



SOCIETY OF ACTUARIES

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New SOA Professional Development (PD) Requirement for Candidates Working toward Fellowship in 2000

by August Chow

Under the new SOA education and examination system being implemented on January 1, 2000, a candidate must establish and complete a Professional Development (PD) plan consisting of 50 units of credit after passing Courses 1-8. Within the PD plan, a minimum of 20 units must come from SOA-approved formal professional programs (e.g., seminars, courses, meetings), 15 units from non SOA-approved programs and the remaining 15 units from a research project.

To complete the PD requirement, the following steps are required:

1. The candidate must recruit an advisor or an advisory panel.
2. The advisor and candidate sign a Professional Development Letter of Commitment (format provided by the SOA), and file the letter with the SOA.
3. Candidate's PD plan is constructed by the candidate and advisor.
4. Once a plan has been developed, the candidate and the advisor sign the plan and file it with the SOA. The SOA PD Committee reviews the plan and, within 3-4 weeks of receipt, informs whether the plan is approved.
5. Candidate completely executes PD plan with continued guidance and review from the advisor.
6. Advisor declares plan executed and provides sign-off.
7. Candidate and advisor submit a brief report to the SOA E&E Committee attesting to the plan's completion and provide a copy of the project report.
8. The SOA determines if the candidate has successfully completed the PD requirement. If confirmed, the SOA will notify the candidate of his/her qualification to participate in the Fellowship Admissions Course (FAC) as the final step to attain Fellowship.

In constructing the PD plan, the candidate should keep in mind the overall objective of the PD program that:

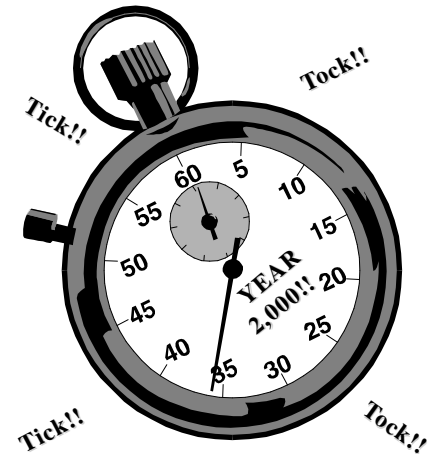
"Upon completion of the Professional Development component, the candidate will have a deeper understanding of the technical, legal, ethical, cultural, professional and practical parameters that apply to the chosen practice area, within the geographical territory or jurisdiction of the practice of the candidate.

"This understanding will be demonstrated through:

- Completion of suitable professional development programs relevant to the chosen practice area,
- Completion of a project demonstrating effective application of professional skills relative to a legitimate issue within the chosen practice area."

The SOA has also produced a document: *Guidelines for Advisors* to assist the advisor in fulfilling his or her role. The advisor will be responsible for assisting the candidate in assessing whether a particular program is appropriate to include in the candidate's overall Professional Development plan. Plans might include 20 units from SOA-approved elements, but still not meet the professional development needs of a particular candidate. Conversely, a program may not be SOA-approved, but may be well suited for a candidate's Professional Development plan based upon the interest, experience, long-term goals, or educational gaps of that candidate. Advisors should evaluate the appropriateness of any one program within the context of the candidate's entire Professional Development plan, the candidate's specific professional development needs, and the educational objectives of the Professional Development requirement as outlined by the SOA.

Most seminars sponsored by the SOA after July 1, 1999, are expected to qualify for PD credit. The PD credit earned for any seminar will depend upon several considerations, including the length of the seminar and its content. Typically, a day-long professional seminar is worth 6



units. If a student wishes to have a program or seminar offered by an organization or an internationally recognized actuarial body to qualify for the SOA-approved status, a request would normally come from the professional organization or international actuarial body offering the program. Alternatively, a candidate may submit a letter to the SOA requesting such approval, along with documentation, such as a full program description and published information on the organization offering the program.

PD plans may be submitted to the SOA office beginning October 1, 1999, but no plans will be processed prior to January 1, 2000. Candidates must have sufficient conversion exam credits to meet Course 1-8 requirements of the new educational system before submitting their plans.

If you wish to know more about the PD requirement, please refer to the following PD documents that have been posted to the SOA Website <http://www.soa.org>. These documents will be updated and new articles will appear, as they become available.

- September 1998 Proposal of the Task Force on Professional Development
- Professional Development Requirement Update - February 1999
- Professional Development - Sample Project Outline

- Professional Development - Guidelines for Advisors
- Professional Development - Letter of Commitment
- Professional Development - Frequently Asked Questions (FAQ)

A list of the SOA seminars that have been approved as eligible for PD credit is located on the SOA Website. For example, you can determine which sessions of

the 1999 SOA meetings (May 24-25 in Atlanta, June 16-18 in Seattle and October 18-20 in San Francisco), and the CIA meeting (June 17-18), are eligible for PD credit.

Questions on the PD programs or comments regarding any of the PD documents may be directed to the Professional Development Committee at *pdcomments@soa.org*. International students residing in Asia may contact Patrick Cichy, the

Coordinator of Asian Services in Hong Kong, e-mail address: *patrickcichy@compuserve.com*.

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“Wing Walking” in Russia

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the financial strength and competitive position of Russian insurance companies. Additional capital, along with contemporary insurance technique and technology, would benefit both Russian insurance companies and the marketplace. This capital would provide for the acquisition or development of an even more modern range of products and services to accommodate the requirements of a sophisticated population and business environment.

Additional capital investment would allow select and qualified insurers to exploit and service the many opportunities within the Russian Federation, to conduct insurance education and publicity programs as well as to

capture market share, reduce operating expenses on a per-policy basis and to sell and cross-sell more products to a larger customer base.

The better Russian insurance companies have already seized a commanding market position and enjoy a respected identity and image. These companies



have professional management, emerging market operating experience and positive earnings, all of which would be extraordinarily expensive for a Western strategic investor to duplicate.

The Russian insurance industry has been visited with a variety of subtle though substantial opportunities while, at the same time, it is little understood and often quite routinely

ignored by more mature economies. Russian insurance professionals, the “wing walkers,” have been tested in more ways than we can imagine and they have quickly become a national treasure.

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Cast Your Ballots in the Section Elections

Ballots for the Section elections will be mailed the first week in July. Take an active role in the election process. Review the list of candidates and their biographies to determine whom you would like to represent you.



Ballots must arrive in the SOA office no later than August 6. If you are a Section member and do not receive the election mailing by July 23, contact Jeanette Selin at the SOA office: phone: (847) 706-3533; fax: (847) 706-3599; or by e-mail: *jselin@soa.org*.