

MUTUAL RECOGNITION AGREEMENT

BETWEEN:

THE INSTITUTE OF ACTUARIES OF AUSTRALIA is a company limited by guarantee which holds a licence under the Australian Corporations Law which allows it to exclude the word limited from its name having its head office and principal place of business in Sydney Australia

(hereinafter called the "IAAust")

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 IAAust is the professional membership organization for all actuaries practicing in Australia and confers the designation "FIAA" on its Fellows, which is a designation required by statute in some situations to perform actuarial work;

WHEREAS the IAAust currently has four categories of membership, namely "Fellows", "Accredited Members", "Associates", and "Affiliates";

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

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 Faculty;

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 IAAUST OFFER TO MEMBERS OF THE SOA

1. The IAAust will, on application, admit to Accredited Member status of the IAAust, a Fellow of the SOA, who wishes to pursue actively the profession of actuary in Australia, on the following conditions.
 - 1.1 The applicant who has qualified as a Fellow of the SOA through examination, will be automatically recommended to Council of the IAAust for approval once they have met the following conditions:
 - a) has been a resident in Australia for at least 6 months and has gained suitable experience in local actuarial practice;
 - b) must have passed a recognized professionalism course within the previous 5 years or earlier at the discretion of the Committee, or any other course approved by the Committee.
2. Members of the SOA who become Accredited Members of the IAAust, may apply for Fellowship of the IAAust after 6 months of continuous residence and actuarial practice in Australia following becoming an Accredited Member. Those admitted to Fellowship status under this Agreement will have the same rights, duties and obligations as other Fellows of the IAAust.
3. Those admitted to Accredited Member status under this Agreement will have the same rights, duties and obligations as other Fellows of the IAAust, except where legislation or the IAAust's own rules dictate otherwise.

The applicant must send his or her application to the IAAust which will administer the process provided for in this Agreement.

B. THE SOA OFFER TO MEMBERS OF THE IAAUST

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

The applicant,

- 1.1. has attained full membership of the IAAust 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.
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 IAAUST AND THE SOA

1. The IAAust 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 IAAust and the SOA will enter into a mutual discipline agreement within six months of 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 organizations. 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 SYDNEY, THIS 20th DAY OF January, 2005.

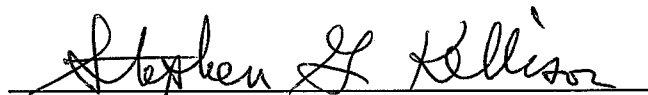
INSTITUTE OF ACTUARIES OF AUSTRALIA



Per: Andrew C Gale BA, FIA, FIAA, MBA
President

SIGNED AT SCHEMBURG, THIS 22ND DAY OF FEBRUARY, 2005.
ILLINOIS

SOCIETY OF ACTUARIES



Per: Stephen G. Kellison FSA, MAAA, EA
President