

Notification of the Commissioner
re: Rules for Consideration of Actions of Actuaries That May Result in Suspension
of Actuary License under the Life Insurance Law by the Commissioner,
B.E. 2557 (2014)

To determine the scope for consideration of non-compliance by actuaries with sections 83/6 and 83/7, or careless certification of actuarial report in relation to the valuation of liabilities under insurance policies pursuant to section 83/8(2), which results in suspension of actuary license pursuant to section 83/8 of the Life Insurance Act, B.E. 2535 (1992), as amended by the Life Insurance Act (No. 2), B.E. 2551 (2008), the Commissioner hereby issues the following notification.

Clause 1 This Notification shall be called "Notification of the Commissioner re: Rules for Consideration of Actions of Actuaries That May Result in Suspension of Actuarial License under the Life Insurance Law by the Commissioner, B.E. 2557 (2014)."

Clause 2 This Notification shall come into force on the date on which it is notified.

Clause 3 In this Notification,

"Actuary" means a person granted an actuarial license under the law concerning Life Insurance.

"Office" means the Office of Insurance Commission.

"OIC Notification" means Notification of the Office of Insurance Commission re: Actuarial Code of Conduct under the Law Concerning Life Insurance.

"Commissioner" means Secretary of the Office of Insurance Commission or a person assigned by the Secretary of the Office of Insurance Commission.

Clause 4 The Commissioner has the power to suspend actuary licenses when the Commissioner finds that an Actuary violates the actuarial code of conduct prescribed in the OIC Notification, in any of the following ways:

(1) professional integrity, for example:

(a) the Actuary provides actuarial services in bad faith;

(b) the Actuary provides actuarial services in an illegal manner;

(c) the Actuary provides services, despite the fact that there is a reason to believe that the services are provided for an illegal purpose and may undermine the profession; or

(d) the Actuary engages in a dishonest act, fraudulent act, or any act in breach of the standards of the actuarial profession.

(2) standards of practice, for example:

(a) the Actuary fails to comply with the standards of actuarial practice prescribed by the Commissioner or the Society of Actuaries of Thailand ; or

(b) the Actuary does not comply with generally accepted international standards, to the extent that the matter is not prescribed under the standards of actuarial practice prescribed by the Commissioner or the Society of Actuaries of Thailand.

(3) conflict of interest: for example, an Actuary provides services with a conflict of interest, unless he or she is able to provide impartial service, and disclose to all employers and potential employers who may be affected by the Actuary's professional service the conflict of interest and possible results thereof, and all the employers and potential employers have expressed consent to receiving service with conflict of interest.

(4) confidentiality: for example, an Actuary discloses confidential information obtained during the course of his or her performance of work, without permission of the employer, unless such disclosure is required by law.

(5) courtesy and cooperation, for example;

(a) an Actuary expresses his opinion on the work of another Actuary with bias, and without common courtesy or respect, or not based on standards of actuarial practice;

(b) an Actuary does not provide data for consideration by other actuaries who have been requested to perform work on his or her behalf; or

(c) an Actuary does not provide data that is necessary for the performance of work by other actuaries who have been requested to perform work on his or her behalf.

(6) advertising: for example, an Actuary engages in any kind of advertising, communication, or overstate, that is exaggerated with respect to professional qualifications, knowledge, or experience, that may have a direct or indirect influence on a decision of a person or organization with regards to the necessity of actuarial service or the selection of an Actuary or company to provide actuarial services.

(7) communication and disclosures, for example;

(a) an Actuary communicates unclearly and not consistently with the performance standards;

(b) an Actuary does not communicate whether additional information and explanation can be obtained from the Actuary or any other sources; or

(c) an Actuary does not reveal to the employer its financial relationship and corporate relationship arising from provision of actuarial services.

Clause 5 A Commissioner is entitled to suspend an actuary license when it appears to the Commissioner that the Actuary carelessly certifies reserve valuation in the actuarial report in relation to the valuation of liabilities under insurance policies pursuant to section 83/8 (2) of the Life Insurance Act, B.E. 2535 (1992), as amended by the Life Insurance Act (No. 2), B.E. 2551 (2008), including but not limited to the following:

(1) an Actuary certifies the results of reserve valuation in the actuarial report in relation to the valuation of liabilities under insurance policies without being able to provide reasonable basis for his or her decision as Actuary, or credible supporting data; or

(2) an Actuary fails to keep up to date with the current situation, economic conditions, and future trends, to support his or her certification of reserve valuation in the actuarial report in relation to the valuation of liabilities under insurance policies.

Notified on 31 July 2014

Prawet Ong-aatsitthikul

Secretary-General
Insurance Commission
Commissioner