

22 February 2008

Dear Faculty Member

Faculty of Actuaries and Institute of Actuaries propose merger

I am writing to urge you to support the recommendation from your Faculty Council to vote in favour of the outline merger arrangements between the Faculty and the Institute. Further information.

In my Presidential Address of November 2006 I raised the possibility of a merger and launched a consultation with Faculty members and students. More than 500 of you responded, and your views have guided your Council's actions.

A significant majority of those who responded were in favour of a merger in principle, but some of you were concerned that the best aspects of the Faculty should be preserved and fostered in any future arrangements. Working together as a task force to develop the arrangements, representatives of the Faculty and the Institute have developed a package which I believe addresses these key concerns. In particular:

- the creation of a Scottish Council, elected by a Scottish constituency, to deal with specific Scottish issues
- the Leader of the Scottish Council will sit on the Profession's Management Board and will have direct access to the President and Chief Executive of the new body
- a commitment to maintain a presence and resource of the new body in Scotland
- use of the Faculty's Royal Charter, shield and motto as the basis to develop the Royal Charter, shield and motto for the new body
- a £500,000 research fund, to be controlled by the Scottish Council, to foster research projects from members of the new body in Scotland
- the first President of the merged body will be Ronnie Bowie.

The purpose of this vote is to determine the level of member support for the principle of a merger and the proposed outline terms. Once we know this, we can develop the detail (eg a Royal Charter and name) for the new body. As such, this vote is open to all members of the UK Profession and the deadline for voting is Monday 16 June 2008. Any subsequent vote would be taken by those eligible to vote under the terms of the existing Charters of the Faculty and the Institute (eg Fellows of the Faculty and the Institute and Associates of the Institute). More details about voting arrangements will follow in due course.

It is important that we give this proposal strong backing to demonstrate our support for the recommendation from the Faculty Council and our commitment to the proposed way forward for our professional body.

I look forward to having the chance to discuss the outline merger arrangements with you over the next few months – for some this will be in person, for others it will be via electronic communications. Please visit the Profession's website for information about meetings or activities to exchange views with your colleagues about the arrangements. If you have any particular queries, please email merger@actuaries.org.uk.

The UK Profession has an exciting and vibrant future. I hope you will join me in making that future a reality in which we can all play our part and take pride in creating.

Yours truly,

A handwritten signature in black ink, appearing to read 'Stewart Ritchie'.

Stewart Ritchie
President
Faculty of Actuaries