

MUTUAL RECOGNITION AGREEMENT

BETWEEN:

THE INSTITUTE OF ACTUARIES OF AUSTRALIA 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 principle place of business in Sydney Australia

(hereinafter called the "IAAust")

AND:

THE ACTUARIAL SOCIETY OF INDIA a sole professional body of Actuarial Profession in India, founded in 1944 and registered in 1982 under Act 21 of 1860 for registration of Literary, Scientific and Charitable Societies vide registration no. BOM779/82CBBSD at Mumbai

(hereinafter called the "ASI")

RECITALS:

WHEREAS the IAAust is the professional membership organisation for all actuaries practising in Australia and also outside Australia for actuaries having its membership and confers the designation "FIAA" on its Fellows, which is one of the designations 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 ASI is the professional membership organisation for all actuaries in India and also outside India for actuaries having its membership and confers the designation "FASI" on its Fellows, which is a designation required by statute in some situations to perform actuarial work;

WHEREAS the ASI currently has five categories of membership, namely "Fellows", "Associates", "Students", "Honorary Members" and "Affiliates";

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

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

WHEREAS the parties wish to recognise 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 rigour and high standards.

THE PARTIES HEREBY AGREE AS FOLLOWS:

A. The IAAust Offer to Members of the ASI

- 1 The IAAust will, on application admit to Accredited Member status of the IAAust, a Fellow of the ASI, who wishes to pursue actively the profession of actuary in Australia, on the following conditions;

The applicant must

- 1.1 have attained fellowship of the ASI by final examination in its examinations conducted in November, 2000 or later including subject-specific exemptions granted by ASI for examinations of the IAAust and not in recognition of membership of another actuarial body;
 - 1.2 have at least one years' recent appropriate practical experience;
 - 1.3 have been a resident in Australia for at least 6 months and has gained suitable experience in local actuarial practice;
 - 1.4 must have attended a recognised professionalism course within the previous 5 years or earlier at the discretion of the Committee, or any other course approved by the Committee;
 - 1.5 disclose to the IAAust any public disciplinary sanctions that have been imposed or subject to investigation against the applicant by any actuarial organisation of which he or she is a Fellow (or equivalent). Such record will be taken into consideration by the IAAust in determining whether the applicant should become a Member of the IAAust.
- 2 Fellows of the ASI 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.
- 3 Those admitted to Fellowship status under this Agreement will have the same rights, duties and obligations as other Fellows of the IAAust. 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 Australian legislative requirements or commercial practice.
- 4 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.
- 5 Payment of subscriptions to the ASI must be maintained at whatever rate the ASI deems appropriate.

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

B. The ASI Offer to Members of the IAAust

- 1 The ASI will on application admit to Fellowship a Fellow of the IAAust in good standing on the following conditions;

The applicant must

- 1.1 have attained fellowship of the IAAust by examination and not in recognition of such membership under any other criterion;
 - 1.2 attest that he or she wishes to pursue actively the profession of actuary in India;
 - 1.3 have been 'ordinarily resident' in India for at least one year and have gained suitable actuarial experience in India;
 - 1.4 have attended a professionalism course approved by ASI for the purpose;
 - 1.5 disclose to the ASI any public disciplinary sanctions that have been imposed against the applicant by any actuarial organisation of which he or she is a Fellow (or equivalent). Such record will be taken into consideration by the ASI in determining whether the applicant should become a Member of the ASI.
- 2 Fellows of the IAAust who satisfy conditions 1.1, and 1.2 above and who wish to apply for Fellowship of ASI in due course must apply to be enrolled as an Affiliate Member of the ASI while completing 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 ASI. 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 Indian legislative requirements or commercial practice.
 - 4 Payment of subscriptions to the IAAust must be maintained at whatever rate the IAAust deems appropriate.
 - 5 The applicant must send his or her application to the ASI, which will administer the process provided for in this Agreement.

C. Obligations of the IAAust and the ASI

1. The IAAust and the ASI will continue to maintain education standards that are substantially equivalent. The signing of this Mutual Recognition Agreement is in recognition that these actuarial organisations currently have substantially equivalent education standards. Mutual re-attestation of such substantial equivalence will take place no less frequently than every two years from the signing of this agreement or when significant changes are made in any of these actuarial organisations' education or examination systems.
2. The IAAust and the ASI will enter into a mutual discipline agreement as soon as is reasonably practical after the signing of this agreement. A violation of the Code of Conduct of one actuarial organisation will be considered a violation of the Code of Conduct of the other actuarial organisation. Material on a member's public discipline in one actuarial organisation will be forwarded to the other organisation for their review and possible action.
3. This Mutual Recognition Agreement will terminate if any of the actuarial organisations 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 New Delhi this 17th Day of February 2004

INSTITUTE OF ACTUARIES OF AUSTRALIA



Chris Lewis , BSc, FIA, FIAA
on behalf of
Graham Rogers, FIA, FIAA
President

Signed at New Delhi this 17th Day of February 2004

ACTUARIAL SOCIETY OF INDIA



Liyaquat Khan, BSc, FIA, FASI
President