



Institute of Actuaries of Australia

## **Disciplinary Action**

On 15 May 2008, a Professional Conduct Tribunal of The Institute of Actuaries of Australia ("Institute"), acting under the Institute's Disciplinary Scheme as part of its Constitution, delivered its decision in relation to a complaint made against Mr William Szuch ("Respondent") by Mr Grant Peters in his capacity as Convenor of the Life Insurance and Wealth Management Practice Committee of the Institute.

The complaint arose from the Respondent's disqualification by the Australian Prudential Regulation Authority from working as an appointed actuary under the Life Insurance Act 1995 (Cth).

The nature and circumstances of the complaint were that the Respondent did not comply with the relevant actuarial standards, as follows:

- (a) in determining the resilience reserves for two friendly societies, the Respondent did not properly consider or determine the effect of a decrease in interest rates;
- (b) in relation to a friendly society, the Respondent failed to make resilience allowance for adverse movements in certain property values;
- (c) in determining the policy liabilities for a friendly society, the Respondent had used an interest rate which was too low; and
- (d) in determining the policy liabilities for a friendly society, the Respondent made no allowance for future bonuses.

The Tribunal's determination is that the Respondent:

- (1) has committed or been engaged in unsatisfactory professional conduct (constituting Actionable Conduct) in respect of the conduct which is described in each of paragraphs (a) and (b) above and that the Respondent should be given a warning; and
- (2) has not committed or been engaged in Actionable Conduct in respect of the conduct which is described in paragraphs (c) and (d) above, but that concern should be expressed in relation to the conduct of the Respondent in failing to disclose the reasons for making certain assumptions.

The Respondent lodged a Notice of Appeal against the Tribunal's determination on 16 June 2008. On 15 July 2008, the Respondent withdrew his appeal.

This notice is issued by Order of the Council of The Institute of Actuaries of Australia made on 21 July 2008.