



### PLEASE NOTE

Please read the PC Handbook and the relevant Competency Framework for the PC(s) which you are applying for before completing this section.

Under each of the competencies, you should provide full details to explain how you meet each of the competencies set out in the relevant Competency Framework(s).

If you are applying for more than one PC, please ensure you provide full information relevant to each PC type by indicating which PC the information relates to.

This section of your application will be shared with the Practising Certificates Committee. It would therefore be helpful if you could try to avoid providing details that could allow you, your employer or the entity/syndicate/scheme you are describing to be identified.

I would like the opportunity to discuss this section of my application with the IFoA No

I have provided a reference or supportive statement from another PC Holder (optional) No

**Please explain how you meet each competency.**

**To support the information included, please provide at least one specific example of where you have demonstrated each competency.**

### 3.1 Communication

For the last two years I have been part of the with-profits management team for a large Life Company reporting directly to the With-profits Actuary (WPA). I am responsible for drafting and, after discussion with the WPA, finalising all reports on bonus investigations and PPFM compliance that are prepared for the With-profits Committee (WPC).

I typically attend all WPC meetings with the WPA and co-present reports with them and on occasion I have deputised for the WPA at WPC (and other) meetings.

In the three years prior, I was a senior consultant in the life practice of a medium sized consultancy, working on a number of assignments involving with-profits business, including Part VII transfers, merger and acquisitions, and managing a team providing actuarial services to another company with a small closed with-profits fund (Company A). In all the assignments I reported directly to a colleague at partner level and would attend meetings with senior management of the clients concerned to discuss my work, often as the senior representative from the company.

The stakeholders that I have advised consist of people of varying knowledge and are required to make informed decisions on complex technical actuarial issues. Therefore, in addition to providing the technical information to support my advice, I have always provided an executive

Whilst at my previous employer, I was the job manager on two Part VII transfer assignments involving with-profits business (a partner at my previous employer was the Independent Expert). As part of managing this work, I was the sole attendee at meetings with the parties involved to gather information and discuss potential issues. After discussing the information gathered with the IE, I was responsible for drafting the reports for review. The reports are required to be readable and understandable by all users, I therefore had to ensure I provided an executive summary explaining the proposed transfer and the conclusions, as well as clearly explain how the transfers would effect policyholders. As part of this, I had to ensure that the report could be read and understood by non-technical audiences, ensuring any acronyms were defined on first use. The IE reviewed the reports and minimal changes were required, I was then responsible for finalising the reports for submission to the PRA.

summary to help the reader understand the key objectives and recommendations. My aim is to always ensure the stakeholders understand the proposals, the risks and uncertainties involved and any expert judgements made.

### 3.2 Leadership/Accountability

Over the last two years, through regular presentation of reports and on occasion deputising for the WPA, I have built strong relationships with the WPC and executive management of the company and continue to build on those relationships.

I am responsible for providing training to any new Committee members to ensure they are fully up to speed and often provide deep dives (along with the WPA) on relevant topics to the full WPC when there are issues that they need to understand more about.

I obtain regular feedback from the WPA and key stakeholders, which helps to measure my effectiveness and provides an opportunity for constructive feedback, which I can then incorporate going forward.

At my previous employer I managed a team of three which provided actuarial services to another company. The team prepared most of the technical reports and worked under my direction. I had ultimate responsibility for their work and I was accountable for that work at Board and Committee level.

In the last 18 months, I identified policyholder fairness issues which had arisen from issuing incorrect bonus statements for some policies in the fund prior to my involvement. After discussing the issue with the WPA, I prepared a note to management explaining my findings and setting out the necessary steps to rectify the issues. The WPA supported my proposals and, after discussion, agreed with my conclusions. I then took responsibility for ensuring the rectifying steps were carried out by colleagues and that this was clearly communicated to policyholders. I subsequently provided an explanatory note to the WPC setting out the issues and the steps taken. The WPC provided positive feedback on my transparency and the way I took accountability for resolving this issue.

### 3.3 Professionalism

I often review advice prepared by my colleagues and frequently provide an independent opinion on certain aspects of the advice, including challenging issues where relevant. This is particularly relevant where I prepare advice on behalf of the WPA and have to ensure the advice produced is at a standard where I feel confident to discuss with the WPA, and subsequently the relevant stakeholders, and answer any questions they may have. As mentioned at 3.1, I discuss the advice produced with the WPA in advance of delivering to the relevant stakeholders and I am often challenged on that advice. As part of that I have to be willing to reconsider my opinion where other information has been brought to my attention and where it is justified to do so.

There has been one occasion over the last two years where there was a difference in opinion within the WPC when I was deputising for the WPA. I considered the issue from the different perspectives raised and there was a long discussion in relation to this point. However, in the end, and after taking all of the information into consideration, I was able to justify how expert judgement was exercised in arriving at the conclusion that I had recommended and this was accepted.

I am a member of the internal management committee, which is chaired by the Chief Actuary and sets the assumptions for the year-end valuation. Over the last year, I was involved in providing detailed review and challenge to the Chief Actuary in relation to the assumptions for the with-profits business. As part of my review, I was cognisant of assessing whether the with-profits management actions allowed for in the SCR were consistent with the PPFM. I identified and recommended some changes to the management actions, which were accepted by the Chief Actuary and reflected in the final presentation to the Committee. In addition, there were a couple of instances where regulatory constraints meant that differences remained. These were discussed with the WPA and formed part of their report to the Board on whether the assumptions used in the calculation of future discretionary benefits within the technical provisions were compliant with the PPFM.

Another example is where I have presented reports to the WPC. I am often challenged on the advice, either by the WPA in advance of presenting to the WPC or by members of the WPC itself. In one case over the last two years where I was challenged by a member of the WPC, I was able to provide further information from other experts to support my recommendations. In another case where I was

Since taking on the role, I have also supported the WPA in their engagement with the FCA and PRA in relation to with-profits matters. This includes responding to questions and explaining recommendations as and when required.

challenged by the WPA in advance of presenting to the WPC, I robustly defended my advice and provided justification to support my recommendations, which the WPA accepted, and I subsequently presented this advice to the WPC. The challenge from the WPA was helpful, as I was able to use this experience to provide a clearer explanation and ensure the WPC fully understood my recommendations.

### 3.4 Knowledge, awareness and understanding

I have a number of years of experience in the life industry working in a range of roles, but over most recent years I have mainly been working in the with-profits area and therefore have detailed knowledge and understanding of with-profits business and products.

I maintain this knowledge by attending various CPD sessions each year, as well as to understand current issues in relation to with-profits matters to ensure my knowledge is up to date and I am aware of any future developments that may impact the fund. This includes keeping up to date with regulatory requirements. I have attended a number of sessions over the last two years in particular in relation to the impacts of covid and how we can prepare better for similar future events.

The internal management committee, which I am a member of, is responsible for reviewing reports on the investment strategy for the fund and update reports on the fund run-off plan. The recent investment strategy report discussed a number of possible changes to the current investment strategy and the risks associated with each. The update reports on the run-off plan review the potential risks to the smooth run-off of the fund and whether any changes are required to the management of the fund to better mitigate these risks. This increases my awareness of potential risks and how these may impact policyholders.

In my current role, I assist the WPA in monitoring and managing risks that may affect the fund and reporting on those to the WPC. I therefore have to be fully alert to any upcoming external factors and changes in regulation which may affect the fund. Part of this work includes working with the WPA to consider how to mitigate those risks to ensure minimal impact on policyholders, should the risk arise, and then assist the WPA in reporting to the WPC. One such example of this, is in relation to the uncertainty around covid and the significance of the pandemic on some of the funds. I considered whether any changes were required based on data to date, but concluded that no action was required at this time. I continue to closely monitor the long-term effects of the pandemic on the funds and provide updates to the WPC on future risks and how to mitigate those.

### 3.5 Technical skills

As mentioned at 3.4, I have a number of years of experience in the life industry and have built my knowledge in a number of the technical areas, which has included the following:

I have prepared quarterly reports for the WPC containing recommended reversionary and terminal bonus rates based on the financial position of the fund. I assisted the WPA in presenting the results to the WPC. The update report on the run-off plan mentioned at 3.4 also contained a section on bonus distribution policy over the longer term, including the distribution of the estate.

Over the last two years, I have prepared reports for the WPC on the appropriate allocation of expenses, including exceptional project related expenses to the fund by reference to the expense agreement covering the fund.

Over the last year I have reviewed the PPFM for compliance with COBS 20.3 and recommended changes to some areas of the PPFM to ensure clarity. I also picked up on a minor error in the wording, which I highlighted to the WPA and the WPC. I redrafted the relevant sections and discussed with the WPA prior to presenting a report on the changes to the WPC. When presenting to the WPC, I provided a clear summary of the proposed changes and discussed each in more detail, including why I felt the changes would enhance understanding of the material risks and rewards. My proposed changes were accepted by the WPC.

More generally, the investment strategy report, bonus recommendation report and run-off plan all consider the fairness to policyholders of the recommendations contained therein.

I have reviewed the appropriateness of the current surrender value basis by reference to asset shares and prepared a short report for the WPA with recommended changes. As the recommended changes were very minor I presented this report at an internal management meeting but it was not presented to the WPC.

I have also prepared reports on compliance with the PPFM which covered the exercise of discretion in the fund. I assisted the WPA in presenting the results to the WPC.

My previous employer was advising a potential acquirer of two small closed with-profits funds and as part of an M&A assignment, I was involved in considering the risks associated with the funds. This included assessing the risk that certain past actions taken in the funds were inconsistent with treating customers fairly. As part of this assignment, I also considered the capital position of the target company including assessing the strength of the valuation basis and considered the sustainability of the bonus strategy. In all of this work I was responsible for drafting and after discussion with the partner, finalising reports. I also attended a number of client meetings to discuss my findings.

I prepared a number of reports for Company A, including a report on the investment strategy for the with-profits business, an annual bonus report for the with-profits fund and a report on compliance with the company's PPFM which covered a review of the surrender value bases for the with-profits business and the exercise of discretion. Policyholder fairness was also considered in all of the substantive reports I prepared for Company A's with-profits business. In all of this work I was responsible for drafting and after discussion with the partner, finalising reports.

I also worked closely with the CA of Company A in determining the methodology and assumptions for the year end valuation and analysing the results of the valuation.

As part of the Part VII transfer assignments referred to above, I considered the before and after capital position of both companies including assessing the strength of the valuation bases