

MUTUAL RECOGNITION AGREEMENT

BETWEEN:

THE INSTITUTE OF ACTUARIES a professional body incorporated in 1884, having its head office and principal place of business in London, UK;

(hereinafter called the “**UK Institute**”)

AND:

THE SOCIETY OF ACTUARIES a professional body incorporated in 1949 having its head office and principal place of business in Schaumburg, Illinois USA;

(hereinafter called the “**SOA**”)

THE PARTIES HEREBY AGREE AS FOLLOWS:

WHEREAS the UK Institute is one of the two professional membership organizations for all actuaries practising in the UK and confers the designation “FIA” on its Fellows, which is a designation required by statute in some situations to perform actuarial work;

WHEREAS the UK Institute currently has five categories of membership, namely “Fellows”, “Associates”, “Students”, “Honorary Fellows” and “Affiliates”;

WHEREAS the UK Institute traditionally requires individuals to successfully complete the examination requirements set by the Faculty and Institute of Actuaries in the UK, as part of the eligibility requirements for becoming a Fellow of the UK Institute;

WHEREAS the SOA is one of the professional membership organizations for all actuaries practising in North America and other countries and confers the designation “FSA” on its Fellows, which is a designation required by statute in some situations to perform actuarial work;

WHEREAS the SOA currently has two categories of membership, namely “Fellows” and “Associates”;

WHEREAS the SOA traditionally requires individuals to successfully complete the examinations requirements set by the SOA, as part of the eligibility requirements for becoming a Fellow of the SOA;

WHEREAS the parties wish to facilitate global trade in actuarial services by providing criteria for the recognition of appropriately qualified actuaries from other organizations;

WHEREAS the parties wish to recognize similar educational attainment, to avoid unnecessary barriers, and to enhance the global provision of education, research and professionalism;

WHEREAS each party considers the current education and examination system of the other party acceptable based on their rigor and high standards.

THEREFORE, THE PARTIES HAVE AGREED AS FOLLOWS:

A. THE UK INSTITUTE OFFER TO FELLOWS OF THE SOA

1. The UK Institute will on application admit to Fellowship a Fellow of the SOA in good standing on the following conditions;

The applicant must

- 1.1 have attained full membership of the SOA by examination and not in recognition of membership of another actuarial association;
 - 1.2 attest that he or she wishes to pursue actively the profession of actuary in the UK or Republic of Ireland or to advise on UK or Irish business.
 - 1.3 have at least three years' recent appropriate practical experience of which at least one year was of UK or the Republic of Ireland business;
 - 1.4 have attended an approved professionalism course;
 - 1.5 disclose to the UK Institute any disciplinary sanctions that have been imposed against the applicant by any actuarial organization of which he or she is a Fellow (or equivalent). The applicant must also give his or her permission to the UK Institute to contact the appropriate disciplinary body of the SOA. Such record will be taken into consideration by the UK Institute in determining whether the applicant should become a Member of the UK Institute.
2. Fellows of the SOA who satisfy conditions 1.1, and 1.2 above and who wish to apply for Fellowship of the UK Institute in due course must apply to be enrolled as an Affiliate of the UK Institute while completing any period of relevant experience required under 1.3 above and/or in order to be able to attend the professionalism course required under 1.4 above.
 3. Those admitted to Fellowship under this Agreement will have the same rights, duties and obligations as other Fellows of the UK Institute. They will be subject to the Professional Conduct Standards and the disciplinary procedures. Under the former, in particular, Fellows must not offer to undertake duties for which they do not have the relevant knowledge and experience, for example of UK or Irish legislative requirements or commercial practice.
 4. Payment of subscriptions to the SOA must be maintained at whatever rate the SOA deems appropriate.
 5. The applicant must send his or her application to the UK Institute which will administer the process provided for in this Agreement.

B. THE SOA OFFER TO MEMBERS OF THE UK INSTITUTE

1. Upon submission of an appropriate application, the SOA will waive its examinations and admit to Fellowship, a Fellow of the UK Institute in good standing on the following conditions.

The applicant,

- 1.1. has attained full membership of the UK Institute by examination and not in recognition of membership of another actuarial association;
 - 1.2. is a
 - 1.2.1. Fellow in good standing of the Canadian Institute of Actuaries, or
 - 1.2.2. Member in good standing of the American Academy of Actuaries, or
 - 1.2.3. full member in good standing of other actuarial associations designated from time to time by the Society of Actuaries Board of Governors.
 - 1.3. has attended and passed the SOA Fellowship Admissions Course, or its equivalent as recognized by the SOA, in the five years prior to application.
 - 1.4. has satisfied the SOA Professional Development requirements, or its equivalent as recognized by the SOA, in the five years prior to application.
 - 1.5. has disclosed to the SOA any disciplinary sanctions that have been imposed against the applicant by any actuarial organization of which he or she is a Fellow (or equivalent). The applicant must also give his or her permission to the SOA to contact the appropriate disciplinary body of the UK Institute. Such record will be taken into consideration by the SOA in determining whether the applicant should become a Member of the SOA.
2. Those admitted to Fellowship under this Agreement will have the same rights, duties, obligations and privileges as other Fellows of the SOA. They will be subject to the same Code of Professional Conduct.
 3. The applicant must send his or her application to the SOA, which will administer the process provided for in this Agreement.

C. OBLIGATIONS OF THE UK INSTITUTE AND THE SOA

1. The UK Institute and the SOA will continue to maintain education standards that are substantially equivalent. The signing of this Mutual Recognition Agreement is in recognition that these actuarial organizations currently have substantially equivalent education standards. Mutual re-attestation of such substantial equivalence will take place no less frequently than every three years from the signing of this agreement or when significant changes are made in any of these actuarial organizations' education or examination systems.

2. The UK Institute and the SOA will enter into a mutual discipline agreement as soon as is reasonable practical after the signing this agreement. A violation of the Code of Conduct of one actuarial organization will be considered a violation of the Code of Conduct of the other actuarial organization. Material on a member's public discipline in one actuarial organization will be forwarded to the other organization for their review and possible action.
3. This Mutual Recognition Agreement will terminate if any of the actuarial organizations signing this Agreement concludes that the obligations in 1. or 2. of this section are no longer being met. Termination of this Mutual Recognition Agreement will not affect rights already granted to individual members under this Agreement.

SIGNED AT _____, THIS ____ DAY OF _____, 2005.

INSTITUTE OF ACTUARIES

Michael Pomery MA FIA
President

SIGNED AT _____, THIS ____ DAY OF _____, 2005.

SOCIETY OF ACTUARIES

Stephen G. Kellison FSA MAAA EA
President