THE SOCIETY OF ACTUARIES OF INDONESIA

STATUTES OF
THE SOCIETY OF ACTUARIES OF INDONESIA

JAKARTA
2002
PREFACE

As a follow up action of the Fifth Congress of the Society of Actuaries of Indonesia (SAI) in Yogyakarta, particularly the Members’ Meeting Resolution Number 04/RA-V/PAI/2002 concerning amendment to the Statutes of the Society of Actuaries of Indonesia (STATUTES OF SAI), SAI will use the new Statutes as the fundament of the Organization.

It is expected that these Statutes will bring about attainment of the Vision adopted by the Board of the Society of Actuaries of Indonesia (SAI) of 2002-2005 period, that is, “To make the Society of Actuaries of Indonesia (SAI) as an Internationally-recognized Professional Organization.”

The Missions of the Board are “To Make the Society of Actuaries of Indonesia (SAI) as a Professional Organization that will continue to improve is quality, capability and professionalism of all its members through continuous training programs, and to gradually improve the selection quality of new members through an Internationally-recognized examination, that will eventually get (make) the Society of Actuaries of Indonesia (SAI) to be recognized by the International Actuarial Association (International Association of Actuaries).

The Board wishes to thank all the parties for the time they have spent reading, reviewing and giving highly valuable inputs. To the Committee for Amendment to the Statutes and Code of Ethics, we hereby express our appreciation for their labor in preparing these Statutes of the Society of Actuaries of Indonesia (STATUTES OF SAI). The STATUTES OF SAI may not have been (would have never been) prepared if there had not been this (without such a) cooperation.

Jakarta, May 2002

SOCIETY OF ACTUARIES OF INDONESIA
( S A I )

Hendrisman Rahim, FSAI
Chairman

Indra Catarya Situmeang, FSAI
Secretary General
The Society of Actuaries of Indonesia

Decree
Number: SK/002/KTA.V/2002

Concerning
Adoption of Statutes of
The Society of Actuaries of Indonesia
(Statutes of SAI)

Considering:

a. That as a follow-up action of the Resolution of the 5th Congress of the Society of Actuaries of Indonesia (SAI), Number 04/RA-V/PAI/2002 concerning Amendment to the Statutes of the Society of Actuaries of Indonesia (SAI) of 2002, it is found necessary that the said Statutes of the Society of Actuaries of Indonesia (STATUTES OF SAI) be adopted.

b. That the said adoption of the Statutes of the Society of Actuaries of Indonesia (SAI) requires a Decree of the Board of the Society of Actuaries of Indonesia (SAI).

In view of:

a. Statutes of the Society of Actuaries of Indonesia (STATUTES OF SAI).

b. Members’ Meeting of the Society of Actuaries of Indonesia.

c. Working Program Outline of the Board of the Society of Actuaries of Indonesia.

d. Board Meeting Resolution of the Society of Actuaries of Indonesia.

Decides:

To declare:

First:

To apply the Statutes of the Society of Actuaries of Indonesia (STATUTES OF SAI) as provided in the Members’ Meeting Resolution of the 5th Congress of the Society of Actuaries of Indonesia.

Second:

The previous Statutes and Rules and Regulations of the Society of Actuaries of Indonesia (AD/ART-SAI) shall no longer be effective.

Third:

The provision in this Decree shall become effective as from the date it is declared.

Fourth:

Proper correction to this Decree shall be made if there are mistakes found any later date herein.

Declared in Jakarta
On May 28, 2002

Society of Actuaries of Indonesia
(S A I)

Hendrisman Rahim, FSAI
Chairman

Indra Catarya Situmeang, FSAI
Secretary General
Meeting’s Resolution of the Committee on
Amendment to the Statutes and the Code of Ethics

No. 01-2001

The Draft Statutes of the Society of Actuaries of Indonesia (STATUTES OF SAI) attached hereto was duly approved at the Meeting of the Committee on Amendment to the Statutes and the Code of Ethics on February 2, 2002 and was (were) further submitted to the Board of the Society of Actuaries of Indonesia

Jakarta, February 2002

Committee on Amendment to the Statutes and Code of Ethics

1. Haris E. Santoso, Chairperson
2. Isa Rachmatawata, Member
3. Angger P. Yuwono, Member
4. Rianto A. Djojosugito, Member
STATUTES OF
THE SOCIETY OF ACTUARIES OF INDONESIA
(STATUTES OF SAI)

PREAMBLE

That the Actuary is a profession in the actuary (actuarial field), a science that applies mathematics, probabilities, statistics, demography, economics and management for the industries of insurance, pension fund and other types of financial industry.

That the application of the profession in actuary will be more successful if it is supported by the sole (soul) and spirit of Unity and Integrity in an independent Professional Organization of Actuaries.

Encouraged by the spirit of unity and integrity in performing the profession, this Statutes of the Society of Actuaries of Indonesia (STATUTES OF SAI) is prepared.

Chapter I
Name, Domicile, Aims, Date and Duration

Article 1
Name

The Professional Organization of Actuaries, under the name Society of Actuaries of Indonesia, abbreviated SAI, hereafter referred to in these Statutes as the Organization.

Article 2
Domicile and Address

The Organization is domiciled in Jakarta, and may be relocated on an approval of the Members’ Meeting.

Article 3
Date of Establishment and Duration

The Organization was established in Jakarta on October 19, 1964 and shall exist for an indefinite specified period.

Chapter II
Principles, Aims and Activities

Article 4
PRINCIPLES
The Organization shall be based on Pancasila.
Article 5
Aims

The Organization aims at:
1. To support the development of actuarial science in Indonesia.
2. To improve the Members’ understanding of actuarial science.
3. To promote and maintain the application of high standard of competency and the application of the Actuary (Actuarial) Code of Ethics in the profession of Actuaries with full awareness and responsibilities among the Members.
4. To encourage and maintain good relationship among the Members of the Organization.
5. To support the development of the industry of insurance, pension fund, and other types of financial industry in Indonesia.

Article 6
Activities

To attain the aims in Article 5 hereto, the Organization shall do the following activities:
1. To formulate (Formulating) and apply(-ing) the primary education system for prospective Members and advanced education for Members.
2. To do and support scientific researches in actuary(-ial) or in other fields that may be performed or supported by actuarial science.
3. To organize discussions, seminars, workshops and other such activities for the development and socialization of actuarial science and the Actuary profession.
4. To issue scientific books on actuary or application of the actuarial science.
5. To establish cooperation with other organizations in the efforts to advance the actuarial science and its application.
6. To give guidance in the efforts to increase the professionalism of the Members.

Chapter III
Membership

Article 7
Types and Requirements of Membership

1. The Members of the Organization shall comprise Adjunct Actuaries and Actuaries.
2. To become an Adjunct Actuary, a person shall satisfy the following requirements:
   a. To apply in writing to the Board for becoming an Adjunct Actuary.
   b. To pass the Professional Examination for becoming an Adjunct Actuary.
3. To become an Actuary, a person shall satisfy the following requirements:
   a. To apply in writing to the Board for becoming an Actuary.
   b. Has been an Adjunct Actuary bearing the title of ASAI.
   c. To pass the Professional Examination for becoming an Actuary.
   d. Has completed the Professional Training of Actuaries.
4. The registration form for prospective Adjunct Actuaries and Actuaries shall be determined by the Board with the approval of the Council of Actuaries.
Article 8
Professional Examination and Professionalism Education for Actuaries.

1. The Professional Examination to become Adjunct Actuaries and Actuaries, and the Professional Education for Actuaries shall be administered by the Board at least once a year.

2. The Syllabus of the Professional Examination to become Adjunct Actuaries and Actuaries shall be determined by the Board with an approval of the Council of Actuaries.

3. The Syllabus of the Professional Education of Actuaries shall contain at least the Code of Ethics of the Organization and the Actuary Standard of Practice.

Article 9
Professional Title

1. An Adjunct Actuary shall be entitled to use the title Associate of the Society of Actuaries of Indonesia, abbreviated ASAI, to be written behind its name.

2. An Actuary shall be entitled to use the title Fellow of the Society of Actuaries of Indonesia, abbreviated ASAI, to be written behind its name.

Article 10
Exemption from Professional Examination

1. The Board may exempt a prospective Member from the requirements to take and pass Professional Examination if the concerned prospective Member has passed the examination administered by another Professional Association of Actuaries using the syllabus deemed equivalent to the syllabus of the Professional Examination.

2. Further provisions of paragraph (1) hereon shall be determined by the Council of Actuaries.

Article 11
Obligations of the Members

1. All Members shall comply with and apply the Statutes, the Code of Ethics and other such regulations adopted by the Organization.

2. All Members shall keep the reputation of the Actuaries profession, and the reputation of the Organization.

3. All Actuaries shall pay the contribution determined by the Board.

Article 12
Rights of the Members

1. All Members shall be entitled to attend the Members' Meeting or be entitled to empower another Members to attend and vote at the Members' Meeting.

2. All Members bearing the ASAI title shall have the right to vote, right to speak and right to elect in each election of the Board and Members of the Council of Actuaries.

3. All Members bearing the FSAI title shall have the right to vote, right to speak, right to elect and be elected or become a member of the Board and the Council of Actuaries.

4. All Members shall be entitled to defend against charges of having violated the Statutes, the Code of Ethics and other such regulations adopted by the Council of Actuaries.
Chapter IV
Discipline and Termination of Membership

Article 13
Disciplinary Rules of Members

1. Any Members who has neglected and or failed to comply with the obligations of the Members shall be subject to a penalty in the forms of:
   a. Being served a Written Warning.
   b. Suspension as Member.
   c. Termination of (Dismissal from) Membership

2. The Member being imposed such a penalty shall be entitled to defend himself/herself in writing giving his/her causes therefor.

3. The Council of Actuaries shall in no later than ninety (90) days as from the receipt of such defense, give its reply thereto.

4. If after the lapse of the period of ninety (90) days the Council of Actuaries still has not given its reply, the penalty being imposed shall become null and void.

5. The rules and regulations regarding application of penalties and the rehabilitation or penalties shall be further determined by the Council of Actuaries and the application thereof shall require a resolution by (approval of) the Members' Meeting.

Article 14
End of Membership

1. Membership shall end for any of the following:
   a. Resignation of the Member.
   b. Death of the Member.
   c. Dismissed by the Council of Actuaries.

2. The membership shall end as from the date of Member's resignation, or death or being dismissed (dismissal) by the Council of Actuaries.

Chapter V
Organization Structure

Article 15
Bodies of the Organization

The Bodies of the Organization are:

1. The Members' Meeting
2. The Council of Actuaries
3. The Board

Article 16
Members' Meeting

1. The Members' Meeting shall be the highest Organ of the Organization.

2. The Members' Meeting shall be convened once in three (3) years.

3. The Members' Meeting may be convened earlier than three (3) years in frequency at the request of the Chairperson of the Board, the Council of Actuaries or by more than one third (1/3) of the Members.
Article 17
Rules and Regulations on Members’ Meeting

1. The Members’ Meeting shall be convened by the Board.
2. The Members’ Meeting as described in Article 16 paragraph 2 shall at least have in its agenda:
   a. To evaluate the accountability report of the Board and the Council of Actuaries for the period then ending (ended).
   b. To resolve the Outlines of the Organization’s Directions in the next three (3) years.
   c. To relieve the members of the Board and the Council of Actuaries who have completed their terms.
   d. To elect members of the Board and the Council of Actuaries to replace the members of the Board and the Council of Actuaries who have completed their terms.
   e. To install the new Board and Council of Actuaries elected by the Members’ Meeting.
4. The notice of a Members’ Meeting shall be made in a written invitation by the Chairperson of the Board to all Members and be announced in printed media that are widely circulated in Indonesia.
5. If the Chairperson of the Board is unable to sign the written invitation as described in paragraph (1) hereto shall be signed by the Chairperson of the Council of Actuaries.
6. A Members’ Meeting shall be declared meeting the quorum if it is attended by more than one half of the number of Members.
7. If the specified quorum is not reached, the Members’ Meeting shall be postponed to no longer than two (2) months later and the notice in a written invitation, and announcement in the printed media that are widely circulated in Indonesia shall be done all over again.
8. The notice in a written invitation and announcement in a Printed Media as described in paragraphs (1) and (4) hereto shall be made no later than fourteen (14) days before the scheduled day of the Members’ Meeting.
9. A postponed Members’ Meeting shall be declared meeting the quorum regardless of the number of Members present thereat.
10. Resolutions of the Members’ Meeting shall be adopted in a majority of vote of the number of Members present.

Article 18
Council of Actuaries

1. The Council of Actuaries shall consist of no fewer than five Members and no more than nine Members bearing the FSAI title.
2. Members of the Council of Actuaries shall be elected by the Members’ Meeting and shall serve for a term of three (3) years.
3. Members of the Council of Actuaries may be elected only for two subsequent terms.
4. The rules and regulations on the election of the Members of Council of Actuaries shall be resolved by the Members’ Meeting.
5. Membership in the Council of Actuaries shall end for either of the following:
   a. Resignation from Membership therein.
   b. Completion of the Term of Membership therein.
6. In the case a Membership of the Council of Actuaries ends the position of the concerned Members shall be left vacant until the following Members' Meeting.
7. If the Members of the Council of Actuaries become fewer than five, a Members' Meeting shall be convened for the election of (a) new Member(s) of the Council of Actuaries.
8. The Chairperson of the Council of Actuaries shall be elected by and from the Members of the Council of Actuaries.
9. If the Chairperson of the Council of Actuaries is permanently absent following the end of his or her Membership in the Council of Actuaries, the remaining Members of the Council of Actuaries shall elect a new Chairperson from among themselves.

**Article 19**

**Obligations and Rights of the Council of Actuaries**

1. The Council of Actuaries shall have the Obligations of supervising the activities of including the finance of the Organization.
2. The Council of Actuaries shall perform other Obligations and exercise other Rights as provided in these Statutes or as agreed by the Members' Meeting.
3. The Council shall present its report to the Members' Meeting at least once in three (3) years.

**Article 20**

**Meetings of the Council of Actuaries**

1. The Council of Actuaries shall meet at least once a year, chaired by the Chairperson of the Council of Actuaries or, in the absence of the Chairperson, by a Member of the Council of Actuaries elected by and from among the Members of the Council of Actuaries.
2. The Meeting of the Council of Actuaries shall be declared meeting the quorum and valid if it is attended by more than one half of the Members of the Council of Actuaries and the resolution of the Council of Actuaries shall be valid if it is seconded by more than one half of the Members of the Council of Actuaries present.
3. The resolutions of the Council of Actuaries shall be drawn up in Minutes of Meeting signed by the Chairperson of the Meeting.

**Article 21**

**The Board**

1. The Board of the Organization shall be chaired by the Chairperson of the Board elected by the Members' Meeting to serve for (a) three-year term.
2. The Chairperson of the Board shall be a Member of the Organization.
3. The Chairperson of the Board shall form the Board with members comprising at least a Vice Chairperson, the Secretary General, Treasurer, Head of Actuary Practice Standard Committee and Head of Code of Ethics Committee, elected from the Members of the Organization.
4. If the Chairperson of the Board is permanently absent for any reasons whatsoever before the end of his or her term, the Vice Chairperson of the Board shall automatically serve as the Chairperson of the Board.

5. In the absence of the Vice Chairperson of the Board, the Council of Actuaries shall in no later than thirty (30) days appoint the Acting Chairperson of the Board until the election of the new Chairperson of the Board in the following Members' Meeting.

**Article 22**

**Obligations and Rights of the Board**

1. The Board shall hold a meeting with the Council of Actuaries at least once a year.

2. The Board shall implement the working programs determined by the Members' Meeting and make (submit) an accountability report thereof to the Members' Meeting at the end of the Board's term.

3. The Board shall be entitled to represent the Organization in and outside the court.

4. The Board shall be entitled to adopt resolutions on issues that are not against the Statutes or the Code of Ethics, in the case the particular matter:
   a. is not provided in the Statutes or the Code of Ethics.
   b. has not been resolved by the Members' Meeting.
   c. has not been resolved by the Council of Actuaries.

5. The Board shall be entitled to decide the Organization's address and may as it deems necessary appoint a permanent or part-time staff to do the administration of the Organization.

6. The Board shall prepare and maintain a List of Members containing information of the Member Adjunct Actuaries and Member Actuaries.

7. The Board shall perform their obligations and exercise their rights as provided in these Statutes or as resolved by the Council of Actuaries or the Members' Meeting.

**Chapter VI**

**Assets and Financial Statement**

**Article 23**

**Assets of the Organization**

The Assets of the Organization include:

1. Members' Contribution.
2. Grants.
3. Gains from legitimate activities of the Organization.

**Article 24**

**Fiscal Year and Financial Statement**

1. The Fiscal year of the Organization shall cover the period from January 1 through December 31 of a (the same) year.

2. The Board shall prepare and give (submit to) the Organization a Financial Statement audited by the Public Accountant no later than six (6) months after the end of the Fiscal Year.

**Chapter VII**

**Emblem, Code of Ethics and Amendment to the Statutes**
Article 25  
**Code of Ethics and Emblem of the Organization**

The Organization shall have its Code of Ethics and Emblem of the Organization as resolved by the Members' Meeting and the Members shall observe thereof.

Article 26  
**Amendment to the Statutes, Code of Ethics and Emblem of the Organization**

1. Amendment to the Statutes, Code of Ethics and Emblem of the Organization shall require a resolution thereof by the Members' Meeting convened particularly for the purpose, and attended by more than one half of the Members.

2. The resolution by (of) the Members' Meeting as described in paragraph (1) shall be valid if it is seconded by more than one half of the Members present thereat.

Chapter VIII  
**Dissolution of the Organization, Settlement of the Properties and Assets and Obligations of the Organization**

Article 27  
**Dissolution of the Organization**

1. The dissolution of the Organization shall require a resolution thereof by the Members' Meeting convened particularly for the purpose.

2. The Members' Meeting described in paragraph 1 shall be valid and entitled to adopt a resolution if it is attended personally without a power of attorney by more than two-thirds (2/3) of the number of Members.

3. The resolutions of the Meeting as described in paragraph 1 hereto shall be valid and biding if such resolutions are seconded by more than three-fourths (3/4) of the number of Members.

Article 28  
**Settlement of the Properties and Assets and Obligations of the Organization**

1. The properties and assets existing in the Organization at the time the dissolution is resolved shall be used for fulfillment of the Organization’s obligations.

2. If after due fulfillment of all its obligations there still be remaining parts of the properties and assets, such parts of the properties and assets shall be donated to an Orphanage named in the resolution of the Members' Meeting.

Chapter IX  
**Transitional Provisions**

Article 29  
**Others**

1. All resolutions of the Organization made before the effectiveness of these Statutes shall remain effective to the extent such resolutions are not against these Statutes.

2. The membership in the Organization based on the Statutes before the effectiveness of these Statutes shall be effective under these Statutes.
3. The Board installed based on the Statutes before the effectiveness of these Statutes shall remain effective to until the end of its term.

Chapter X
Closing

Article 30
Effectiveness of the Statutes

1. These Statutes shall become effective as from the date they were ratified by the Members' Meeting, namely, on February 2, 2002 in Yogyakarta.

2. With the effectiveness of these Statutes, the previous Statutes shall not longer serve as guidelines on the implementation of the Organization.

3. The Board shall disseminate these Statutes to all Members.
As a professional organization, Persatuan Aktuaris Indonesia need to establish Code of Ethic as guidance for its members to do task and professional obligation in the society. The guidance enactment is meant to provide unique identity and to guard the reputation of the member of Persatuan Aktuaris Indonesia and to keep the credibility of the actuarial profession in Indonesia.

Actuarial Code Ethic (later will be refer to as “Code of Ethic”) is obligated to be followed by each of the member of Persatuan Aktuaris Indonesia. Each member have the professional obligation to know the latest version of the Code of Ethic.

In the Code of Ethic are some of the following:

1. Member meaning the member of Persatuan Aktuaris Indonesia, Fellow and or Associate of Actuary;
2. Actuarial Services meaning services given to client or employer from Fellow and or Associate of Actuary, in term of giving advice, suggestion or recommendation, finding or opinion formulated according to actuarial consideration and analysis;
3. Client meaning person or corporation using services of the member of the actuarial society in Indonesia or services from the company in which member are working, according to the specific contract to do a specific task within a specified time period;
4. Communication Actuarial Services meaning written communication, electronic or verbal deliver by member in giving Actuarial Services;
5. Employer meaning corporation giving works to member according to working term agreement permanent or contractual in unspecific to do a specific task within a specified time period.

Code of Ethic can be describe as follows:

**Ethic No-1**

In providing actuarial services, member is obligate to act with full integrity, with high respect toward the profession reputation, and not to inflict harm toward public interest.

**Ethic No-2**

Member is obligate to avoid publicity concerning Actuarial Services which aiming at an un-proper profit, which can not be justified or misleading.
Ethic No-3
Member is obligate to do relevant steps to ensure that the actuarial services given is not to be used to mislead public.

Ethic No-4
Member provide actuarial services only if having competency and in-depth experience as to provide the following actuarial services.

Ethic No-5
Member is obligate to ensure that the actuarial services given is already according to the valid actuarial standard practice.

Ethic No-6
Member is prohibited to give actuarial services which involved conflict of interest, actual and or potential, except if the following conflict of interest has been open to the client or employer, or potential client or employer, and member ability to act in fairness is not in doubt by client or employer, or potential client or employer.

Ethic No-7
In providing actuarial communication services, member is obligated to declare clearly that he or she is responsible for the result of the actuarial services and that he or she is willing to provide information or additional explanation in term of scope, method and data relevant to the actuarial services given to the client or employer.

Ethic No-8
In providing actuarial communication services, member is obligate to declare clearly which client or employer having the rights to use the actuarial services.

Ethic No-9
Member is obligate to deliver in formal written and timely to client or employer, or potential client or employer, concerning receivable income or future income from member or institution where member are currently working, relating to the actuarial services given by member to client or employer or potential client or employer.

Ethic No-10
Member is obligate to keep confidential the information as result of the Actuarial services, unless if he or she is given authority to deliver that information from the Client or employer, or is obligate by laws and regulation.

Ethic No-11
In giving actuarial services, member is obligate to act decent, mutual respect and, if needed, willing to cooperate with other member for the interest of client or employer.
**Ethic No-12**
In term of member being inquire to provide actuarial services formally done by other member, he or she is obligate to discuss the following member in order to ensure proper evaluation to receive the request from client or employee.

**Ethic No-13**
In term of member recognize there is a violation in the Code of Ethic done by other member, the following member is obligate to discuss the violation and in order to resolve and revise the violation done by the other member, and if the violator refuse to discuss, or decline to do any resolution and revision toward the violation, then member is obligate to report the violation to the committee.

**Ethic No-14**
Member is obligate to follow disciplinary procedure enact by Persatuan Aktuaris Indonesia, and is obligate to follow each decision enact by the following disciplinary procedure.

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**Approved by Member Meeting**  
Persatuan Aktuaris Indonesia

**Jakarta, xx Juli 2005**

**Chairman of the Member Meeting**
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<td>No. 1</td>
<td>Dalam menyediakan Jasa Aktuaria, Anggota wajib bertindak dengan penuh integritas, ketrampilan, kepedulian, menjunjung tinggi reputasi profesi, dan tidak merugikan kepentingan masyarakat.</td>
<td>In providing Actuarial Services, member is obliged to act with full integrity, with high respect toward the profession reputation, and not to inflict harm toward public interest.</td>
<td>In the Code of Ethics, we recommend that Ethic No 1 read, “In providing Actuarial Services, member is obligated to act with full integrity, ketrampilan, kepedulian, menjunjung tinggi reputasi profesi, dan tidak merugikan kepentingan masyarakat.” This adds the attributes of respect and care which may be partially covered by other sections, but which we suggest are sufficiently important to specifically include here.</td>
<td>In providing Actuarial Services, Member is obligated to act with full integrity, skill, care, with high respect toward the profession reputation, and not to inflict harm toward public interest.</td>
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<td>No. 2</td>
<td>Anggota wajib menghindari publisitas mengenai Jasa Aktuaria yang mengarah pada keuntungan yang tidak wajar, tidak dapat dibuktikan kebenarannya atau menyesatkan.</td>
<td>Member is obligated to avoid publicity concerning Actuarial Services which aiming at an un-proper profit, which can not be justified or misleading.</td>
<td>Member is obligated to avoid publicity concerning Actuarial Services which aiming leads to an un-proper improper profit, which can not unable to be justified or misleading.</td>
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<td>No. 3</td>
<td>Anggota wajib melakukan langkah-langkah yang relevan untuk memastikan bahwa Jasa Aktuaria yang diberikannya tidak digunakan untuk menyebabkan pihak lain.</td>
<td>Member is obligated to do relevant steps to ensure that the Actuarial Services given is not to be used to mislead public.</td>
<td>Member is obligated to take the relevant steps to ensure that the Actuarial Services given provided is not to be used to mislead other party public.</td>
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### The Society of Actuaries of Indonesia

**CODE OF ETHICS**

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<td>No. 4</td>
<td>Anggota menyediakan Jasa Aktuaria hanya jika memiliki kompetensi dan pengalaman yang cukup dan sesuai untuk menyediakan Jasa Aktuaria tersebut.</td>
<td>Member provide Actuarial Services only if having competency and in-depth experience as to provide the following Actuarial Services.</td>
<td>Member provides Actuarial Services only if he or she has the competence having competency and in-depth and relevant experience as to provide the following Actuarial Services.</td>
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<td>No. 5</td>
<td>Anggota wajib memastikan bahwa Jasa Aktuaria yang disediakannya atau yang disediakan pihak lain di bawah arahannya sesuai dengan standar praktik aktuaria yang berlaku.</td>
<td>Member is obligated to ensure that the Actuarial Services given is already according to the valid actuarial standard practice.</td>
<td>Member is obligated to ensure that the Actuarial Services given provided by him or her, or provided by other under his or her supervision is in accordance with already according to the valid applicable actuarial standard of practices.</td>
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<td>No. 6</td>
<td>Anggota dilarang memberikan Jasa Aktuaria yang melibatkan konflik kepentingan, aktual maupun potensial, kecuali jika konflik kepentingan tersebut telah dikemukakan secara terbuka kepada Klien atau Pemberi Kerja, atau calon Klien atau Pemberi Kerja, dan kemampuan Anggota untuk bertindak secara fair tidak diragukan oleh Klien atau Pemberi Kerja, atau calon Klien atau Pemberi Kerja.</td>
<td>Member is prohibited to give Actuarial Services which involved conflict of interest, actual and or potential, except if the following conflict of interest has been open to the Client or Employer, or potential Client or Employer, and Member ability to act in fairness is not in doubt by Client or employer, or potential Client or Employer.</td>
<td>Member is prohibited to provide give Actuarial Services which involved conflict of interest, actual and or potential, except if the following such conflict of interest has been open disclosed to the Client or Employer, or potential Client or Employer, and Member’s ability to act in fairness is not in doubt by Client or Employer, or potential Client or Employer.</td>
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<td>7</td>
<td>Dalam melakukan Komunikasi Jasa Aktuaria, Anggota wajib menyatakan</td>
<td>In providing Actuarial Communication Services, Member is</td>
<td></td>
<td>In providing Actuarial Communication Services, Member is obligated to state declare clearly that he or she is responsible for the results of the Actuarial Services and that he or she is willing to provide information or additional explanation as regard to the in term of scope, method and data relevant to the Actuarial Services given to the Client or Employer.</td>
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<td>secara jelas bahwa dirinya adalah pihak yang bertanggung jawab atas hasil-hasil dari Jasa Aktuaria dan bahwa dirinya bersedia memberi informasi atau penjelasan tambahan mengenai ruang lingkup, metode dan data terkait dengan Jasa Aktuaria kepada Klien atau Pemberi Kerja</td>
<td>obligated to declare clearly that he or she is responsible for the result of the Actuarial Services and that he or she is willing to provide information or additional explanation in term of scope, method and data relevant to the Actuarial Services given to the Client or Employer.</td>
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<td>8</td>
<td>Dalam melakukan Komunikasi Jasa Aktuaria, Anggota wajib menyatakan</td>
<td>In providing Actuarial Communication Services, Member is</td>
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<td>In providing Actuarial Communication Services, Member is obligated to state declare clearly which Client or Employer having the rights to use the Actuarial Services.</td>
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<td>secara jelas Klien atau Pemberi Kerja yang berhak menggunakan hasil-hasil dari Jasa Aktuaria dan kapasitas Anggota dalam memberikan Jasa Aktuaria tersebut.</td>
<td>obligated to declare clearly which Client or Employer having the rights to use the Actuarial Services.</td>
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No. 7 Dalam melakukan Komunikasi Jasa Aktuaria, Anggota wajib menyatakan secara jelas bahwa dirinya adalah pihak yang bertanggung jawab atas hasil-hasil dari Jasa Aktuaria dan bahwa dirinya bersedia memberi informasi atau penjelasan tambahan mengenai ruang lingkup, metode dan data terkait dengan Jasa Aktuaria kepada Klien atau Pemberi Kerja.

In providing Actuarial Communication Services, Member is obligated to declare clearly that he or she is responsible for the result of the Actuarial Services and that he or she is willing to provide information or additional explanation as regard to the in term of scope, method and data relevant to the Actuarial Services given to the Client or Employer.

No. 8 Dalam melakukan Komunikasi Jasa Aktuaria, Anggota wajib menyatakan secara jelas Klien atau Pemberi Kerja yang berhak menggunakan hasil-hasil dari Jasa Aktuaria dan kapasitas Anggota dalam memberikan Jasa Aktuaria tersebut.

In providing Actuarial Communication Services, Member is obligated to declare clearly which Client or Employer having the rights to use the Actuarial Services.
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<td>No. 9</td>
<td>Anggota wajib mengemukakan secara tertulis dan tepat waktu kepada Klien atau Pemberi Kerja, atau calon Klien atau Pemberi Kerja, mengenai semua jenis sumber penghasilan yang telah atau akan diterima dari pihak lain oleh Anggota atau lembaga tempat Anggota tersebut bekerja, terkait dengan Jasa Aktuaria yang telah diberikan Anggota kepada Klien atau Pemberi Kerja atau akan diberikan kepada calon Klien atau Pemberi Kerja.</td>
<td>Member is obligated to deliver in formal written and timely to Client or Employer, or potential Client or Employer, concerning receivable income or future income from Member or institution where Member are currently working, relating to the Actuarial Services given by Member to Client or Employer or potential Client or Employer.</td>
<td>We recommend that in Ethic No. 9, the words, “concerning receivable income or future income from Member or institution where Member are currently working,” be replaced by, “all sources of income” – this is wider as it would include any source of income from other that the current employer.</td>
<td>Member is obligated to declare in writing and in a timely manner formal written and timely to Client or Employer, or potential Client or Employer, all sources of income relating to the Actuarial Services already provided given by Member to Client or Employer or will be provided to potential Client or Employer.</td>
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<td>No. 10</td>
<td>Anggota wajib merahasiakan informasi yang diperolehnya dalam rangka pemberian Jasa Aktuaria, kecuali jika dirinya telah diberi wewenang untuk mengemukakan informasi tersebut oleh Klien atau Pemberi Kerja, atau diwajibkan oleh perundang-undangan untuk mengemukakan informasi tersebut.</td>
<td>Member is obligated to keep confidential the information as result of the Actuarial Services, unless if he or she is given authority to deliver that information from the Client or Employer, or is obligated by laws and regulation.</td>
<td>Member is obligated to keep confidential the information received in connection with a result of the Actuarial Services provided, unless if he or she has been is given the right authority to disclose that information done by the Client or Employer, or is obligated to do so by laws and regulations.</td>
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<td>No. 11</td>
<td>Dalam memberika Jasa Aktuaria, Anggota wajib bersikap santun, saling menghormati dan, apabila diperlukan, siap bekerja sama dengan pihak Anggota lain untuk kepentingan Klien atau Pemberi Kerja.</td>
<td>In giving Actuarial Services, Member is obligate to act decent, mutual respect and, if needed, willing to cooperate with other Member for the interest of Client or Employer.</td>
<td>We recommend that Ethic No 11 refer to others rather than just other members – in many cases cooperation with others (including, for example, members of another profession) can be more important than being able to cooperate with another actuary.</td>
<td>In providing giving Actuarial Services, Member is obligated to act decent, mutual respect and, if necessary, willing to cooperate with others for the interest of Client or Employer.</td>
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<td>No. 12</td>
<td>Dalam hal Anggota diminta untuk menyediakan Jasa Aktuaria yang sebelumnya diberikan oleh Anggota lain, ia wajib mempertimbangkan untuk berkonsultasi dengan Anggota lain tersebut guna memastikan kewajaran baginya untuk menerima permintaan Klien atau Pemberi Kerja.</td>
<td>In term of Member being inquire to provide Actuarial Services formally done by other Member, he or she is obligate to discuss the following Member in order to ensure proper evaluation to receive the request from Client or Employee.</td>
<td>In the event that term of Member is requested being inquire to provide Actuarial Services previously provided formally done by other Member, he or she is obligated to consider to consult with the following Member in order to ensure the appropriateness of receiving proper evaluation to receive the request of from Client or Employer.</td>
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<td>13</td>
<td>In the event that term of Member to his or her knowledge knows recognize that there other Member is in violation of this is a violation in the Code of Ethic done by other Member, he or she, the following Member is obligated to discuss the violation and to make effort to remedy the situation with the Member in order to resolve and revise the violation done by the other Member, and if the Member refuses to discuss, or refuses to make effort to remedy the situation, or the effort made does not remedy the situation, then he or she Member is obligated to report the violation to the President committee.</td>
<td>Dalam hal Anggota mengetahui terjadinya pelanggaran Kode Etik oleh Anggota lain, Anggota yang disebut pertama wajib mendiskusikan pelanggaran tersebut dan upaya untuk memperbaiki keadaan dengan Anggota yang disebut kedua, dan apabila Anggota yang disebut kedua menolak untuk melakukan diskusi, atau menolak melakukan upaya untuk memperbaiki keadaan, maka Anggota yang disebut pertama wajib melaporkan pelanggaran tersebut kepada Ketua Pengurus.</td>
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<td>No. 14</td>
<td>Anggota wajib mematuhi prosedur disiplin yang ditetapkan oleh Persatuan Aktuaris Indonesia, dan wajib mematuhi setiap keputusan yang ditetapkan melalui prosedur disiplin tersebut.</td>
<td>Member is obligated to obey the disciplinary procedure determined by the Society of Actuaries of Indonesia, and is obligated to obey each decision determined by the following disciplinary procedure.</td>
<td>Member is obligated to obey the following disciplinary procedure determined by the Society of Actuaries of Indonesia, and is obligated to obey each decision determined by the following disciplinary procedure.</td>
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The Society of Actuaries of Indonesia
CODE OF ETHICS

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Draft

Member Disciplinary Procedure
PERSATUAN AKTUARIS INDONESIA

Persatuan Aktuaris Indonesia (also known as PAI) need to uphold discipline on its members to retain its organizational honors and to gain confidence from society toward Actuarial Professions. Therefore, PAI establish Member Disciplinary Procedure in order to:

1. Provide mechanism for each individual PAI member to present complaint or questions regarding proper conduct or action for PAI member toward PAI Code of Ethics, PAI Association Rules, PAI Practical Standard, or other PAI regulation;
2. To give guidance for PAI member regarding proper evaluation of ethical conduct related to PAI Code of Ethics, PAI Association Rules, PAI Practical Standard, or other PAI regulation;
3. Provide mechanism for each individual PAI member in which are deem to behave or do an un proper (misbehavior) conduct against PAI Code of Ethics, PAI Association Rules, PAI Practical Standard, or other PAI regulation
4. To provide explanation, defensive, and appealing process toward disciplinary sanctions.

PAI Member Disciplinary Procedure is according to:

a. Article 11 verse (1), Article 12 verse (4), Article 13, Article 14, Article 22 verse (4) and Article 25 of PAI Association Rules;

b. PAI Member Code of Ethic.

PAI Member Disciplinary Procedure are as follows:

Article 1

Every Member of PAI (later will be refer to as “Member”) is obligate to follow PAI Member Disciplinary Procedure (later will be refer to as “Discipline Procedure”).

Article 2

(a) Each person could present formal complaint or unsatisfied statement regarding conduct, work process or Member work result in providing services in term of advise, suggestion or recommendations, finding or opinions formulated according to Actuarial Consideration (later will be refer to as “Actuarial Services”).

(b) Complaint or unsatisfied statement as mention in point (a) need to be deliver in formally written to the Committee of the Persatuan Aktuaris Indonesia (later will be refer to as “Committee”).

(c) Un formal written of Complaint or unsatisfied statement or without clear identification of the sender will not be process by the Committee.
Article 3

(a) Complaint or unsatisfied statement in term of conduct, ways of work or work result of the Member in providing Actuarial Services will be studied by Code of Ethic Committee in order to judge whether there is or there is not any violation toward PAI Association Rules, Code of Ethic or other PAI regulation.

(b) In order to judge whether there is or there is not any violation toward PAI Association Rules, Code of Ethic or other PAI regulation by its member, the Code of Ethic Committee need to be provided with additional information from the person who deliver the Complaint or unsatisfied statement.

(c) Code of Ethic Committee is obligated to give opportunity for the member which subjected to the Complaint or unsatisfied statement to give explanation regarding and or to defend his/her self toward the Complaint or unsatisfied statement materials.

(d) Code of Ethic Committee must enact whether there is or there is no violation toward PAI Code of Ethics, PAI Association Rules, PAI Practical Standard, or other PAI regulation as being mentioned in point (a) within a proper time period.

Article 4

(a) In term of Code of Ethic Commission enact as the result of the violation toward PAI Code of Ethics, PAI Association Rules, PAI Practical Standard, or other PAI regulation, Code of Ethic Commission need to give recommendation disciplinary sanction for the concerning Member and need to deliver to the Chairman of Persatuan Aktuaris Indonesia (later will be refer to as “Chairman”).

(b) Chairman enact disciplinary sanction for its member who violate PAI Code of Ethics, PAI Association Rules, PAI Practical Standard, or other PAI regulation according to the recommendation from the Code of Ethic Commission as mentioned in point (a).

(c) Disciplinary Sanction can be on or more of the following:

i. Written Admonition/ Sanction;

ii. Obligation to attend counseling program, training or other program in which deem to be considered as to enhance member understanding toward PAI Code of Ethics, PAI Association Rules, PAI Practical Standard, or other PAI regulation;

iii. Member temporary discharge sanction with a maximum of 2 (two) years; or

iv. Adamant Membership discharge.

(d) Disciplinary Enactment Sanction must be deliver in formal written to the concerning Member.
Disciplinary Enactment Sanction as mentioned in point (d) need to be conducted directly by the Committee to Member or other ways which will convinced the enactment receive by Member with a maximum period of 3 (three) working days.

Article 5

(a) In term of Code of Ethic Commission enact that there is no violation toward PAI Code of Ethics, PAI Association Rules, PAI Practical Standard, or other PAI regulation, Code of Ethic Commission will informed in formal written to Chairman.

(b) Chairman will informed in formal written to the concerning side who deliver complaint or unsatisfied complaint and to Member subjected to the complaint or unsatisfied complaint regarding the finding result of the Code of Ethic Commission.

Article 6

Working Process of Code of Ethic Commission and other to perform Article 3, Article 4 point (a) and Article 5 point (a) is enact by Chairman of the Code of Ethic Commission.

Article 7

(a) Member which are given disciplinary sanction in term of temporary discharge membership or Adamant Membership discharge have the right to appeal to the Actuarial Assembly within 30 (thirty) days since the date of the sanction enactment as mentioned in Article 4 point (b).

(b) The appeals as mentioned in point (a) need to be submitted in formal written and it needs to include explanation and or justification.

Article 8

(a) Actuarial Assembly need to judge thoroughly of the appeals as mentioned in Article 7.

(b) Actuarial Assembly have the right to receive additional information from the Code of Ethic Commission or Member which submit objection, in vernal or in written form.

(c) Within of maximum period of 90 (ninety) days Actuarial Assembly need to confirmed in written, accept or to raise objection given by member.

(d) The answer of the Actuarial Assembly as mentioned in point (c) as a whole enact in decision as follows:

i. Disciplinary Sanction enact by Chairman;

ii. Cancellation of the Disciplinary Sanction by Chairman; or
iii. Other Disciplinary Enactment Sanction, which is different from sanction ruled by Chairman.

(e) In term of Actuarial Assembly not replying the objection from member within the period mentioned in point (c), the enactment sanction by Chairman becomes invalid.

(f) The answer of the Actuarial Assembly as mentioned in point (c) is deliver directly to member or with a maximum period of 3 (three) working days.

(g) The answer of the Actuarial Assembly of the member objection and enactment is final.

Article 9

Disciplinary Sanction valid as of:

i. Date of Enactment Sanction by Chairman, for sanction mentioned in Article 4 point (c) i and point (c) ii;

ii. In day -31 since the enactment sanction mentioned in Article 4 point (c) iii or point (c) iv by member and Member not raise objection to Actuarial Assembly as mentioned in Article 7;

iii. The submission date of the written answer by Actuarial Assembly mentioned in Article 8 point (c).

Article 10

(a) Member who has been given temporary discharge sanction as the Member are not allowed to add ASA or FSA title in their names.

(b) Member as mentioned in point (a) are not allowed to give Actuarial Services as long as the temporary discharge sanction is still valid.

(c) Actuarial Assembly Enact fix obligation in which need to be comply and follow by Member as being mentioned in point (a) as long as the temporary discharge sanction is still valid.

(d) Membership Recovery, obligation and membership rights as mentioned in point (a) is enact by Actuarial Assembly after the expiry of the temporary discharge sanction as member.

(e) In term of Member not following the rules as mentioned in point (c), Actuarial Assembly will enact temporary discharge sanction as member.
Article 11

(a) All Information given to Code of Ethic Commission and or Actuarial Assembly in term of implementation of the Disciplinary Procedure will be confidential, unless stated otherwise within laws or regulation in Indonesia.

(b) After discipline sanction valid, sanction enactment will become public information.

Article 12

This Discipline Procedure is in effect as of the date of the approval from PAI Member Meeting.

Approved by
Actuarial Assembly Persatuan Aktuaris Indonesia
Jakarta, xx Juli 2005

(Actuarial Assembly)

Approved by
Persatuan Aktuaris Indonesia Member Meeting
Jakarta, vv Juli 2005
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<td>No. 1</td>
<td>Memberikan sarana mekanisme bagi setiap pihak, termasuk setiap anggota PAI untuk mengajukan keluhan atau pertanyaan mengenai kesesuaian perilaku atau tindakan anggota PAI terhadap anggaran dasar, kode etik, standar praktik, atau peraturan-peraturan lain yang ditetapkan oleh PAI.</td>
<td>Provide mechanism for each individual PAI member to present complaint or questions regarding proper conduct or action for PAI member toward PAI Code of Ethics, PAI Association Rules, PAI Practical Standards, or other PAI regulation.</td>
<td>In the Disciplinary Procedure, we recommend that paragraph 1 be amended to read, “To provide mechanism for any person, including each individual PAI member …” It is important for clients or other persons who may be affected by an actuary’s advice to be able to make a complaint.</td>
<td>To provide mechanism for each any person, including each individual PAI member to present complaint or questions regarding proper conduct or action of the PAI member toward the articles of association, code of ethics, standards of practice, or other regulations determined by PAI. PAI Code of Ethics, PAI Association Rules, PAI Practical Standards, or other PAI regulation.</td>
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Process No. 1.01

DUE PROCESS
OF SETTING AND ADOPTION OF
ACTUARIAL STANDARDS OF PRACTICE

DRAFT (3)

November 2005
Contents

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2. Structure of the Commission

3. General Process

4. Proposals for Standards

5. Solicitation of Input

6. Exposure Drafts

7. Exposure Process

8. Standards Adoption

9. Amendments to Standards

Appendices

1. Format of Exposure Drafts

2. Format of Proposed Final Draft
1. Introduction

1.1 A standard of practice is a statement of behavior expected of actuaries operating within a specified context, including the methodology to be adopted, the approach to be used in setting assumptions, the contents of the resulting report or opinion and the way in which the report or opinion should be presented.

1.2 The intention is to achieve greater consistency of approach to practice in a given situation, so as to increase the confidence of clients and the public in the actuarial work product, but without stifling the exercise of creativity or actuarial judgment.

1.3 This is the formal due process of setting and adoption of standards of practice (“the Process”) of the Society of Actuaries of Indonesia (“the SAI”), meeting the criteria for an acceptable process as defined by the International Actuarial Association.

2. Structure of the Commission

2.1 The Actuarial Standard of Practice Commission (“the SPC”) is part of the working commissions of the SAI, headed by a Chairperson appointed by the President of the SAI for three-year terms.

2.2 The SPC has the following duties and responsibilities:

a. direct and manage the development of Actuarial Standards of Practice (“ASOP”) in all areas of actuarial practice;

b. expose, adopt and publish ASOP in all areas of actuarial practice;

c. provide continuous review of existing ASOP and determine whether they are in need of amendment or elimination; and

d. develop, monitor, amend and update this Process from time to time.

2.3 The SPC consists of six members selected among the membership of the SAI by the Chairperson of the SPC, one of whom will serve as Vice-Chairperson. The members of the SPC are also appointed for three-year terms. The names of the members are communicated to the membership of SAI.

2.4 Each member of the SPC will be assigned and is responsible for one or more areas of actuarial practice and has the authority to establish a task force (“the Practice Committee”). He or she can appoint individuals to position on such task force as it may deem necessary in carrying out its assigned function in the development, drafting and preparation of any particular ASOP. The members of the task force are selected among the membership of the SAI and outside the SAI, as it may deem necessary.

2.5 All members of the SPC have equal authority and responsibility to pass judgment upon all matters under consideration by the SPC, regardless of the area of actuarial practice in which each member of the SPC may specialize.
3. General Process

3.1 The Process for the development of ASOP involves the following:

   a. preparation of a proposal for a new or amended ASOP including a summary containing a synopsis of the major issues that the proposed ASOP will address for submission to the Actuarial Council for approval;

   b. if the proposal is approved, then preparation of a proposed exposure draft for submission to the Actuarial Council for approval;

   c. if the exposure draft is approved, then release of the exposure draft to the actuarial community, and where relevant, to third parties for comment and discussion;

   d. preparation of a proposed final standard, which reflects comments received on the exposure draft and which is subject to further review, editing, and adoption or direction to re-expose the proposed standard for further comment and discussion before preparation and adoption of a final standard;

   e. promulgation of the final standard by the President of SAI after receiving approval from the Actuarial Council; and

   f. publishing of the final standard and dispatching to member practitioners.

3.2 The proposal for a new or amended ASOP shall only be passed to the Actuarial Council after having a formal approval of two-thirds of the member of the SPC or each relevant Practice Committee of the SPC.

4. Proposals for Standards

4.1 Before beginning to develop a standard, each of the relevant Practice Committee will submit to the Actuarial Council a proposal for a standard for approval. The proposal for a new or amended ASOP must include:

   a. a description of the subject of the proposed new standard;

   b. an explanation of why a standard is needed;

   c. a description of the possible effect the proposed standard may have on other standards; and

   d. a proposed timetable for completion of the standard.

4.2 Other organizations and individuals may also submit proposals for standards to the SPC, which will then assign the proposed standards to the relevant Practice Committee.

4.3 Conditions which should be fulfilled for the Actuarial Council to agree to the principle of issuing a standard of practice might include:

   a. the proposal to develop a standard is in response to a request from an appropriate body at the domestic or international level or in response to the development of a related domestic or international professional standard;
b. there should be a clearly demonstrable need for a standard and it would be in the public interest;

c. the type and scope of the standard should be clearly defined and should be no more prescriptive than necessary;

d. it should be expected that the standard will have a significant impact on actuarial behavior, without being unduly burdensome or in conflict with professional behavior;

e. the standard should be defined as narrowly as possible to address the specific need; and

f. there is a consensus among the membership of the SAI that the standard is needed.

4.4 The approval process within the Actuarial Council including its voting process shall be at the discretion of the Actuarial Council and a written reply to the SPC of its approval shall be no later than 14 days after receipt of the proposed standard.

5. Solicitation of Input

5.1 The relevant Practice Committee developing a proposed standard is encouraged to seek a wide range of ideas and views on the subject.

5.2 In order to provide members with an opportunity to give input early in the process, any summary of the approved proposed standard will be published using appropriate publication means with an invitation for comment.

5.3 The relevant Practice Committee may also wish to consider making presentation concerning the proposed standard in an appropriate forum.

6. Exposure Drafts

6.1 The proposed exposure draft will be reviewed by all members of the SPC before submitting it to the Actuarial Council for approval to expose the document, no later than 14 days after the completion of the proposed exposure draft by the relevant Practice Committee.

6.2 The SPC has adopted a specific format in submitting proposed exposure drafts for approval as set out in Appendix 1 titled Format of Exposure Drafts.

6.3 To be considered for exposure, a proposed exposure draft must be accompanied by a written report from the Actuarial Council advising the SPC that the draft has been prepared in accordance with the SPC procedural requirements and it complies with applicable laws or regulations.

6.4 The approval process within the Actuarial Council including its voting process shall be at the discretion of the Actuarial Council and a written reply to the SPC of its approval shall be no later than 14 days after receipt of the proposed exposure draft.
6.5 The exposure draft will be distributed by the SPC to all members, and where relevant, to third parties or relevant government agencies for comment, at the earliest opportunity allowing enough time for duplicating or printing. If determined appropriate, the exposure draft will also be distributed to specific persons or organizations outside the SAI.

6.6 Copies of the exposure draft will be made available to anyone else upon request.

6.7 The distribution of the exposure draft will be made by whatever means deemed practical by the SPC – by registered mail or e-mail or by posting it in the website of the SAI or other appropriate websites as determined by the SPC.

7. Exposure Process

7.1 In the distribution of the exposure draft, the SPC must indicate deadline for comment letters for at least 30 days but no later than 60 days.

7.2 All comment letters concerning an exposure draft are to be sent to the secretariat office addressed to the SPC or to the e-mail address of the SPC created for this purpose.

7.3 Each comment letter or e-mail is assigned a sequential number upon receipt. The comment letters and e-mails are passed to the relevant Practice Committee developing the standard and a file of them is maintained until the final standard is adopted. The comment letters and e-mails are discarded when the SPC takes final action on a proposed standard.

7.4 Only written comments and comments that are sent to the secretariat office addressed to the SPC or sent to the e-mail address of the SPC will be processed.

7.5 Comment letters and e-mails will be available for inspection by the members and other interested parties at the secretariat office, unless the commentator requests confidentiality.

7.6 The ASB will send each individual submitting a comment an acknowledgment of receipt.

7.7 All comments received by the comment deadline will be given due and impartial consideration by the relevant Practice Committee. Further communication with commentators to seek clarification, elaboration, establishment of common ground, may occur at the discretion of the relevant Practice Committee.

7.8 A summary of the major issues discussed in the comments received are printed in the last appendix to the final standard or the subsequent exposure draft if an additional exposure is deemed necessary.

7.9 Status reports to the SAI on the deliberation of a relevant Practice Committee during the development of a standard may be made at the discretion of the relevant Practice Committee.
7.10 Public hearings are not required, but may be authorized by the SPC. Factors to be considered in deciding whether a public hearing should be held include the following:

a. the complexity of the proposed standard;

b. the anticipated level of controversy;

c. the significance to the profession of the guidance contained in the proposed standard; and

d. other relevant considerations, if any.

7.11 When comments received on an exposure draft have been analyzed, the SPC may determine that it would be appropriate to have a second exposure draft, or a second public hearing. This will generally occur when the SPC deems that more input is desirable.

8. Standards Adoption

8.1 The proposed final standard will be reviewed by all members of the SPC before submitting it to the Actuarial Council for approval to adopt the final standard, no later than 14 days after the completion of the proposed final standard by the relevant Practice Committee.

8.2 The SPC has adopted a specific format in submitting proposed final standard for approval as set out in Appendix 2 titled Format of Proposed Final Standard.

8.3 To be considered for adoption, a proposed final standard must be accompanied by a written report from the Actuarial Council advising the SPC that the draft has been prepared in accordance with the SPC procedural requirements and it complies with applicable laws or regulations including the changes made since the exposure draft stage.

8.4 The approval process within the Actuarial Council shall be at the discretion of the Actuarial Council and a written reply to the SPC of its approval shall be no later than 14 days after receipt of the proposed final standard.

8.5 After receiving approval from the Actuarial Council, the final standard will be distributed by the SPC to all members, and where relevant, to third parties or relevant government agencies, at the earliest opportunity allowing enough time for duplicating or printing. If determined appropriate, the final standard will also be distributed to specific persons or organizations outside the SAI.

8.6 Copies of the final standard will be made available to anyone else upon request.

8.7 The final standard will also be posted on the website of the SAI, and may be posted on other appropriate websites as determined by the SPC.
9. **Amendments to Standards**

9.1 From time to time the SPC may deem it appropriate to amend an existing ASOP. A proposal for an amendment to an ASOP must include a sufficient portion of the surrounding text to permit the reader to understand the nature and effect of the proposed amendment.

9.2 Proposals for amendments to ASOPs will follow the same process as for new ASOP. After the proposed amendment has been exposed and adopted by the SPC, the entire standard will be reprinted, incorporating the new material from the amendment.

9.3 The reformatting of an ASOP without any change in the technical content of the ASOP does not necessarily require that the ASOP be re-exposed for comment. Whether the reformatted ASOP will be exposed for comment will be decided by the SPC.
Appendix 1 – Format of Exposure Drafts

A proposed exposure draft must be submitted to the Actuarial Council in the following format:

1. Transmittal memorandum, which includes, at a minimum:
   a. title of the proposed standard;
   b. date when approved for exposure by the SPC;
   c. proposed deadline for submitting comments;
   d. forwarding addresses for comments, including postal and e-mail addresses;
   e. brief discussion of the development and history of the proposed exposure draft;
   f. any specific questions or issues on which the SPC and its relevant Practice Committee would like readers to provide commentary; and
   g. names of the SPC members and the Practice Committee members.

2. Sections of the proposed ASOP, which include:
   a. introduction section: purpose, effective date, amendments and definitions;
   b. scope section;
   c. documentation section: disclosures and communications;
   d. analysis of issues section(s);
   e. recommended practice or compliance section(s); and
   f. closing section.

3. Appendices, which include:
   a. background and current practices;
   b. for second or later exposure drafts, a summary of the major issues discussed in the comment letters received in response to the prior exposure draft, and the drafting committee’s response to such. Such a summary should include the extent to which such comments were incorporated and the rationale therefor. Such analysis should be general in nature and should preserve the confidentiality of each commentator;
   c. illustrations and examples; and
   d. others as deemed necessary.

4. Others if deemed appropriate, such as bibliography, as well as any other appropriate documentations.
Appendix 2 – Format of Proposed Final Standard

A proposed final standard must be submitted to the Actuarial Council in the following format:

1. Table of contents.

2. Transmittal memorandum, which includes, at a minimum:
   a. title of the final standard;
   b. date when adopted by the SPC;
   c. brief discussion of the development and history of the proposed final standard; and
   d. names of the SPC members and the Practice Committee members.

3. Sections of the proposed final standard, which include:
   a. introduction section: purpose, effective date, amendments and definitions;
   b. scope section;
   c. documentation section: disclosures and communications;
   d. analysis of issues section(s);
   e. recommended practice or compliance section(s); and
   f. closing section.

4. Appendices, which include:
   a. background and current practices;
   b. a summary of the major issues discussed in the comment letters received, and the drafting committee’s response to such. Such a summary should include the extent to which such comments were incorporated and the rationale therefor. Such analysis should be general in nature and should preserve the confidentiality of each commentator;
   c. illustrations and examples; and
   d. others as deemed necessary.

5. Others if deemed appropriate, such as bibliography, as well as any other appropriate documentations.