Internal Regulations

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PREAMBLE

These Internal Regulations are intended to further detail Council’s governance of IAA operations and activities, provided these Internal Regulations are not inconsistent with the Statutes and the compulsory Swiss law.

SECTION I. STRATEGIC OBJECTIVES

The Vision Statement and Mission Statement set out in the Statutes shall be achieved by the Strategic Objectives set out in the Strategic Plan adopted by Council from time to time.

SECTION II. MEMBERSHIP AND EXTERNAL ORGANIZATIONS

2.1 General Membership Requirements for Full and Associate Members

Actuarial associations may adopt rules which have the same effect as the membership requirements set out below as applicable, although expressed in different words; and they may adopt additional rules, guidance notes or standards, provided that they are not inconsistent with these membership requirements.

Full and Associate Member associations must satisfy the following membership requirements at all times:

(a) The Member must provide, upon request of the Secretariat, such forms and information as may be required by the IAA to assess compliance with the relevant membership criteria.

(b) The Member must pay fees when due.

(c) The Member must not have any aim or purpose that is in conflict with the Vision Statement and Mission Statement as adopted by Council from time to time.

(d) The Member shall provide a copy of its constitution, by-laws or similar governing documents setting out its purpose and organizational structure.

(e) The Member must not act in a manner which, as determined in the sole and absolute discretion of Council, is prejudicial to the aims or interests of the IAA.

(f) The Member must have a minimum of five members residing at three or more different addresses within the jurisdiction of its operations.

(g) The Member must have been in existence for a minimum of one year in the case of Associate members and for a minimum of three years in the case of Full members.

(h) The Member shall not engage in any advertising or solicitation of new members, funding or business services that the association knows or should know is false or misleading.

In considering applications or continued membership, the Membership Committee may seek evidence to demonstrate that the association:

(i) Is of good standing and enjoys appropriate visibility within its jurisdiction;

(ii) financial and organizational structure that supports its viability; and
Has a governance structure which is primarily composed of actuaries or individuals with training related to the actuarial profession.

2.2 Full Members

2.2.1 Application for Full Members Status
Actuarial associations that have satisfied the membership criteria as set out below may apply to Council to be accepted as Full Members. Once accepted as a Full Member, they may appoint a Delegate (and Alternate Delegate as required) to be represented at Council, as well as receive such services and privileges as determined by Council from time to time.

2.2.2 Membership Criteria
A Full Member association must satisfy the following membership criteria at all times.

(a) The Full Member must have a code of professional conduct in place which may be modified from time to time. A copy of the Full Member's current code of professional conduct must be made available to the actuaries who are members of the Full Member. The code of professional conduct must be consistent with the principles described in the provisions below, but the provisions contained in the code do not need to be identical with the provision below. The code does not need to include optional or permissive language set out below, such as “An Association may” or “for example”. The Full Member may provide additional guidance in its code of professional conduct, provided that the additional guidance is not inconsistent and does not lower any of the obligations set forth below.

(i) An actuary shall perform professional services with integrity, skill and care. An actuary shall fulfill the actuary's professional responsibility to any client or employer. The Full Member may provide more specific guidance if it wishes to do so (for example, it may indicate that an actuary could consider advising a client or employer where a proposed course of action would, in the opinion of the actuary, be contrary to the public interest).

(ii) An actuary shall act in a manner that fulfils the profession's responsibility to the public. An actuary shall act in a manner that upholds the reputation of the actuarial profession. An actuary shall not engage in any advertising or business solicitation with respect to actuarial services that the actuary knows or should know is false or misleading.

(iii) An actuary shall co-operate with others serving the actuary's client or employer. An actuary shall not disclose to another party (unless authorized by the client or required by the discipline process of the actuary's association, but subject to what is required by applicable laws) confidential information (that is, client information that is not in the public domain and of which the actuary becomes aware as a result of providing actuarial services).

(iv) An actuary shall perform professional services only if the actuary is competent and appropriately experienced to do so. The Full Member may permit its actuaries to operate otherwise in defined and specific circumstances (for example, where an actuary is working with another actuary who is fully competent and with the
appropriate experience, or where the client would be disadvantaged if available advice was denied).

(v) An actuary is responsible for ensuring that the actuary's work conforms to applicable practice standards in the actuary's area of work. An actuary must take into account relevant mandatory practice-related guidance issued or endorsed by the actuary's association, and may take into account any non-mandatory practice-related information that is so issued or endorsed.

(vi) An actuary shall, in communicating professional findings, show clearly that the actuary takes responsibility for them. An actuary shall indicate the extent to which the actuary or other sources are available to provide the client or employer with supplementary information and explanation about scope, methods and data in relation to the work performed.

(vii) An actuary shall, in communicating professional findings, identify the client for whom these findings are made and the capacity in which the actuary serves.

(viii) An actuary shall not perform professional services where the actuary is involved in an actual or potential conflict of interest, unless the actuary's ability to act fairly is unimpaired and there has been full disclosure to the client and all principals of the actual or potential conflict. The Full Member may also require that an actuary may not perform professional services under these circumstances unless the client and all principals have expressly agreed that the actuary may do so.

(ix) When an actuary is asked to take on professional services previously provided by another actuary, the actuary shall consider whether it is appropriate to consult with the previous actuary to ensure that there are no professional reasons to decline taking on this new responsibility.

(x) An actuary shall disclose to the actuary's client the sources of material compensation or income from any other source that is related to any service provided for a client as soon as such a source is identified.

(xi) An actuary shall be subject to the disciplinary procedures prescribed in the rules of the actuary's association, including the right of appeal provided within those rules.

(b) The Full Member must have a formal discipline process in place, including the following:

(i) There is a complaint process accessible to anyone affected by an actuary's work and the actuary's professional peers.

(ii) There is due process of defense available to the actuary complained against, and the actuary's rights are fully respected.

(iii) There is an objective formal appeal process independent of the body that has ruled at the prior level.

(iv) There are available sanctions appropriate to the seriousness of the violations committed, including termination of membership in the association.

(v) The process shall enable the association to give appropriate notice and information to the public of the results of the complaint process where any penalty is imposed.
including providing information to other actuarial associations. Any notice to the public shall be consistent with the discipline process.

(c) If the Full Member adopts standards of practice, it must have in place a formal process for adoption which meets the criteria set out below. If the Full Member does not have a standards of practice process in place, any standards of practice adopted at a later time must meet the following adoption criteria.

The criteria for an acceptable process for the adoption of standards of practice are:

(i) The proposal to consider a possible standard follows an established process.

(ii) The proposed standard is available to actuaries who are members of the association, and where relevant, to third parties for comment.

(iii) Comments on the exposure draft shall be duly considered.

(iv) Upon adoption of the standards, they are to be disseminated by an authority vested with such powers.

(v) The standards are published and made available to practicing actuaries who are members of the Full Member.

(d) The Full Member shall designate one or more categories of membership as reserved for actuaries who have successfully completed an education programme compliant with the Education Guidelines and the Education Syllabus, as adopted by Council from time to time. In addition, a Full Member may also impose additional education or experience requirements:

(i) before the completion of a professional actuarial qualification; and/or

(ii) for qualification to provide advice in relation to specialized areas of work or practice areas; and/or

(iii) to work within a particular jurisdiction; and/or

(iv) for other reasons.

Components of the Education Syllabus may be given different weight by different actuarial associations, and subjects may be arranged and material from various topics within the Education Syllabus may be combined in an education system as appropriate. An education system may be assessed based on the overall balance between depth of coverage and breadth of coverage, rather than a narrow focus on each part of the Education Syllabus.

2.2.3 Temporary Dispensation from Compliance

A Full Member that does not fully comply with the membership criteria may be granted temporary dispensation from one or more specific membership criteria for up to three years by the Membership Committee without terminating its status as a Full Member, provided that the Membership Committee is satisfied that:

(a) the Full Member has made, and is taking all reasonable steps to comply with the membership criteria as soon as practical;

(b) an earlier non-compliance is effectively outside the control of the Full Member; or
(c) in the opinion of the Membership Committee, it would be unreasonable to require immediate compliance.

The Full Member must report on its progress towards compliance with the membership criteria as required by the Membership Committee; and in the case of education requirements, the Membership Committee will consider the advice and assessment of the Education Committee.

2.3 Associate Members

2.3.1 Application and Renewal of Associate Members Status

Actuarial associations that do not meet the membership criteria as a Full Member may apply to be Associate Members. If a Full Member does not comply with said membership criteria, it may request the Secretariat to change its membership status to become an Associate Member, if eligible, until such time that the association can re-apply to be a Full Member.

The Associate Membership status shall be valid for a 3-year term and will not be automatically renewed. Associate Members wishing to remain within this category may request to renew their membership. Membership renewal will be governed by the Associate Membership Policy as managed by the Executive Committee.

The engagement between the IAA and the Associate Member will be tailored to each Associate Members’ needs and serve as the base for the membership agreement with the IAA. In some circumstances, Associate Members might be required to provide evidence that it has made, and it is taking all reasonable steps to comply with the membership criteria as soon as practicable.

Once accepted as an Associate Member, it may appoint a non-voting representative to attend Council meetings as more particularly set out in the Statutes, as well as receive such services and privileges as determined by Council from time to time.

2.3.2 Temporary Dispensation from Compliance

An Associate Member that does not fully comply with the membership requirements and related policies, will have until the end of their membership term to rectify the situation in order to be eligible for membership renewal.

The Executive Committee may exceptionally dispense an Associate Member for complying with membership requirements as outlined in the related membership policies due to external factors outside of the association's control (for example currency issues, war, international payment restrictions, etc.).

2.4 External Organizations

2.4.1 Partners

(a) The Council may grant Partner status to important institutions that especially concern themselves at the international level with matters of concern to actuaries.

(b) Each Partner may appoint a non-voting representative to attend Council meetings, provided it agrees to invite an observer from the IAA to meetings of its governing body or at other meetings of particular relevance to actuaries. Partners have privileged access, subject to applicable rules, to IAA electronic communications and such other services as appropriate.
Partners may participate in the IAA’s International Congresses subject to payment of the Congress registration fees.

2.4.2 Observers

(a) Council may grant Observer status to organizations upon acceptance of an invitation by the President, with the mutual intent of enhancing communications, liaison, exchanges and strategic support. Such invitations may be addressed to public, academic or industry institutions of relevant interest for the global actuarial profession, particularly those active at an international, supranational or regional level.

(b) Observers may have privileged access, subject to applicable rules, to IAA electronic communications and such other services as appropriate. Observer Members may apply to participate in the IAA’s International Congresses, subject to payment of the Congress registration fees and acceptance of the application to participate. Observers’ participation in IAA Council and Committee meetings as well as meetings of other IAA entities, shall be detailed in a tailored and mutually beneficial agreement as approved by the Executive Committee.

2.5 Termination and Reinstatement of Members

2.5.1 Resignation of Members
Members may resign from the IAA by notice in writing at any time.

2.5.2 Termination of Full Members
If it is determined by the Membership Committee that a Full Member does not meet the membership criteria set out above, this shall be drawn to the attention of the Full Member. Unless the Membership Committee subsequently determines that the Full Member meets the membership criteria, the association will cease to be a Full Member and become an Associate Member, effective from the later of (a) three months after the date of the next Council meeting, and (b) the end of any period of temporary dispensation which may have been granted by the Membership Committee as provided above.

2.5.3 Termination of Associate Members
If it is determined by the Membership Committee that an Associate Member association does not meet membership requirements, this shall be drawn to the attention of the Associate Member. If an Associate Member fails to pay the applicable fees or to comply with the Associate Membership Policy, the Associate Member’s membership status shall be terminated effective at the end of their 3-year term. Unless the Membership Committee subsequently determines that the association meets membership requirements (other than the non-payment of fees as provided for above), the association will cease to be an Associate Member effective from the later of (a) the end of their 3-year term, or (b) the end of any period of temporary dispensation which may have been granted by the Membership Committee as approved by the Executive Committee.

2.5.4 Termination of Other Members
Council may terminate the membership of other members at any time.
2.5.5 Notification of Council and Appeal Rights
Council shall be notified of any pending change in the status of membership at the next Council meeting. If a dispensation from membership requirements has been granted by the Membership Committee, Council shall be notified at the Council meeting before the change would take effect. The members affected may appeal to Council for a determination of the Membership Committee.

2.6 Membership Fees and Contributions

2.6.1 Member Associations
Full Members and Associate Members shall pay such membership fees as determined by Council.

(a) Full Member Associations shall pay fees based on a flat amount per member, excluding the following defined categories:

(i) Members who do not have an actuarial credential recognised by the Full Member Association; or

(ii) Members whose annual membership fee is $0CAD.

For further clarity Members with an Actuarial Credential (MWAC) will be defined as: A fee paying individual member of a Full Member Association with a completed qualification, credential, academic award or designation in the field of actuarial science, that is recognized by the Full Member Association.

(b) Associate Member Associations pay a flat amount for a 3-year term.

2.6.2 Other Categories
Organizations which fall into other categories shall pay such fees or contributions as determined by Council.

2.6.3 Fees Non-Refundable
All membership fees and contributions paid shall be non-refundable. Members whose membership has terminated have no right to the IAA’s assets.

2.7 Website Access
Full Members, their actuaries and staff shall have access to the section of IAA’s website that is dedicated to Full Members. Sections, their members and staff shall have access to the segment of IAA’s website that is dedicated to the Sections. Other membership categories may have access to such sections of IAA’s website as determined by the Executive Committee.

SECTION III. COUNCIL MEETINGS

3.1 Attendance at Council Meetings

(a) Only those persons listed in Article 10 of the Statutes shall be entitled to attend Council meetings. One representative from each Associate Member, Partners, and such other membership categories as may be permitted by the Statutes or the Internal Regulations,
may also attend Council meetings, but without the right to vote. Other individuals may attend Council meetings as observers at the invitation of the President, and such individuals may not participate in the meeting discussions, unless explicitly invited to do so by the President.

(b) Council may hold in camera sessions, wherein attendance would be limited to those persons listed in Article 10 of the Statutes and invitees, if any, of the President.

3.2 Notice
The convening notice for each Council meeting must indicate the place, date and time for the meeting, with a detailed agenda and proposed motions. The convening notice must be sent by the Secretariat by e-mail to all persons who are entitled to attend Council meetings at least 30 days in advance of the meeting. The notice and all relevant documents must be available electronically.

3.3 Agenda and Business to be Transacted
Only business set out in the agenda for a Council meeting may be transacted at the meeting.

3.4 Amendments to Agenda Items
Amendments to the business on the agenda may be made upon recommendation of the relevant committee, where applicable, up to 15 days before the Council meeting, by delivering a notice to the Executive Director, provided that such amendments are not substantive in nature.

The Secretariat shall make available at Council, a document indicating clearly the amendments introduced after the delivery of the notice of the meeting.

3.5 Business to be Delayed
At Council, a motion, duly seconded, requesting that an amendment to an item on the agenda be carried to the next meeting's agenda for vote or for a follow-up electronic vote after the meeting will be accepted by the chairperson.

3.6 Method of Holding Council Meetings
A Council meeting may be held in person, or by means of a telephonic, electronic or other communication facility.

3.7 Determination of the Quorum
A quorum at any meeting of Council shall be a simple majority of the total voting rights. For changes to the Statutes or dissolution of the IAA, the quorum shall be two-thirds of the total voting rights. For the purpose of determining quorum at a meeting, a Delegate (or Alternate Delegate) may be present in person, by proxy, by telephonic or by other electronic means. If a quorum is present at the opening of a Council meeting, those present (in person, by proxy, by telephonic or by other electronic means) may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

A quorum for electronic voting ballots of Council shall be a simple majority of the total voting rights to have been expressed by the deadline for voting. For changes to Statutes by electronic voting ballot, the quorum will be two-thirds of the total voting rights.
3.8 Voting by Delegates and Alternate Delegates
Where a Delegate of a Full Member or Section is unable to attend a Council meeting, the Alternate Delegate appointed by the same Full Member or Section may attend, participate and vote at such Council meeting in the absence of the Delegate.

3.9 Proxy Votes
Where the Delegate is unable to attend a Council meeting and an Alternate Delegate has not been appointed, or where the Alternate Delegate is unable to attend a Council meeting, the Delegate (or Alternate Delegate as the case may be) may appoint in writing a proxyholder or one or more alternate proxyholders who must be Delegates or Alternate Delegates representing other Full Members or Sections, as nominee for the Delegate (or Alternate Delegate as the case may be) to attend and act at the meeting in the manner and to the extent and with the authority conferred by the proxy. Proxies must bear the original signature of the Delegate or Alternate Delegate appointing the proxyholder. Such proxies in writing must be submitted to the IAA Secretariat prior to the meeting and be attached to the original minutes of the meeting. The IAA Secretariat may accept a proxy sent through e-mail/electronically.

3.10 Other Means of Voting
In addition to voting in person or by proxy by the Delegates (and Alternate Delegates), every Delegate (and Alternate Delegate as the case may be) may also vote by any of the following means:
(a) by using an e-mailed-in ballot in the form provided by the IAA and in the manner prescribed by the IAA; or
(b) by means of an e-mail message, if this enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the IAA.

3.11 Minutes
Minutes of Council meetings shall be reported and endorsed by the chairperson of the Council meeting. The original shall be kept and maintained at the Secretariat along with copies of documents distributed at the meeting. The minutes shall be prepared and available electronically within forty-five days of the meeting.

SECTION IV. ORGANIZATION

Council shall be supported in its duties by Statutory Committees, other committees, forums, Sections and the Secretariat.

4.1 Terms of Reference of the Executive Committee

4.1.1 Members of the Executive Committee
The Executive Committee shall consist of all Officers and eight (8) additional members to be elected by Council. The President shall chair the Executive Committee.
4.1.2 Role

(a) Report to Council on its activities, including progress relative to execution of the agreed Strategic Plan;

(b) Establish and dissolve organizational structures, related to the operations of the IAA, including committees (except for Statutory Committees and other committees whose membership is limited, as set out in such terms of reference adopted by Council or the Executive Committee from time to time) and forums as necessary, and establish terms of reference for them, with such actions by the Executive Committee subject to ratification by Council. At least once in a three-year period, review the terms of reference of each of these organizational structures as to their appropriateness in relation to tasks foreseen and activity realized in implementing the Strategic Plan;

(c) Appoint chairpersons and vice-chairpersons of committees (except for the Statutory Committees and other committees whose membership is limited, as set out in such terms of reference adopted by Council or the Executive Committee from time to time) and forums, taking into account the recommendation of the Nominations Committee, with such appointments subject to the ratification by Council;

(d) Appoint committee members who are not delegates appointed by Full Member associations, taking into account the recommendation of the Nominations Committee, with such appointments subject to the ratification by Council;

(e) Provide oversight and coordination for the committees, forums and Sections;

(f) Recommend external relations policies, for approval by Council, in accordance with the Strategic Plan;

(g) Implement the due process policy for issuing public statements, guidelines, recommendations, actuarial notes or ISAPs;

(h) Approve agreements with other organizations in accordance with the external relations policy approved by Council;

(i) Recommend to Council the budget for each year for approval in line with the strategic financial plan and the associated schedule of membership fees recommended by the Strategic Planning Committee and adopted by Council;

(j) Implement the policy regarding the purchase of assets and disposition of assets held by the IAA;

(k) Determine the legal domicile of the IAA;

(l) Maintain the IAA’s business ledgers;

(m) Place items related to its role on the Council agenda;

(n) Recommend to Council future Council and committee meeting venues; and

(o) Carry out such other duties and responsibilities as may be determined by Council from time to time.
4.2 Terms of Reference of the Strategic Planning Committee

4.2.1 Members

(a) Membership

Membership of the Strategic Planning Committee is limited to 12 Full Member Associations. Each of the Full Member Associations on the Strategic Planning Committee will appoint one individual to serve on the Strategic Planning Committee at their own discretion. Full Member Associations control who they will nominate as their representatives for their term, but they are strongly encouraged to keep the same individual for the entire duration of the term in order to assure proper continuity within the Strategic Planning Committee.

The nominated representatives from four Full Member Associations in each of the following Tiers will be communicated to Council for endorsement:

(i) Tier 1: Full Member Associations with 5,000 or more Members with an Actuarial Credential (as defined in 2.6.1 of these Internal Regulations); members are elected to serve for four years;

(ii) Tier 2: Full Member Associations with more than 750 and less than 5000 Members with an Actuarial Credential; members are elected to serve for four years;

(iii) Tier 3: Full Member Associations with 750 or less Members with an Actuarial Credential; members are elected to serve for four years.

Each Tier will aim to have proper geographical representation of members.

The three IAA Presidential Officers and the Executive Director are ex-officio members with no voting rights, except for the Immediate Past-President who will have a casting vote in case of a tie vote between the voting members.

The Immediate Past-President serves as Chair of the Strategic Planning Committee.

During the initial transition period, the representatives’ terms may be shorter than the full term in order to ensure a proper staggering and rotation of members.

(b) Observers

An unlimited number of non-voting observers will be allowed to attend all Strategic Planning Committee meetings and may participate in meeting discussions. The Strategic Planning Committee Chair retains the right to limit the number of observers if the number of participants is found to be detrimental to the work of the committee. The following rules will apply to observers:

(i) Full Member Associations that are not members of the Strategic Planning Committee may appoint one individual as an observer to any Strategic Planning Committee meeting;

(ii) The Full Member Association must notify the Secretariat at least 30 days before the meeting that it intends to send an observer with the name of the observer;
(iii) Observers may receive copies of all meeting documents and will be expected to treat such documents with the same level of confidentiality expected of Strategic Planning Committee member delegates;

(iv) The Strategic Planning Committee Chair will manage all discussions giving precedence to Strategic Planning Committee member delegates;

(v) Observers will be welcomed to provide input to the extent that time and the number of observers allows;

(vi) IAA Sections are not Full Member Associations and thus not able to be members of the Strategic Planning Committee, but may appoint one individual as an observer to the Strategic Planning Committee, who will represent all IAA Sections collectively;

(vii) Observers are not members of the Strategic Planning Committee and do not vote.

4.2.2 Role

(a) Advise and make recommendations to Council on matters of IAA strategy, policy and overall direction;

(b) Recommend to Council a Strategic Plan and Strategic Initiatives and updates to them as conditions warrant;

(c) Report to Council on the activities and meetings of the Strategic Planning Committee;

(d) When it becomes appropriate, but at least every four years, consider the progress of committees, forums, subcommittees, work groups and task forces in realizing the Strategic Plan and provide appropriate feedback to the Executive Committee and to Council on any aspect that the Strategic Planning Committee considers appropriate;

(e) When it becomes appropriate, but at least every four years, review the governance and structure of the IAA and make recommendations to Council in relation to any need for change;

(f) Recommend to Council the strategic financial plan and the associated schedule of membership fees. In developing its recommendation to Council, the Strategic Planning Committee will receive all necessary information from the Executive Director and the Executive Committee;

(g) Recommend to Council a Strategic Action Plan for ISAPs;

(h) Place items related to its role on the Council Agenda;

(i) Carry out such other duties and responsibilities as may be determined by Council from time to time;

(j) The Strategic Planning Committee shall not have direct involvement in the operational and management activities of the IAA. However, if in the judgment of the Strategic Planning Committee it becomes clear that the operational and management activities are not consistent with the Strategic Plan and objectives approved by Council, the Strategic Planning Committee may present recommendations for appropriate changes to Council.
4.2.3 Decision-making Authority
The Strategic Planning Committee makes recommendations to Council.

4.2.4 Operational and Other Matters
Operational and other matters of the Strategic Planning Committee shall be set out in its committee policies and approved by Council.

4.3 Terms of Reference of the Audit and Finance Committee

4.3.1 Members
Members of the Audit and Finance Committee shall be appointed by Council.

4.3.2 Role
(a) The Audit and Finance Committee shall review policy and financial outcomes relating to:
   (i) budgets and delegated authorities;
   (ii) investments, expenses, Sections, and Congresses;
   (iii) reimbursement of internal expenses, gifts from the IAA, and terms of financial contracts.
(b) The Audit and Finance Committee shall recommend the annual financial statements and the appointment of the auditor to Council for approval. The Audit and Finance Committee shall also provide appropriate annual certification in relation to specific financial matters and other matters delegated to the Audit and Finance Committee.
(c) The Audit and Finance Committee shall monitor all electronic Council ballot results annually.
(d) The Audit and Finance Committee shall monitor compliance with regulatory requirements through annual certification produced by the Secretariat.
(e) The Audit and Finance Committee shall be responsible for oversight of risk management, including:
   (i) identifying key risks to the IAA,
   (ii) quantifying risk exposures,
   (iii) assisting Council in defining risk tolerance,
   (iv) recommending risk management actions, and
   (v) providing risk information needed to support strategic objectives and decisions.
(f) The Audit and Finance Committee shall produce an annual report to Council on its oversight of risk management.
(g) The Audit and Finance Committee will provide the Strategic Planning Committee with audited financial statements and such other financial information as may be needed to support the development of budget and fees recommendations for Council.
4.3.3 Decision-making Authority
The Audit and Finance Committee makes recommendations for action by Council, the Executive Committee or the Strategic Planning Committee, as appropriate.

4.3.4 Operational and Other Matters
Operational and other matters of the Audit and Finance Committee shall be set out in its committee policies and approved by Council.

4.4 Terms of Reference of the Nominations Committee

4.4.1 Members
Members of the Nominations Committee shall be nominated by the Nominations Committee and elected by Council. They shall consist of:

(a) The Penultimate Past-President, who shall be the Chairperson of the Nominations Committee;

(b) The Immediate Past-President, President and the President-Elect; and

(c) At least five, but not more than 9, additional persons chosen to ensure a proper geographical, linguistic, gender and cultural balance and reflect indications of interest from Full Members.

4.4.2 Role
(a) The Nominations Committee shall be responsible for providing to Council suitable nominees for election as:

(i) President-Elect;

(ii) Individual members of the Audit and Finance; Executive; and Nominations Committees and of other committees whose membership is limited as set out in such terms of reference adopted by Council or the Executive Committee from time to time; and

(iii) President, if the incumbent President-Elect is unable to take up the position.

(b) The Nominations Committee shall be responsible for providing to the Executive Committee suitable nominees for appointment as, with such appointments subject to the ratification by Council:

(i) IAA Delegates to Section Boards;

(ii) Members of committees whose membership is limited as set out in such terms of reference adopted by Council or the Executive Committee from time to time; and

(iii) Chairpersons and Vice-Chairpersons of committees, forums and other positions as determined by the Executive Committee.

(c) In making its nominations, the Nominations Committee must seek to achieve geographical, linguistic, gender and cultural balance, as well as an appropriate range of skills, practice areas and size of home Full Member Associations.
(d) The Nominations Committee may provide more than one nominee for a position, but not more than three, when it is considered that each of them would, if elected/appointed, carry out the responsibilities and fill the position with equal distinction and the choice among them will not disrupt orderly guidelines of the Nominations Committee with respect to balance. In such cases, the Nominations Committee must provide to Council (or Executive Committee, as the case may be) a description of the merits of each nominee.

4.4.3 Decision-making Authority
The Nominations Committee provides its nominations to Council or the Executive Committee, as appropriate.

4.4.4 Operational and Other Matters
Operational and other matters of the Nominations Committee shall be set out in its committee policies and approved by Council, except for the below:

(a) Protocol for Nomination of President-Elect

(i) Nominations of the President-Elect shall aim to achieve cultural, geographical, gender and linguistic diversity in the leadership.

(ii) As an objective, the presidency over an eight-year period shall, to the extent possible, be rotated so that two Presidents would be from Europe, two from the United States or Canada, two from the Asia, Latin-America and the Caribbean, Oceania and Africa (ALOA) region, and two from any of these categories.

(iii) The nominee must be a MWAC of a Full Member Association and shall be functionally competent in English and, if possible, in a second language.

(iv) The nominee shall normally have served in a leadership capacity of committees, forums or Sections, or as a member of the Executive Committee.

(v) The nominee must have experience as a leader within his/her own actuarial association and have the support of the said actuarial association to aspire to the positions of President-Elect and President in the IAA.

(b) Protocol for Election of President-Elect
Council shall sit in camera to consider the nominations provided by the Nominations Committee for the positions of President and President-Elect; the nominees shall be excused from the meeting.

4.5 Committees, Subcommittees, Task Forces and Forums

(a) Committees

(i) From time to time, the Executive Committee may establish such other committees as it determines necessary to assist in carrying out the work in accordance with the Strategic Plan, and establish terms of reference for committees, subject to ratification by Council. These committees shall report to the Executive Committee and shall comply with the criteria set out below.

(ii) Committees are normally established for an indefinite period.
(iii) The terms of reference will establish the committee's authority with respect to decision-making. The terms of reference will also establish the committee's authority to formally represent, or speak on behalf of, the IAA. Under exceptional circumstances in the sole discretion of the Executive Committee, committees can delegate these authorities to their subcommittees or task forces.

(iv) Each Full Member may designate a delegate to each committee, except to the Statutory Committees and any other committees whose membership is approved by Council or the Executive Committee, as determined by their terms of reference.

(v) A committee delegate shall be a MWAC of a Full Member Association. An association may appoint an MWAC who is a member of another association.

(vi) The Full Member of which a committee Chairperson or Vice-Chairperson is a member may nominate another person as delegate to the committee.

(vii) The Chairperson, Vice-Chairpersons and other committee members who are not delegates appointed by Full Members shall be appointed by the Executive Committee, subject to ratification by Council.

(viii) Individuals nominated as Chairperson or Vice-Chairperson of committees shall be an MWAC of a Full Member and be functionally competent in English and, if possible, in a second language.

(ix) If a committee Chairperson is absent or is unable to act, a Vice-Chairperson of the committee shall act in the stead of the Chairperson.

(x) Chairpersons of committees may permit other individuals to attend and participate as observers at committee meetings, including staff members of Full Members and other non-actuaries.

(b) Subcommittees and Task Forces

(i) Subcommittees and task forces are means by which committees may pursue efficiently specific objectives. Committees may appoint their own or joint subcommittees and task forces and establish their terms of reference (as long as these are contained within the scope of the main committee(s)), membership, timeline and target dates, all subject to subsequent reporting to the Executive Committee.

(ii) The appointing committee(s) is(are) responsible for setting coordination and reporting arrangements.

(iii) Members of subcommittees and task forces shall not represent particular Full Members but are selected on the basis of their expertise needed to achieve the specific goals of the subcommittees and task forces.

(iv) Subcommittees should be appointed where the nature of the work is for a longer term.

(v) Task forces should be appointed where the nature of the work is of limited duration and for a specific task. They should be disbanded when the task is complete.
(vi) Subcommittees and task forces should, where possible, carry out their work between meetings of the committee(s) to which they report.

(vii) Members of subcommittees or task forces do not need to be delegates to the main committee(s), other than the chairperson.

(viii) The Chairperson of a subcommittee or task force will be an ex-officio member of the committee(s) to which he/she reports with the exception of the Statutory Committees and committees whose membership is limited as set out in such terms of reference adopted by Council or the Executive Committee from time to time.

(c) Advance Committee
The purpose of the Advance Committee is to encourage and promote the development of actuarial knowledge and expertise aligning with IAA strategic goals. Its roles are:

(i) Foster research and expansion of scientific knowledge and support emerging areas of actuarial practice.

(ii) Facilitate communication and coordinate the activity of task forces and forums.

(iii) Work with Relationship Managers to assist the IAA in its engagement with key supranationals.

(iv) Establish task forces as appropriate to assist in the delivery of these objectives. Reapprove task forces and their scope annually.

(v) Scrutinise and approve annual project plans for all task forces under its jurisdiction, and receive reports from each forum.

(vi) Maintain and update relevant IAA products.

(vii) Report to the Executive Committee.

(d) Forums
The purpose of the forums is to facilitate Full Member Associations to share knowledge and expertise. Their roles are:

(i) Provide a forum for Full Member Associations to exchange knowledge and latest developments in the area of their practice.

(ii) Support Full Member Associations developing expertise in the area of their practice.

(iii) Inform the Advance Committee of horizon issues.

(iv) Report to the Advance Committee including recommendations on IAA projects to the Advance Committee.

The following rules will apply to forums:

(i) Forums may be established or dissolved by the Executive Committee upon recommendation by the Advance Committee. The Executive Committee shall approve the terms of reference and, considering the nominations of the Nominations Committee, appoint the Chairperson and Vice-Chairperson of forums.
(ii) Forums have no decision-making authority and cannot approve work projects or initiatives, but they can submit potential activities to the Advance Committee.

(iii) Forums cannot represent, or speak on behalf of, the IAA.

(iv) Each Full Member Association may designate one delegate and an unlimited number of endorsed members to each forum.

(v) The IAA Sections whose area of practice is relevant for the area of practice of a forum, can each designate one individual to serve as a liaison with such a forum. IAA Section liaisons to forums serve the purpose of information sharing between IAA Sections and related forums.

(vi) A forum is presumed to be established for an indefinite period, but the need for each forum will be reviewed by the Advance Committee at least every 2 years or when it becomes appropriate.

(vii) Forums are not required to meet in-person and shall operate mostly via virtual means.

4.6 Committee Meetings

Committee meetings shall be held in accordance with the provisions set out below. Meetings of subcommittees, task forces and forums shall be conducted in accordance with the rules and other requirements prescribed by the committee that established them.

(a) Committee meetings may be held in person, or by means of a telephonic, electronic or other communication facility. Committee members may also be given the opportunity to express a view orally or in writing.

(b) Committee meetings do not require a quorum participation of committee members to be held.

(c) Nonetheless, all committee decisions shall require a simple majority of the voting rights cast by committee members (excluding abstentions and spoiled ballots/votes), unless a higher level has been set by the committee through its terms of reference. As a guideline, committees should attempt to make decisions by consensus where possible.

(d) Committee members each get the right to cast one vote.

(e) If a committee member is unable to attend a committee meeting, the member may cast a vote by e-mail, or appoint a proxyholder to vote by proxy.

(f) Convening notices for all committee meetings must be sent by e-mail and/or other electronic means by the Secretariat to all persons who are entitled to attend at such meetings. They must include the date, time, place and agenda and proposed resolutions for the meeting. They must be available electronically.

(g) Minutes of committee meetings shall be reported and endorsed by the chairperson of the applicable committee meetings. The original shall be kept and maintained at the Secretariat along with copies of documents distributed at the meeting. The minutes shall be prepared and available electronically to committee members within forty-five days of the meeting or sooner, if stipulated by the committee terms of reference.
SECTION V.  SECRETARIAT

5.1  Duties of the Secretariat
The Secretariat shall be responsible for the day-to-day management and financial administration of the IAA, as more specifically set out below.

5.2  Management of the Secretariat
The role and responsibilities of the Secretariat shall be delegated to International Actuarial Association Services, an organization that will be incorporated pursuant to the Canada Not-for-Profit Corporations Act, S.C. 2009, c.23 (the “Secretariat”).

The Secretariat shall be managed by an Executive Director who is responsible for the management of the human and financial resources of the Secretariat and of its operations with the objective of ensuring an efficient and cost-effective delivery of the services required by the IAA to implement its strategic objectives.

The duties include the coordination of the activities of the Secretariat for the accomplishment of its detailed duties and support to the IAA Officers, Council, committees, forums and Sections, in compliance with the IAA Statutes and Internal Regulations, the Secretariat’s articles of incorporation and bylaws, and all applicable legislation.

The Executive Director shall report to the Secretariat’s Board of Directors, which is responsible for strategic oversight of the Secretariat, and which is comprised of the members of the IAA Executive Committee.

5.3  Working Languages
The Secretariat shall arrange for translation of governance documents into English and French.

5.4  Financial Administration
(a) Accounts
On a quarterly basis, the Secretariat shall prepare the applicable accounting records and schedules as required by the auditor or Audit and Finance Committee, produce internal management reports to monitor actual results compared to budgets, and prepare account analyses for the Executive Committee.

(b) Budgeting
The Secretariat shall annually obtain projected annual expenses from all IAA committees and other areas of activity in a manner which assures timely and accurate budget preparation and submit a draft budget and cash flow projection to the Executive Committee.

(c) Administration
The Secretariat shall:
(i) Invoice membership fees and monitor collections for IAA, including the Sections.
(ii) Supervise all banking activities and manage assets as directed by Council.
(iii) Review regularly short-term cash requirements and timely investment of excess funds.
5.5 General Administration

(a) Records
The Secretariat shall maintain all membership records and support the activities of committees and forums which have membership management responsibility.

(b) Publications
The Secretariat shall co-ordinate all printing, editing, and design of publications, including those of the Sections.

(c) Communications
The Secretariat shall manage all communications from the IAA to its members or third parties.

5.6 Meeting Support and Organization

(a) The Secretariat shall co-ordinate and support all meetings, including notification, preparation and distribution of agendas and supporting documents, and distribution of minutes.

(b) The Secretariat shall arrange meeting logistics for Council, Executive Committee and all other committees and forums, utilizing, as may be needed, the assistance of the host actuarial association, where applicable. A representative from the Secretariat, as designated by Council or the Executive Committee, failing which as designated by the Executive Director, shall attend meetings of Council, the Executive Committee, and the Nominations Committee.

(c) The Secretariat shall liaise with the Full Members selected to hold the Congresses and the Sections holding Colloquia regarding IAA's policies and standards, especially in relation to the format of meeting, organization, advertising, registration and funding.

5.7 Expenses
The reimbursement of expenses shall be in accordance with rules determined by Council from time to time, provided that the expenses for reimbursement are submitted in a timely manner with the required documentation.

SECTION VI. OFFICERS

6.1 Term of office
The term of office for the President and a President-Elect shall be one year, commencing on January 1 and ending on December 31. Upon the completion of the term of office for the President and the President-Elect, a minimum of a six (6) years’ absence is required before eligibility for re-election to be an Officer.

6.2 Decision-making Authority
The Officers, under the leadership of the President, are responsible for optimizing the contribution of the IAA to the progress of the actuarial profession globally through the pursuit of the strategic objectives as defined in the Strategic Plan. In the interest of efficiency, the Officers may make decisions in response to immediate needs of a strategic or operational
nature that may arise between meetings of Council, the Executive Committee or the Strategic Planning Committee.

SECTION VII. REMOVAL FROM OFFICE

7.1 **Termination**
The term of an Officer, or of a member of the Executive Committee, may be terminated by Council at any time by a simple majority of the voting rights cast. Unless so removed, an Officer or member of the Executive Committee shall hold office until the earliest of the following:

(i) the expiry of the then current term of office;
(ii) the effective date of the appointment of the successor;
(iii) the resignation of the Officer or member of the Executive Committee; or
(iv) such death of the Officer or member of the Executive Committee.

7.2 **Vacancy**
If the office of any Officer or member of the Executive Committee shall become vacant, Council may, by a simple majority of the voting rights cast, elect a person to fill such vacancy, and Council may decide whether to fill the vacancy for the balance of the term.

SECTION VIII. SECTIONS GOVERNANCE

8.1 **Board**
Each Section shall be governed by a Section Board. Two of the members of each Section Board shall be appointed by the Executive Committee to represent Council, based on nominations by the Nominations Committee, such appointments shall be subject to ratification by Council. The other members of each Section Board are appointed by the Section in accordance with its rules.

8.2 **Rules**
Each Section Board may establish its own rules, which are not inconsistent with the Statutes and the Internal Regulations, in relation to the operations of the Sections. All rules established by the Sections shall be subject to approval by Council.

8.3 **Members**
Individual actuaries may join any Sections of their choice in accordance with the rules established by the Sections. Each Section may determine membership criteria for such individuals, but these individuals are not deemed to be members of the IAA by virtue of their Section membership.

8.4 **Finance and Activities**
Each Section shall be responsible for ensuring stewardship for their finances and activities. Their financial statements shall be subject to audit and approval by the Audit and Finance Committee. The Sections shall report semi-annually to Council on their activities and financial position.
SECTION IX. CONGRESSES

9.1 Recurrence
International Congresses shall usually be held once every three years.

9.2 Selection
The host organization(s), place and date of each Congress shall be fixed by Council, depending on the suitability of the various countries expressing an interest in holding the Congress and the level of support of the actuarial association(s) in those countries.

9.3 Meetings
In the year of the Congress Council shall schedule Council and committee meetings, and Section Colloquia to take place in conjunction with the Congress. For clarity, Section Colloquia are conferences held by Sections.

9.4 Organizing Committee
The Full Member(s) in a country chosen to host a Congress shall establish an Organizing Committee. For each Congress, the IAA Executive Committee shall appoint one of its members and a Secretariat staff person who shall serve as members of the Organizing Committee.

9.5 Responsibilities of the Organizing Committee
The Organizing Committee shall make all arrangements for the Congress (including advertising, registration and funding). The Organizing Committee shall be responsible for developing regulations for the Congress and determining programs of action and topics for discussion at the Congress; and the Organizing Committee shall submit the same to Council for approval at least two years before the date of the Congress. The Organizing Committee shall arrange for the publication (digital or by other means) of those papers submitted and chosen for presentation at the Congress.

9.6 Finances
The Organizing Committee shall ensure that all expenses of the Congress and related publications are paid. A final report on the outcome of the Congress, including financial results, must be submitted to Council within twelve (12) months following the Congress. The Regulations of the Congress must stipulate how the Organizing Committee plans to dispose of any surplus that may be generated by the Congress.

SECTION X. CORRESPONDENTS

For the purpose of on-going continuity of relationships between Full Members and Associate Members and the Secretariat, each Full Member and Associate Member shall designate a Correspondent as a contact person with the Secretariat. In the case of Full Members, the Correspondent shall not be the same person as the Delegate designated by the Full Member.
SECTION XI. AGREEMENTS WITH OTHER ORGANIZATIONS

The IAA may enter into agreements with other organizations in order to strengthen an established relationship with such organization and/or to conduct joint activities, and/or to achieve shared objectives with measurable outcomes.

All such agreements shall be subject to the approval of the Executive Committee in accordance with the external relations policy approved by Council from time to time.

SECTION XII. PATRONS

12.1 Status
The Executive Committee may grant Patron status to entities that wish to provide regular financial support to the work done by the IAA in developing the body of knowledge of actuarial science, enhancing the quality of services, the professional standards and in general ensuring that the public interest is well served.

12.2 Restrictions
Patrons must not have any aim or purpose that is in conflict with the Vision Statement and Mission Statement as adopted by Council from time to time; shall not act in a manner that damages the reputation of the actuarial profession; and shall not engage in any advertising or solicitation of business services that the Patron knows or should know is false or misleading. Patrons may have access, subject to applicable rules, to IAA electronic communications and such other services as appropriate.

SECTION XIII. AMENDMENTS TO THE INTERNAL REGULATIONS

These Internal Regulations may be amended by Council from time to time. Amendments to these Internal Regulations shall require an affirmative vote of at least two-thirds of the voting rights cast.