



Institute
and Faculty
of Actuaries

Disciplinary Orders

Information Note for Respondents

1. What is a Disciplinary Order?

- 1.1 A Disciplinary Order, as defined by Rule 11.1 of the [IFoA's Disciplinary Scheme](#), is an order which states the Respondent committed Misconduct and imposes one or more outcomes against them.
- 1.2 Disciplinary Orders are available for less serious cases of misconduct and are normally used at the early stages of an investigation. They are an alternative to the Adjudication Panel process and are intended to be an efficient way of resolving more straightforward and less serious Allegations where the Respondent accepts that their conduct amounts to Misconduct. An overview of the IFoA's disciplinary processes is illustrated in this [flowchart](#).

2. When might a Disciplinary Order be proposed?

- 2.1 Under Regulation 3 of the [Disciplinary Order Regulations](#), Case Managers have to consider certain criteria to determine whether the Allegation can be resolved by a Disciplinary Order. The criteria are:
 - (a) there has been an appropriate level of investigation into the Allegation to conclude that a Prima Facie case of Misconduct may exist.
 - (b) the Allegation does not concern any possible breaches of the FRC's Technical Actuarial Standards, the IFoA's Actuarial Professional Standards, or any related Guidance Notes for both standards.
 - (c) the Allegation would likely result in an outcome within the range of outcomes set out in Rule 11.1 of the Disciplinary Scheme.
 - (d) the Disciplinary Order will offer an appropriate level of public protection.
- 2.2 If the Case Manager decides, based on the above criteria, that the Allegation can be resolved by a Disciplinary Order, they will then write to you asking if you agree in principle to the Allegation against you being resolved by way of a Disciplinary Order. Further information on the criteria the Case Manager should consider can be found in the [Disciplinary Order Guidance](#).

3. What happens if you agree in principle to a Disciplinary Order?

- 3.1 If you agree, in principle, to the Allegation against you being resolved by way of a Disciplinary Order, the Case Manager will prepare a proposed Disciplinary Order ("proposed Order") that will set out the proposed outcome. When proposing an outcome, the Case Manager will consider the outcomes available under Rule 11.1 of the Disciplinary Scheme along with the [Sanctions Guidance](#) and previous determinations made by Adjudication Panels for similar matters. Previous Adjudication Panel determinations for cases where Prima Facie Misconduct was established can be found [here](#).
- 3.2 The outcomes available under Rule 11.1 of the Disciplinary Scheme are:
 - (a) a reprimand; and/or
 - (b) a fine, up to the maximum amount specified in the Regulations; and/or
 - (c) a period of education, retraining and/or supervised practice; and/or
 - (d) if the Respondent is no longer a Member at the time the Case Manager is proposing the Disciplinary Order, exclusion from membership of the IFoA up to maximum period of five years.

- 3.3 The proposed Order will also set out the proposals for costs and publication. In line with paragraph 5.3 of the [Disciplinary Orders Guidance](#), fixed costs of £300 will be applied to the Order. Further information about costs can be found in the [Costs Guidance](#). Publication proposals will be made in line with the [Publication Guidance](#). Disciplinary Orders are normally published on the IFoA's website for 3 years and a summary is included in the Actuary Magazine.
- 3.4 You will have an opportunity to consider the proposed Order and advise whether you agree to it. Agreeing to the proposed Order means agreeing:
- (a) that the matters alleged took place;
 - (b) that your conduct amounts to Misconduct, as defined at Rule 2.1 of the Disciplinary Scheme;
 - (c) with the outcomes(s) proposed by the Case Manager;
 - (d) with the fixed costs payment of £300;
 - (e) with the publication proposals.
- 3.5 If you agree to the proposed Order, you may also include any comments and/or additional information regarding the factual matters referred to in it.
- 3.6 If you provide any comments and/or additional information, the Case Manager will consider whether any amendments need to be made to the proposed Order in light of your comments. The Case Manager will then send you a final version of the proposed Order for you to sign and return. **By signing a proposed Order, you are accepting that the matters set out in it are true.**
- 3.7 If the proposed Order is agreed by you and the Case Manager, once signed, it will be considered by a Disciplinary Order Panel who can approve, vary or reject the Order. **The Disciplinary Orders Panel will treat the signed proposed Order as an admission of Misconduct.**
- 3.8 If the Disciplinary Orders Panel approves the Disciplinary Order it will be considered a formal finding of Misconduct and its terms will take effect on the day it is approved. This means the outcomes agreed will come into effect, the fixed costs will become due for payment and the Disciplinary Order will be published in line with the terms agreed in the Order.
- 3.9 If the Disciplinary Orders Panel wish to vary the terms of the Disciplinary Order, the proposed variations will be given to you and the Case Manager for consideration. If both you and the Case Manager agree to the variations, the Disciplinary Order will be treated as approved and will come into effect as detailed in paragraph 3.8 above.
- 3.10 If either you or the Case Manager do not agree to the proposed variations, the Allegation will return to the investigation stage of the process for the preparation of a Case Report under Rules 7 and 12 of the Disciplinary Scheme. Similarly, if the Disciplinary Orders Panel rejects the Disciplinary Order, the Allegation will return to the investigation stage of the process.
- 3.11 The Case Manager will be able to guide you through the process and answer any questions you may have. Detailed information on the Disciplinary Order process can be found in the [Disciplinary Order Regulations](#) and the [Disciplinary Orders Guidance](#). You may also find [the Disciplinary Orders process flowchart](#) helpful.

4. What happens if you do not agree in principle to a Disciplinary Order or do not agree with the proposed Order?

- 4.1 If you do not agree in principle to a Disciplinary Order, or if after agreeing in principle, you do not agree to the proposed Order, the Allegation will proceed to be dealt with under [the Case Report and Adjudication Panel Regulations](#). Under these Regulations, the Case Manager will prepare a Case Report which will then be considered by an Adjudication Panel.
- 4.2 The Adjudication Panel will decide whether a Prima Facie case of Misconduct has been established. If the Panel decides a Prima Facie case of Misconduct has been established, they will invite you to agree to the imposition of a sanction. The sanctions available to an Adjudication Panel are the same as those available under Disciplinary Orders and are detailed in Rule 13.4 of the Disciplinary Scheme and Regulation 26 of the Case Report and Adjudication Panel Regulations.
- 4.3 If an Adjudication Panel decides a Prima Facie case of Misconduct has been established, in addition to any sanction imposed by them, fixed costs of £1,500 will also be imposed, in line with the Costs Guidance.
- 4.4 Further information on the Case Report and Adjudication Panel process can be found in the Regulations as well as in the [information note for Members who are facing a complaint](#) and the [Case Report and Adjudication Panel process flowchart](#).

Document control

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