



27 November 2009

Competence Sub-committee  
Code Committee  
c/o Securities Commission  
PO Box 1179  
**Wellington 6011**

By Email: [consultation@financialadvisercode.govt.nz](mailto:consultation@financialadvisercode.govt.nz)

Dear Committee,

**PROPOSED MINIMUM STANDARDS OF COMPETENCE KNOWLEDGE AND SKILLS FOR AUTHORISED FINANCIAL ADVISERS**

This submission is made by the New Zealand Society of Actuaries, the professional body representing Actuaries practicing in New Zealand.

The New Zealand Society of Actuaries applies stringent controls to its members around competency, impartial advice and high standards of ethics. As a profession, we meet international benchmarks for qualification, professional standards, disciplinary process and continuing professional development.

The proposed minimum standards do not mention Actuaries whereas Actuaries play a key role in the finance industry.

We firmly believe Fellows of the New Zealand Society of Actuaries should be treated in the same way as Chartered Financial Analysts who, based on the current proposal, have exemption from Standard Set A (*Core Knowledge*) and Standard Set D (*Specialist Standards*).

One of the essential criteria for qualifying as an actuary is to have a deep understanding of investment return and risk, and the relationship between assets and liabilities. This high level of understanding is tested through a rigorous and demanding examination process.

Actuaries are intricately involved in the increasingly competitive financial services industry particularly in the areas of capital management and investment strategy.

The actuary's role in today's business is to:

- Analyse and manage risk
- Construct financial modelling frameworks to fit particular circumstances
- Communicate complex analysis in an easily understood form for senior management
- Make calculations which take account of economic uncertainty
- Provide financial advice



## New Zealand Society of Actuaries (Inc)

All these factors contribute to Actuaries being valued and respected members of the financial services industry.

The Society would be pleased to appear in support of our submission or to discuss the contents of our submission in more detail if required.

For further information regarding our submission please contact the undersigned.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian New'.

Ian New  
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A handwritten signature in black ink, appearing to read 'Greg Lee'.

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