

IRDA/ACT/MISC/MISC/039/02/2017

Insurance Regulatory & Development Authority of India

15th February, 2017

Re: Panel of Actuaries – Expression of interest

In terms of the powers conferred under section 14(2)(e) of the IRDA Act 1999 as amended from time to time, the Insurance Regulatory and Development Authority of India (IRDAI) hereby calls for expression of interest from Actuaries and firms employing Actuaries to form a “Panel of Actuaries”. The scope of work and other criteria are detailed in Annexure I.

Interested Actuaries and firms employing Actuaries satisfying the criteria mentioned in Annexure I attached herewith may send an email expressing their interest to **pankajk.tewari@irda.gov.in** with a copy to **shyama@irda.gov.in** with a subject line: Panel of Actuaries on or before 15 March, 2017.

Pournima Gupte
Member(Actuary)

Encl: Annexure I

Annexure I : Panel of Actuaries

1. Introduction

Either individual actuaries satisfying the following criteria or firms employing actuaries satisfying following criteria may be considered for “Panel of Actuaries”.

Separate Panels will be maintained in respect of Life Insurance and General Insurance (including Health Insurance). The tenure of each Panel will be for a period of three years from 1 April 2017 to 31 March 2020.

2. Scope of work

- 2.1. The scope of work will be determined on case to case basis by the Insurance Regulatory and Development Authority of India (Authority)
- 2.2. Generally, the scope of work will include estimation of reserves and solvency margin at the end of financial year as well as preparation of reports which are normally required under the current Regulations and guidelines issued by the Authority in respect of one or more insurance companies.
- 2.3. The Panel Actuary may be required to give an opinion on products filed by an insurer.
- 2.4. If the insurers are not able to appoint Appointed Actuary satisfying all the norms stipulated in extant Regulations and guidelines, they can use services of any Actuary from the “Panel of Actuaries” for estimation of reserves, solvency margins and preparation of reports which are normally required at the end of every financial year under the current Regulations and guidelines issued by the Authority as well as vetting of products to be filed by the insurer. However, this will be subject to the following norms
 - 2.4.1. The Panel Actuary will not be involved in the annual statutory valuation of more than one insurer during any financial year.

- 2.4.2. The Panel Actuary will not be involved in the annual statutory valuation of any insurer for more than two consecutive financial years
 - 2.4.3. The Panel Actuary will not give opinion on more than five products during any financial year.
 - 2.4.4. Vetting of products by Panel Actuary instead of Appointed Actuary will be allowed for a period not exceeding one year from the date of relieving of previous Appointed Actuary or publication of a list of "Panel of Actuaries" whichever is later.
 - 2.4.5. Before commencement of the work, the insurer will inform the Authority about the scope of the work, time schedule for completion of work and professional fees payable to the Panel Actuary. If any of these aspects are not found satisfactory, the Authority will inform to the insurer accordingly.
- 2.5. In addition, the Authority may also advise any Panel Actuary to investigate financial position of any insurer or to give an opinion on valuation or any other aspect of working of an insurer including opinion on products of an insurer. The norms mentioned in paras 2.4.1 to 2.4.3. will not be applicable to the work allotted by the Authority. The Panel Actuary will not have right of refusal in respect of work allotted to him/her by the Authority.
 - 2.6. The work allotted to the Panel Actuary is expected to be completed within the stipulated time decided by the insurer in concurrence with the Authority and/or by the Authority. The stipulated time may vary depending on the nature and complexity of the work as well as business profile of the insurer and will be communicated to the Panel actuary while allotment of work. Non completion of work within the stipulated time line may be viewed seriously.
 - 2.7. The Panel Actuary will work within the purview of Regulations, Guidelines, Circulars issued by the Authority and in line with the professional standards stipulated by the Institute of Actuaries of India from time to time. Non adherence to the Authority's Regulations, Guidelines and circulars and to the generally accepted professional standards will be viewed very seriously. In such cases, the Authority reserves its rights to take appropriate action against the Panel Actuary as it may deem fit.

3. Qualification

- 3.1. Preferably, the Actuary should be a Fellow of Institute of Actuaries of India (IAI)
- 3.2. However, Fellows from any other Institutes wherein the IAI have mutual recognition agreement will also be considered provided the Actuary declares his/ her intention to obtain Fellowship of IAI within next one year. Currently, IAI have mutual recognition agreement from three Institutes
 - 3.2.1. Institute and Faculty of Actuaries, UK
 - 3.2.2. Institute of Actuaries of Australia
 - 3.2.3. Casualty Actuarial Society, USA

4. Certificate of Practice (COP)

- 4.1. Preferably, the Actuary should have COP issued by the IAI.
- 4.2. If the Actuary does not possess COP of the IAI, he/ she should declare his/ her intention to possess COP of IAI within one year of application of Panel Actuary

5. Age

- 5.1. The maximum age on 1 April 2017 should not be more than 70 years

6. Practical Experience

- 6.1. The Actuary should have at least 5 years of post-qualification experience in the relevant field.
- 6.2. The Actuary should have worked as Appointed Actuary, Chief Actuary, Certifying Actuary or should have done such similar work in the relevant field in the past

7. Others

- 7.1. There should not be any conflict of interest between duties and functions of Panel Actuary and duties and functions of any other position held by him / her.
- 7.2. The Panel Actuary should not be an employee of any insurance company in India
- 7.3. However, he / she may work as Consultant and/or Consulting Actuary for any insurance company.
- 7.4. The Panel Actuary should have an access to expert opinion should there be any such need
- 7.5. The Panel Actuary should have access to sufficient actuarial resources to carry out the work currently being carried out by the Appointed Actuaries for certification of new products, reserves and solvency margin and other Actuarial returns to the Authority
- 7.6. The professional fees for the Panel Actuary will be paid by the Insurers.
- 7.7. In the expression of interest, the Actuary may state specifically – whether he/she is applying for Life Insurance or General Insurance
- 7.8. In order to remove any doubts or difficulties that may arise in the application or interpretation of any of the provisions under this Annexure, the Chairperson of the Authority may issue appropriate clarifications or modify this Annexure as deemed necessary.