Institute and Faculty of Actuaries

Sanctions

Guidance

by the Disciplinary Committee of
the Institute and Faculty of Actuaries

Version 1.1

1 November 2026

Sanctions

1. Introduction

1.1 This Guidance has been issued by the Disciplinary Committee of the IFoA.

1.2 It is for use by:

(a) Panels, to provide further detail on their powers and procedures to be followed;

(b) any other party so they are aware of the powers of the Panel and procedures to be followed; and

(c) IFoA staff.

1.3 This Guidance aims to promote transparency and consistency in the approach of Panels and the IFoA staff.

1.4 This Guidance applies to all Complaints and applications being considered under the Disciplinary Scheme of the IFoA (effective 1 August 2023) (the Scheme). For Complaints that are being considered under a former version of the IFoA's Disciplinary Scheme, the version of the Guidance applicable to the former version of the Disciplinary Scheme should be applied to the extent that it is possible to do so, otherwise this Guidance will apply.

1.5 This Guidance should be read alongside:

(a) the Scheme; and

(b) any Regulations issued by the Disciplinary Committee; and

(c) any other relevant Guidance published by the Disciplinary Committee.

1.6 Where there is any conflict or inconsistency between the Scheme and this Guidance, the Scheme shall be followed. Where there is any conflict or inconsistency between Regulations and this Guidance, the Regulations shall be followed.

1.7 Definitions of defined terms used in this Guidance are set out in the Scheme and Regulations.

1.8 This Guidance should not be treated as legal advice. The Legal Adviser shall advise the Panel on the use of this Guidance and, when appropriate, on questions of law and/or procedure.

1.9 The Disciplinary Committee will review this Guidance every three years or earlier if needed.

2. Aim

2.1 This Guidance:

(a) provides guidance to Panels in determining sanctions when a finding of prima facie Misconduct or Misconduct has been made;

(b) aims to help parties understand the approach likely to be taken by Panels when determining sanctions;

(c) aims to promote proportionality, accountability, clarity, consistency, transparency and targeted decision making by Panels on sanctions; and

(d) does not amount to a prescriptive set of rules. The exercise of its powers in imposing any sanction is a matter solely for Panels to determine. Panels are not bound by this Guidance, or by any previous Panel determination. However, if Panels depart substantially from this Guidance, they should take extra care to set out their reasoning for this.

3. When should this Guidance be used?

3.1 Panels should refer to this Guidance in the following circumstances:

(a) when any Disciplinary Orders are being decided;

(b) when an Adjudication Panel determines that a prima facie case of Misconduct is established and they are inviting the Respondent to resolve the case;

(c) when a Disciplinary Tribunal Panel determines the Respondent has committed Misconduct and is considering sanctions; and

(d) when an Appeal Tribunal Panel determines the Respondent has committed Misconduct and is making a determination or order.

4. Purpose of sanctions

4.1 The primary objective of sanctions is not to inflict punishment upon a Respondent (though that may be their effect). The main objectives of sanctions are to:

(a) protect members of the public;

(b) promote and maintain public confidence in the profession; and

(c) declare and uphold proper standards of conduct and competence.

4.2 Any sanction, or combination of sanctions, imposed by Panels should be considered necessary and proportionate to achieve the objectives listed above. In doing so Panels must balance the public interest with the Respondent's own interests.

5. How sanctions should be applied

Process to be followed

5.1 Panels should always start by considering whether Misconduct should result in a disciplinary sanction being imposed. It would be unusual not to impose a sanction where the actions of the Respondent were sufficiently serious to amount to Misconduct. However, it is possible that mitigating circumstances exist which make it inappropriate or disproportionate to impose a sanction. It will normally only be appropriate for mitigating circumstances to result in no sanction being applied if, in addition to the mitigating circumstances, the Misconduct presents no risk to public protection and there are no ongoing or lasting effects of the Misconduct.

5.2 More than one sanction can be imposed. For example, a Panel may consider that the seriousness of the Misconduct requires a fine to be imposed, and to assist in ensuring there is no repetition of the Misconduct there should also be a period of supervised practice.

5.3 If a Panel decides that some form of sanction is appropriate, it should always start by considering the least severe sanction. If it finds that sanction inadequate, it will consider the next sanction and so on until it is satisfied that the sanctions, or combination of sanctions, are adequate to address the Misconduct. Details of the sanctions available to Panels are at Section 6 below.

5.4 When a Panel has made a provisional decision on the sanction or combination of sanctions to be applied, it should then consider whether it would be disproportionate to impose a more severe sanction before making a final decision on the sanction or combination of sanctions to be imposed.

Approach to be taken

5.5 In deciding what sanctions (if any) to impose, a Panel should ensure that the sanctions are proportionate with the public interest weighed against the interests of the Respondent.

5.6 Proportionality should be assessed on a case by case basis. What is considered to be proportionate will depend on the seriousness and circumstances of the Misconduct. For example, unless considered by the Panel to be particularly serious, a first-time breach of practising requirements is unlikely to warrant a suspension or expulsion/exclusion. However, a similar breach, committed multiple times without remorse, or any attempt at remediation, might lead the Panel to consider suspension or expulsion. Repetition of relatively minor breaches may indicate a significant lack of organisational ability, integrity or insight, which could represent a risk to the public and undermine the reputation of the profession.

Factors to be considered when assessing the seriousness and circumstances of the Misconduct

5.7 It is entirely a matter for the Panel to assess the seriousness and circumstances of the case. Some examples of factors that Panels may wish to consider when assessing the seriousness and circumstances of the Misconduct include (but are not limited to):

(a) **The Respondent's culpability:** This may include factors such as:

- motivation;
- whether the action or inaction was spontaneous or pre-planned;
- whether it was a one-off incident or a course of action; and,
- the level of experience of the Respondent. Depending on the circumstances of the case, a Panel may have regard to whether the Respondent is at an early stage of their career or whether they are more experienced.

(b) **The harm caused by the Misconduct:** This may include factors such as:

- the perceived damage to the reputation of the profession;
- the extent of any financial loss or other harm caused;
- the extent of any remedial work required as a result of the Misconduct;
- the foreseeability of the harm that occurred; and,
- the level of departure from professional standards. A Panel may consider that, depending on the circumstances of the case, the greater the departure from professional standards, the greater the harm to the reputation of the profession.

(c) **Aggravating factors:** This may include factors such as:

- where matters involve a lack of integrity;
- dishonesty or breach of trust;
- the Misconduct taking place over a lengthy period of time;
- a previous disciplinary record;
- a high risk of repetition;
- a financial gain or other advantage to the Respondent as a result of the Misconduct; and,
- a lack of insight on the part of the Respondent or lack of appreciation of the impact of Misconduct on others.
- the Misconduct resulting in a criminal conviction or other regulatory breach;

(d) **Mitigating Factors:** This may include factors such as:

- no previous disciplinary findings;
- the actions of others contributed to the Misconduct;
- full and swift remediation;
- insight shown by the Respondent;
- full cooperation of the Respondent;
- prompt self-reporting of the Misconduct;
- the Misconduct was a one-off departure from the Respondent's usual behaviour; and,
- the Respondent being at an early stage of their career and/or relatively inexperienced.

5.8 It is for a Panel to decide on the weight to be allocated to each factor. Not all factors may be applicable to a particular case. There may be other factors not listed which are also relevant and important.

6. Sanctions available to Panels

Disciplinary Orders Panels

6.1 The draft Disciplinary Order will set out suggested sanction(s). Sanctions available to Disciplinary Orders Panels are:

(a) a reprimand;

(b) a fine, up to a maximum of £10,000;

(c) a period of education, retraining and/or supervised practice;

(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 a maximum period of five years.

Adjudication Panels

6.2 Sanctions available to Adjudication Panels are:

(a) a reprimand;

(b) a fine, up to a maximum of £10,000;

(c) a period of education, retraining and/or supervised practice;

(d) if the Respondent is no longer a Member at the time the Adjudication Panel makes its determination, exclusion from membership of the IFoA up to a maximum period of five years.

Disciplinary Tribunal Panels and Appeal Tribunal Panels

6.3 Sanctions available to Disciplinary Tribunal Panels, and Appeal Tribunal Panels are:

(a) a reprimand;

(b) an unlimited fine;

(c) a period of education, retraining and/or supervised practice;

(d) suspension of any Certificate of the Respondent;

(e) withdrawal of any Certificate of the Respondent;

(f) exclusion of the Respondent from holding any Certificate for any period it thinks appropriate, up to a maximum of five years;

(g) imposition of conditions on the Respondent's continued membership of the IFoA;

(h) suspension of the Respondent's membership of the IFoA for any period it thinks appropriate, up to a maximum of two years;

(i) expulsion of the Respondent from membership of the IFoA for any period it thinks appropriate, up to a maximum of five years;

(j) exclusion of the Respondent, who is no longer a Member of the IFoA, from membership of the IFoA for any period it thinks appropriate, up to a maximum of five years.

7. Further information on each sanction

7.1 As mentioned in paragraph 5.3 above, when imposing a sanction or combination of sanctions, Panels should always start by considering the least severe sanction. If it finds that sanction inadequate, it will consider the next sanction and so on until it is satisfied that the sanctions or combination of sanctions chosen are adequate to address the Misconduct. While the same sanction may have a different effect on different Respondents, it will normally be appropriate to consider the sanctions in the order below.

No sanction

7.2 As stated in paragraph 5.1 above, it would be unusual not to impose a sanction where the actions of the Respondent were sufficiently serious to amount to Misconduct. However, it is open to a Panel to decide not to impose a sanction. Not imposing a sanction is only likely to be appropriate where the Misconduct presents no risk to public protection, and there are no ongoing or lasting effects in relation to the Misconduct.

7.3 The reasons for not imposing a sanction should be stated clearly in the Panel's written determination.

Reprimand

7.4 The least severe sanction is a Reprimand. A Reprimand on its own may be appropriate for cases where, for example, there was a single act which was a departure from the Respondent's usual behaviour, where harm is limited or where there are extensive mitigating factors and no sign of a deeper attitudinal problem.

Fine

7.5 When considering imposing a fine, Panels should consider factors such as:

(a) the level of harm caused by the Misconduct;

(b) the Respondent's personal financial circumstances, if they have provided evidence of this to the Panel. If the Respondent wants their personal financial circumstances to be considered, the obligation is on them to provide that information to the Panel. If a Respondent does not provide details of their financial circumstances, the Panel should assume that the Respondent is able to pay whatever fine is imposed;

(c) Panels should take into account any fines imposed from other relevant proceedings (for example criminal proceedings, civil litigation or sanctions imposed by other regulators) when deciding on an appropriate level of fine for the Misconduct.

7.6 Panels should satisfy themselves that the level of any fine imposed may reflect, in the eyes of the public and the membership, the overall seriousness of the Misconduct. For example, a nominal fine may undermine public respect for the regulatory process.

7.7 A Panel's written determination should clearly state that the factors set out in paragraph7.5 above have been considered. If the Respondent had the opportunity to provide details of their personal financial circumstances and did not do so, this should be referred to in the determination.

7.8 The determination/order should clearly state the amount of the fine and when the amount is due to be paid, which will normally be 28 days from the date of the determination/order being served.

A period of education, training or supervised practice

7.9 The intention of this sanction is to address any shortcomings in the performance of a Respondent where possible and appropriate, and to maintain public confidence in the profession.

7.10 If this sanction is applied together with suspension or withdrawal of a practising certificate, or suspension of membership, the Panel must consider whether it is feasible for the Respondent to achieve the desired educational goals, given the limitations on practice which may be caused by the other sanction.

7.11 Further information about this sanction can be found in Annex 1 at the end of this document.

Suspension or withdrawal of a Practising Certificate

7.12 Not all members are required to have a Practising Certificate. They are only required for a small number of actuarial roles. This sanction is only appropriate where the Respondent has a Practising Certificate.

7.13 The sanction is also only appropriate where the Misconduct is so serious that a financial penalty on its own does not sufficiently reflect the gravity of the matter. The sanction might be appropriate where a Panel considers that public confidence can only be maintained if the Respondent is prevented from carrying out the actuarial role that is covered by the Practising Certificate, or where the risk of repeated Misconduct is sufficiently great that further steps are needed to protect the public.

7.14 A Panel must recognise that the making of such a sanction may have a financial impact on the Respondent. The potential impact on the Respondent's income of this sanction may be relevant to questions of costs, or to the level of any fine which is also imposed.

7.15 Suspension of a Practising Certificate is appropriate where the period of suspension will end within the term of the current certificate.

7.16 Withdrawal of a Practising Certificate is appropriate where a period of suspension would extend beyond the term of the current certificate.

Imposition of conditions on the Respondent's continued membership of the IFoA

7.17 Conditions should be specific, measurable, achievable, realistic and time bound.

Suspension of the Respondent's membership of the IFoA

7.18 A Panel can suspend a Respondent's membership of the IFoA for a period of up to two years. The Panel should specify the period of the suspension. A suspension may be appropriate for serious Misconduct that falls short of an expulsion order.

7.19 Where a Respondent's membership of the IFoA is suspended by a Panel, their membership automatically resumes at the end of the period of suspension. If the Respondent's membership lapses during the period of suspension, they can apply for it to be reinstated via the IFoA's Member Services Team. Suspended Respondents do not have to go through the readmission to membership process referred to in paragraph 7.25 below.

7.20 When making an order that interferes with, or terminates, the right to practise, a Panel should consider the effect on the income of the Respondent when deciding on the level of any fine also imposed, and in considering costs.

Expulsion or exclusion

7.21 Expulsion is the order where the membership is current, exclusion is where the membership has already ceased.

7.22 Panels should only impose this sanction where the Misconduct is of such gravity that the reputation of the profession and/or protection of the public require that the Respondent is no longer able to practise or claim membership of the profession.

7.23 In deciding whether to expel a Respondent, a Panel will consider the effect that allowing the Respondent's name to remain on the register will have on the public confidence in the profession.

7.24 As well as serious Misconduct in practice, serious Misconduct in a Respondent's personal life may lead to expulsion or exclusion where it is capable of adversely affecting the reputation of the profession.

7.25 When a Respondent has been expelled or excluded from IFoA Membership by a Panel, they may apply to be readmitted. Any application for readmission cannot be made until three months before the expiry of the expulsion or exclusion period. Applications will be dealt with under the Readmission Regulations.

7.26 When making an order that interferes with, or terminates, the right to practise, a Panel should consider the effect on the income of the Respondent when deciding on the level of any fine also imposed, and in considering costs.

Dishonesty

7.27 Dishonesty will usually lead to expulsion or exclusion. This is because honesty is fundamental to what it means to be a professional. Members of the public should be able to place their trust in IFoA members on the understanding that IFoA members are expected to demonstrate high standards of behaviour.

7.28 It is important for Panels to bear in mind that there is a small category of cases where the circumstances are such that a reasonable and well-informed member of the public would not regard dishonesty as a bar to continued membership of the profession. The Legal Adviser shall advise the Panel on the relevant case law, and any factors identified by the courts, to be considered when determining whether a case involving dishonesty falls within the small category of cases where exclusion or expulsion may not be necessary.

7.29 If a Panel decides not to expel or exclude for dishonesty, it should set out its reasons for this clearly in its determination.

Document control

Version	Date of publication	Overview
1.0	1 August 2023	Guidance for Disciplinary Scheme effective 1 August 2023
1.1	1 November 2026	Paragraphs 7.8, 7.17, 7.18, 7.19, 7.20 and 7.25 added. Minor amendments made to other paragraphs.

Annex 1

A period of education, training or supervised practice sanction

Education/training

1.1 The purpose of educational intervention should be:

(a) clearly defined by the Panel;

(b) demonstrably relevant to the needs of the Respondent;

(c) proportionate to the allegations under consideration and the identified deficiency in the Respondent's performance;

(d) achievable by the Respondent;

(e) affordable for the Respondent; and

(f) completion must be demonstrable.

1.2 If a Panel considers that education or retraining is an appropriate sanction, it should specify:

(a) what the concerns are that the education and/or retraining will address;

(b) what the learning outcome and objectives are in relation to these concerns;

(c) the minimum number of required hours of training expected;

(d) a completion date for submission of a training proposal; and,

(e) a Panel may also specify any type of course or learning material that should form part of the education or retraining, but there is no requirement or expectation for it to do so.

1.3 Within the period of time specified by the Panel, the Respondent is required to submit a training proposal to the IFoA. This training proposal will be approved by the IFoA and monitored to ensure it has been completed. The IFoA will refer the matter back to the Panel if the Respondent fails to satisfactorily meet the education and/or retraining sanctions.

1.4 It is important for Panels to be sufficiently clear in the written determination that compliance is the responsibility of the Respondent. This is to avoid raising their expectations, or that of others, that the IFoA is under an obligation to direct and provide the education or retraining, or that employers are under an obligation to provide sources of support.

1.5 Any costs associated with education or retraining are to be met by the Respondent.

1.6 Educational intervention is unlikely to succeed where the Respondent has failed to engage in the disciplinary process.

Supervised practice

1.7 If a Panel considers that supervised practice is an appropriate sanction, the drafting of this sanction should be precise. As a minimum, the sanction should define:

(a) the closeness of the supervision required;

(b) over what period supervision should occur;

(c) how often reports should be submitted by the supervisor to the IFoA's Head of Legal Services; and,

(d) the timescales for compliance.

1.8 Panels should direct the Respondent to identify a suitable supervisor. The proposed supervisor should normally be a senior actuary. The Respondent must submit the proposed supervisor's curriculum vitae and statement confirming the nature and extent of the supervision proposed to the IFoA's Head of Legal Services for its approval before the appointment of that person becomes effective.

1.9 The supervisor should be advised that upon completion of the period of supervision a report should be submitted to the IFoA. The report should detail:

(a) the supervision undertaken;

(b) how the deficiencies identified by the Panel have been addressed;

(c) how the Respondent demonstrated their commitment to the sanction; or,

(d) where compliance has not been achieved by the Respondent, reasons for this should be given.

1.10 Any costs associated with the periods of supervised practice are to be met by the Respondent.

Compliance

1.11 Panels should order that, where any of the sanctions covered in this Annex have been imposed, the Respondent is obliged to confirm to the IFoA's Head of Legal Services when compliance has been achieved by writing to the Head of Legal Services and providing any documentary evidence relevant to that sanction.



Institute and Faculty of Actuaries

Disclaimer: This document has been prepared by and/or on behalf of the Disciplinary Committee of the Institute and Faculty of Actuaries (**IFoA**). The IFoA is the owner/ licensee of any and all intellectual property rights, including copyright in this document and its content is protected by copyright.

You are permitted to view and use this document provided that (i) you do not modify the content in any way; (ii) you do not use this document or any part(s) of it in a misleading context; and (iii) your use of the material is for your own personal information/use and for a non-commercial purpose. Every effort has been made to ensure the accuracy of the information contained in this document but it may be subject to change at the discretion of the IFoA.

Beijing
Room 512, 5/F Block A Landgentbldg Center · No 20 East Middle 3rd Ring Road · Chaoyang District · Beijing100022
Tel: +86 10 6611 6828

Edinburgh
Spaces · 1 Lochrin Square · 92-94 Fountainbridge · Edinburgh · EH3 9QA
Tel: +44 (0)20 7632 2100

London
16 High Holborn · London · WC1V 7QJ
Tel: +44 (0)20 7632 2100

Malaysia
Arcc Spaces · Level 30, Vancouver Suite · The Gardens North Tower · Lingkaran Syed Putra ·59200 Kuala Lumpur
Tel: +60 12 591 3032

Oxford
Suite 39 · New Barclay House · 234 Botley Road · Oxford · OX2 0HP
Tel: +44 (0)20 7632 2100

Singapore
Spaces · One Raffles Place Mall · #02-01 · Singapore 048616
Tel: +65 8778 1784

www.actuaries.org.uk

© 2021 Institute and Faculty of Actuaries