

Rules of the Pensions, Benefits and Social Security (PBSS) Section

STATUTORY BASIS

Article 1

The Pensions, Benefits and Social Security Section (hereinafter "PBSS") operates in accordance with the Statutes and Internal Regulations of the International Actuarial Association (IAA).

OBJECTIVES

Article 2

The objective of PBSS is to promote and facilitate an international exchange of views, advice, research and practical information among actuaries and other experts involved with public and private pensions, social security, employee benefits and related public policy issues. Such issues include pension reform and policy; employee benefits; share options and other total compensation components; risk benefits; planning; design; adequacy and system sustainability; the economics of pensions and social security; insurance; pre-funding and other financing methods; investment; asset/liability management; risk management and research.

- a. To this end, PBSS organizes seminars, colloquia and other meetings, and may engage in other activities such as online exchanges, developing websites and publications, and establishing links to other organizations and IAA sections.
- b. PBSS supports the publication of a scientific journal of high quality known as the ASTIN Bulletin - the Journal of the IAA - which includes papers and articles from all areas of actuarial practice.
- c. PBSS may engage in other activities that promote the role and activities of pensions, employee benefits and social security actuaries within and outside the profession, support formal IAA activities with a pension, employee benefits or social security content and interact with pensions and social security committees of IAA member actuarial organizations and other IAA sections.
- d. Research activities should, as far as possible, be complementary to those undertaken by local associations. PBSS activities should respect the principle of subsidiarity as set out in Article 8 of the IAA Statutes.
- e. Relevant information regarding the activities of PBSS, and other materials of interest to pension, employee benefits and social security actuaries, will be posted on the PBSS website.

DURATION

Article 3

The duration of PBSS is unlimited.

CLASSES OF MEMBERS, ADMISSION AND WITHDRAWAL

Article 4

There shall be three classes of PBSS members, consisting of Ordinary, Observer and Donor Members.

- a. The class of Ordinary Members is open to individual actuary members of IAA member associations. Qualified individuals interested in becoming Ordinary Members may submit their applications either directly to the IAA Secretariat or to their respective member association.

- b. The class of Observer Members is open to student actuaries, actuaries who are not members of IAA member associations and persons who are not actuaries, provided that they are interested in following and participating in the activities of PBSS and are noted for their particular competence or interest in pensions, social security or employee benefit matters. Qualified individuals interested in becoming Observer Members may submit their applications to the PBSS Board, which may assess the application and determine whether the applications are to be approved.
- c. Donor Members are individuals, associations, organizations or companies that support financially the activities of PBSS, as determined at the sole discretion of the PBSS Board. Qualified individuals and entities interested in becoming Donor Members may submit their applications to the PBSS Board, which may assess the applications and determine whether the applications are to be approved.

In addition, all Ordinary, Observer and Donor Members shall be notified in writing of their membership dues, if any, and the time payable by them. If they are not paid by the deadline determined by the PBSS Board, the relevant membership shall be terminated.

Article 5

Subject to Article 13, Ordinary Members shall have the right to attend, speak and vote at meetings of the PBSS General Assembly. Observer and Donor Members do not have voting rights.

Article 6

Membership of these categories may be terminated upon occurrence of any of the following:

- a. Written resignation by the member; or
- b. A serious breach of the Section Rules by the member; or
- c. Failure to pay any required PBSS membership dues; or
- d. Death of the member; or
- e. Removal by resolution of the PBSS General Assembly.

In addition, Ordinary Membership ceases if at any time the person ceases to belong to a member association of the IAA.

THE PBSS BOARD

Article 7

Composition

A PBSS Board normally composed of 12 members, with a minimum of eight and up to a maximum of 14, shall be responsible for managing PBSS.

Article 8

- a. Two of the Board members shall be Delegates appointed by the Executive Committee of the IAA. They will serve as non-voting ex officio members.
- b. The balance of the Board members shall be elected by Ordinary Members at a meeting of the PBSS General Assembly.
- c. Nominations for Board members should endeavour to provide for a balanced geographical, linguistic and cultural distribution of Board members. In addition the aim should be to promote diverse membership from various types of employment and from those with research and applied orientations. Where possible, no more than two Board members may be elected from any one country.

Elections

Article 9

- a. The PBSS Board shall seek nominees, from the list of Ordinary Members, for election to be Board members at least 60 days prior to the time of an election.
- b. The Board members, with the exception of the Delegates appointed by the Executive Committee of the IAA, are elected for a term of four years. They are elected during a PBSS General Assembly meeting. The maximum number of terms for each Board member is two consecutive four-year terms, unless appointed as an Officer during his/her second term, in which case one extra four-year term is allowed. The Chair, on ceasing to fulfil the office of Chair, may continue on the Board as Immediate Past Chair for up to two years.
- c. The Delegates appointed by the Executive Committee of the IAA do not have a term of office. They shall serve for as long as appointed by the Executive Committee of the IAA.
- d. Should a vacancy on the PBSS Board arise between meetings of the PBSS General Assembly, the vacancy may be filled until the next meeting by an Ordinary Member elected by majority vote of the remaining Board members. At the next meeting of the PBSS General Assembly, a replacement shall be elected by the Ordinary Members to fill the vacancy for the remainder of the term.
- e. When an election is to be held at a meeting of the PBSS General Assembly, notice will be given in the IAA Newsletter or by electronic communication.
- f. The IAA Delegates shall oversee the nomination and election process for Board members.

Article 10

The duties and responsibilities of Board members are:

- a. To maintain his/her Ordinary membership in PBSS. During the first quarter of each year, the Board member shall confirm his/her Ordinary membership to the Secretariat and the PBSS Board Chair.
- b. To carry forward the objectives of PBSS through discourse and collaboration and with the PBSS Board's assent;
- c. To promote the objectives of PBSS with full enthusiasm, energy and integrity;
- d. To participate actively and constructively in the discussions of the PBSS Board, whether in person, by telephone, or by other form of communication;
- e. To take on their share of assignments in subcommittees of PBSS;
- f. To report to the Chair any potential conflicts of interest between their financial or other interests and the objectives of PBSS.

In addition, a Board member shall not profit from the activities of the PBSS Board. In providing his/her services to PBSS, a Board member shall act in a manner that does not violate the precepts of his/her association's Code of Professional Conduct.

Article 11

The PBSS Board may terminate an elected Board member's term prematurely by a two-thirds or greater vote of its total membership (excluding the member being reviewed) if the Board member fails to abide by the duties and responsibilities set forth in Article 10 (other than 10a) or commits another serious breach of the Section Rules. The PBSS Board may terminate an elected Board members term automatically, if the Board member fails to maintain his/her Ordinary membership as set forth in Article 10a. This may include failing to pay the annual Ordinary membership fee after receiving three electronic notices of non-payment of dues from the IAA Secretariat, or ceasing to be a member of an IAA member association. Quantitative criteria for such removal include the failure to participate in at least 50% of PBSS Board meetings over any consecutive 12 month period or non-participation for four or more consecutive meetings commencing with meetings after July 1, 2016. Participation by telephone counts as face-to-face participation. In addition, lack of engagement in PBSS Board matters, as demonstrated by non-involvement in

PBSS Board business or a record of non-participation in voting on resolutions circulated by e-mail, would be grounds for removal. It is anticipated that the Chair would initiate a discussion with the member prior to the vote in an attempt to address his or her lack of participation.

Officers and Subcommittees

Article 12

- a. The PBSS Board shall appoint biennially from among its members, except for the Delegates appointed by the Executive Board of the IAA, a Chair, a Deputy Chair, a Secretary, and a Treasurer who shall be the Officers of PBSS. The IAA Delegates shall oversee the process for the election of the Officers.
- b. In extraordinary circumstances, in recognition of great service to PBSS, an individual may be elected an Honorary Chair of PBSS.
- c. The PBSS Board may establish subcommittees to promote PBSS objectives, either on a temporary or permanent basis, and define their tasks. The Chair for a subcommittee shall be appointed by the PBSS Board from among the Ordinary or Observer Members; the Chair need not be a Board member. The balance of subcommittee members shall be appointed by the Chair of the subcommittee from among any Ordinary or Observer Members. The chair may invite an individual who is not a PBSS member to join the subcommittee subject to the PBSS Board's approval.
- d. The PBSS Board may, at its sole discretion, terminate subcommittees.

Meetings

Article 13

- a. The PBSS Board shall meet at least once a year, which may be in conjunction with a PBSS Colloquium or an IAA International Congress of Actuaries.
- b. The PBSS Board may only make a decision during a meeting, provided that more than half of the Board members are present (either physically or by phone/videoconference) and at least one Officer is present. The decision is then taken by a simple majority of those present, excluding IAA Delegates.
- c. A valid decision may also be taken by mail or e-mail, provided that every Board member is polled and a simple majority of the full PBSS Board is attained. The PBSS Secretary is responsible for collecting and counting the votes.

Article 14

The PBSS Board bears a general responsibility for PBSS operations, the expenditure of funds on behalf of PBSS, seminars, colloquia and other activities. The PBSS Board shall report annually to the IAA Council on their activities and the financial position of PBSS.

The practical organization of each activity may be entrusted to a subcommittee of PBSS or to a committee or task force of a host association. No seminar or colloquium shall be organized to fall within six months or be held in the same calendar year as an IAA Congress, unless such a seminar or colloquium is part of the Congress activities. Activities should be financed by registration fees of participants and their accompanying persons, or from any subsidies and donations from the host organization and other sources.

GENERAL ASSEMBLIES OF PBSS

Article 15

- a. Meetings of the PBSS General Assembly shall be held at such time and place and with such frequency as determined by the PBSS Board and may be held in conjunction with each PBSS Colloquium and IAA Congress, as determined by the PBSS Board. An

- Extraordinary PBSS General Assembly may be called by decision of the PBSS Board or at the written request of at least five per cent of the Ordinary Members.
- b. Notice of a PBSS General Assembly meeting will be given to all members by the PBSS Secretary at least 60 days in advance.
 - c. Each Ordinary Member shall have the right to attend, speak and cast one vote at a PBSS General Assembly meeting. Ordinary Members may alternatively vote electronically in advance of the meetings (electronic voting will not be available for motions proposed during the meeting).
 - d. Ordinary Members may also cast one vote electronically on matters to be decided by electronic voting in lieu of a PBSS General Assembly meeting, as determined by the PBSS Board.
 - e. Other than voting in person or electronically, every Ordinary Member may also vote in advance by using a mailed-in ballot in the form provided by the PBSS Board and in the manner prescribed by the PBSS Board from time to time (mailed-in voting will not be available for motions proposed during the meeting).

Observer and Donor Members may attend meetings of the PBSS General Assembly, but do not have the right to speak at them unless permitted by the Chair of the meeting. Observer and Donor Members do not have any voting rights.

Article 16

- a. Meetings of the PBSS General Assembly are presided over by the Chair of the PBSS Board, in his or her absence by the Deputy Chair, and otherwise by one of the IAA Delegates to the PBSS Board.
- b. The portion of a PBSS General Assembly meeting conducted for the purpose of election of Board members shall be presided over by one of the IAA Delegates to the PBSS Board. If an IAA Delegate is not present at the meeting, the election may be presided over by another Board member.

Article 17

The duties of the PBSS General Assembly are to:

- a. Elect Board members;
- b. Receive reports from the
 - a. Secretary on the activities; and,
 - b. PBSS Treasurer on the financial condition and budget.
- c. Set the membership dues; and
- d. Conduct any other business on the PBSS General Assembly agenda.

Article 18

With the exception of the matters referred to in Article 22 and Article 24 (c), resolutions adopted at a PBSS General Assembly meeting are decided by a simple majority of the votes cast.

LANGUAGES

Article 19

The official languages of PBSS are those of the IAA.

FINANCIAL MATTERS AND ADMINISTRATION OF FUNDS

Article 20

- a. The PBSS Treasurer is responsible for the financial matters of PBSS. Each year, the PBSS Treasurer must submit a budget for approval by the PBSS Board no later than September 1 of any year for the following financial year commencing on January 1 thereafter.
- b. The financial report for the previous year presented at the PBSS General Assembly must account for all financial transactions and for the administration of funds.
- c. The PBSS financial statements are audited annually as part of the IAA Audit.
- d. The PBSS Treasurer is responsible for the management of the assets of PBSS in compliance with the IAA Investment Policy, Guidelines and Restrictions, as approved by the IAA Council from time to time

Article 21

- a. The membership dues of the Ordinary Members of PBSS shall be payable either directly to the IAA Secretariat or to IAA member associations which shall remit all dues collected to the IAA Secretariat on behalf of PBSS.
- b. The membership dues of the Observer and Donor Members shall be collected directly by the IAA Secretariat on behalf of PBSS.
- c. The IAA Secretariat shall assist the PBSS Treasurer with the maintenance of records and preparation of accounts.

DISSOLUTION OF PBSS

Article 22

- a. PBSS can be dissolved by a vote of the Ordinary Members at a meeting of the PBSS General Assembly, with absent Ordinary Members having the facility to vote electronically in advance of this meeting. The decision is valid only if more than 80 per cent of those voting are in favour of the dissolution. A decision to dissolve PBSS is subject to subsequent ratification by the IAA Council.
- b. At its discretion, the IAA Council may discontinue PBSS as a section of the IAA. However, PBSS may continue independently from the IAA.

Article 23

In case of discontinuation, all remaining assets will be transferred to the independent PBSS association. In case of complete dissolution of PBSS, the remaining assets will be transferred to the IAA, which shall create a fund to dispose of them, taking into account the objectives defined in Article 2 and the directions given by the PBSS General Assembly approving the dissolution.

AMENDMENTS TO THE RULES

Article 24

- a. Any amendments to the Rules must be submitted by the PBSS Board to Ordinary Members of PBSS at least 60 days prior to the date upon which the PBSS General Assembly is to take a decision.
- b. Any two Board members, upon the written request of at least five per cent of the Ordinary Members, may propose changes to these Rules to be considered at the next PBSS General Assembly meeting.
- c. Rules may be amended by a vote in favour by two-thirds of the votes of Ordinary Members present and voting at a meeting of the PBSS General Assembly, with absent Ordinary Members having the facility to vote electronically in advance of the meeting, subject to subsequent ratification by the IAA Council.
- d. Rules and amendments take immediate effect on the date of their approval by the IAA Council.

Approved by the IAA Council on November 18, 2020