing PRSA Actuary dealing with the statutory requirements for PRSA provision. To meet the direct experience requirements, an applicant must have provided material support to a PRSA Actuary over a sufficient time-frame. Material support would typically mean being closely involved in advice, decisions or judgements in relation to the PRSA Actuary role. A sufficient time-frame would typically mean at least two years as a Fellow of the Society, with involvement in at least two annual PRSA Actuary determinations.

Relevant experience means experience that contributes to all of the following:

- A familiarity with PRSAs or similar products;
- An understanding of investments and investment risk;
- A familiarity with product disclosure requirements and the issues around the preparation of meaningful as well as compliant projections;
- A knowledge of investment and product charges, including how they are applied;
- An ability to interpret and apply legislation, regulations and guidance in relation to financial matters.

Relevant experience may therefore include:

- (a) Working on PRSAs;
- (b) Pricing or provision of marketing or technical support for life assurance or pensions business;
- (c) Advising on investment strategies relating to pension provision or life assurance business;
- (d) Statutory disclosure of information to policyholders or pensions scheme members;
- (e) Identifying investment charges for fund management, marketing or statutory disclosure purposes;

- (f) Advising on the calculation of unit prices, including determining bases for calculating unit prices;
- (g) Audit work;
- (h) Other work which demonstrably contributes to relevant experience as described above.

Relevant experience would typically need to cover a period of at least two years after attaining Fellowship of the Society, and some or all of the work involved would need to be at a sufficiently senior level to enable the actuary to demonstrate a close involvement in the provision of advice, decisions or judgements.

Additionally, if the applicant has not previously worked closely with a PRSA Actuary, they will need to demonstrate that they have the requisite knowledge of the relevant legislation and professional requirements.

In addition to the requirement to have two years' direct or relevant experience after attaining Fellowship of the Society, a PRSA Actuary would typically need to have total experience after attaining Fellowship of the Society of at least three years, though in exceptional circumstances this requirement may be waived by the Practising Certificate Committee.

### ***Code of Professional Conduct***

Actuaries are reminded of the requirements of the Code of Professional Conduct, and, in particular, paragraph 2.1.

Members must ensure they have an appropriate level of relevant knowledge and skill to carry out a piece of work.