



Mutual Recognition Agreement

between

The Institute of Actuaries of Australia

and

The Actuarial Society of South Africa

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MUTUAL RECOGNITION AGREEMENT

BETWEEN: **THE INSTITUTE OF ACTUARIES OF AUSTRALIA** (ABN 69 000 423 656), being a public company limited by guarantee and having its head office located at Level 2, 50 Carrington Street, Sydney NSW 2000, Australia ("**IAAust**")

AND: **THE ACTUARIAL SOCIETY OF SOUTH AFRICA**, a professional body of 2nd floor, West End Mall, Jan Smuts Drive, Pinelands, Cape Town, 7405 South Africa ("**ASSA**").

1. BACKGROUND

- 1.1 The IAAust is the sole professional actuarial membership body based in Australia, although its members practise both within Australia and overseas. The IAAust has several categories of membership, but the relevant categories for the purposes of this agreement are Accredited, Fellow and Associate. The IAAust confers the designation 'FIAA' on its Fellows; this is a designation required by statute in some situations to perform actuarial work. The IAAust also confers the designation 'AIAA' on its Associates, and Associates may call themselves an 'Actuary' in Australia. The IAAust requires individuals to successfully complete eligibility requirements, approved by the IAAust's Council, which include education and examinations prior to it granting AIAA and FIAA designations. In addition, the IAAust requires a period of professional experience, including work-based experience in specified jurisdictions, prior to it granting the AIAA and FIAA designations.
- 1.2 ASSA is the sole professional actuarial membership body based in South Africa, although its members practise both within South Africa and elsewhere. ASSA has several categories of membership, but the relevant categories for the purposes of this agreement are Fellow and Associate. ASSA confers the designation 'FASSA' on its Fellows; these are designations required by statute in some situations to perform actuarial work. ASSA also confers the designation 'AMASSA' on its Associates. ASSA requires individuals to successfully complete eligibility requirements, approved by ASSA's Council, which include education and examinations prior to it granting FASSA and AMASSA designations. In addition, ASSA requires a period of South African-specific work-based skills and continuing professional development requirements as part of the eligibility requirements for becoming a FASSA and AMASSA.
- 1.3 The parties are entering into this agreement with the joint intention of:
- (a) facilitating global trade in actuarial services by providing criteria for the recognition of appropriately qualified actuaries from other organisations;
 - (b) enhancing the stature of the actuarial profession through interaction on professional and technical matters; and
 - (c) recognising similar qualifications to avoid unnecessary barriers and to enhance the global provision of education, research and professional services.

2. AGREED TERMS

- 2.1 The terms of this agreement are subject to what is permissible at law, the law being as it applies to each party from time to time.
- 2.2 For the avoidance of doubt, this agreement is not intended to confer any rights on individual members of either the IAAust or ASSA and, instead, sets out the rights and obligations existing between the IAAust and ASSA as professional bodies in order to fulfil the terms of this agreement.

3. THE BASIS ON WHICH THE IAAUST WILL ADMIT MEMBERS OF ASSA

ASSOCIATES OF ASSA

- 3.1 The IAAust will, on application, admit to Associate Member status of the IAAust, an Associate member of ASSA on the following conditions, namely that the applicant must:
 - (a) have attained Associateship of ASSA by completing the qualification requirements of ASSA, which may include co-sponsored education and examinations of other actuarial organisations (including where relevant, obtaining one or more of ASSA's examination exemptions that are available from time to time), and not solely in recognition of membership of another actuarial association;
 - (b) be entitled to practise as a member of ASSA;
 - (c) have successfully met the requirements, prescribed by the IAAust from time to time, in respect of eligibility, education, professional experience and continuing professional development;
 - (d) be a member in good standing with ASSA; and
 - (e) at the same time as applying, give written authorisation to ASSA to release relevant records to the IAAust concerning any disciplinary determination, finding, sanction and/or penalty (other than a private admonishment), to which the applicant has been subject, in accordance with ASSA's disciplinary process. Such records may be taken into consideration by the IAAust in considering the application, and may be retained by the IAAust thereafter for as long as is reasonably necessary. The IAAust may also take appropriate account of any such relevant determinations, findings, sanctions and/or penalties issued under ASSA's disciplinary process.
- 3.2 Those admitted to Associateship under this agreement will have the same rights, duties and obligations as may from time to time be applicable to other Associates of the IAAust. Associates of the IAAust must comply with the Professional Standards and the Code of Professional Conduct of the IAAust at all times and in particular when providing professional services in specified jurisdictions.

- 3.3 On application, Associates of ASSA who do not meet all of the conditions set out in condition 3.1(c) may, at the absolute discretion of the IAAust, be enrolled as an Affiliate Member of the IAAust while taking action to meet those conditions.

FELLOWS OF ASSA

- 3.4 The IAAust will, on application, admit to Accredited Member status of the IAAust, a Fellow of ASSA on the following conditions, namely that the applicant must:
- (a) have attained Fellowship of ASSA by completing the qualification requirements of ASSA, which may include co-sponsored education and examinations of other actuarial organisations (including where relevant, obtaining one or more of ASSA's examination exemptions that are available from time to time), and not solely in recognition of membership of another actuarial association;
 - (b) be entitled to practise as a member of ASSA;
 - (c) have been resident and working in Australia for at least 6 months and has gained suitable experience in local actuarial practice;
 - (d) have successfully met the requirements, prescribed by the IAAust from time to time, in respect of eligibility, education, professional experience and continuing professional development;
 - (e) be a member in good standing with ASSA; and
 - (f) at the same time as applying, give written authorisation to ASSA to release relevant records to the IAAust concerning any disciplinary determination, finding, sanction and/or penalty (other than a private admonishment), to which the applicant has been subject, in accordance with ASSA's disciplinary process. Such records may be taken into consideration by the IAAust in considering the application, and may be retained by the IAAust thereafter for as long as is reasonably necessary. The IAAust may also take appropriate account of any such relevant determinations, findings, sanctions and/or penalties issued under ASSA's Disciplinary Process.
- 3.5 Fellows of ASSA 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.
- 3.6 Those admitted to Accredited membership under this agreement will have the same rights, duties and obligations as may from time to time be applicable to other Accredited Members of the IAAust. Accredited Members of the IAAust must comply with the Professional Standards and the Code of Professional Conduct of the IAAust at all times and in particular when providing professional services in specified jurisdictions.
- 3.7 On application, Fellows of ASSA who do not meet all of the conditions set out in conditions 3.4(c) and 3.4(d) may, at the absolute discretion of the IAAust, be enrolled as an Affiliate member of the IAAust while completing any period of residency and

relevant experience (condition 3.4(c)) and while taking action to meet other requirements prescribed by the IAAust from time to time (condition 3.4(d)).

- 3.8 The IAAust will be responsible for considering and administering applications received under this clause 3 of this agreement.

4. THE BASIS ON WHICH ASSA WILL ADMIT MEMBERS OF THE IAAUST

ASSOCIATES OF THE IAAUST

- 4.1 ASSA will, on application, admit to Associateship, an Associate of the IAAust on the following conditions, namely that the applicant must:
- (a) have attained Associateship of the IAAust by examination of the IAAust (or where relevant, is eligible for one or more of the IAAust's exemptions that are available from time to time) and not solely in recognition of membership of another actuarial association;
 - (b) be entitled to practise as a member of the IAAust;
 - (c) have successfully met the requirements, prescribed by ASSA from time to time, in respect of eligibility, education, professional experience and continuing professional development;
 - (d) be a member in good standing with the IAAust; and
 - (e) at the same time as applying, give written authorisation to the IAAust to release relevant records to ASSA concerning any disciplinary determination, finding, sanction and/or penalty to which the applicant has been subject, in accordance with the IAAust's Disciplinary Scheme. Such records may be taken into consideration by ASSA in considering the application, and may be retained thereafter by ASSA for as long as is reasonably necessary. ASSA may also take appropriate account of any such relevant determinations, findings, sanctions and/or penalties issued under the IAAust's Disciplinary Scheme.
- 4.2 Upon approval as an Associate, the applicant is subject to the same rights, privileges and obligations as all other Associates of ASSA. Associates of ASSA must comply with actuarial standards and the rules of professional conduct of ASSA at all times and in particular when providing professional services in South Africa.

FELLOWS OF THE IAAUST

- 4.3 ASSA will, on application, admit to Fellowship, a Fellow of the IAAust on the following conditions, namely that the applicant must:
- (a) have attained Fellowship of the IAAust by examination of the IAAust (or where relevant is eligible for one or more of the IAAust's exemptions that are available from time to time) and not solely in recognition of membership of another actuarial association;

- (b) be entitled to practise as a member of the IAAust;
 - (c) within three years, up to and including the date of application, have completed at least one year's post-qualification practical work-based experience of South African actuarial practice while enrolled as an Associate of ASSA;
 - (d) have successfully met the requirements, prescribed by ASSA from time to time, in respect of eligibility, education, professional experience and continuing professional development;
 - (e) be a member in good standing with the IAAust; and
 - (f) at the same time as applying, give written authorisation to the IAAust to release relevant records to ASSA concerning any disciplinary determination, finding, sanction and/or penalty to which the applicant has been subject, in accordance with the IAAust's Disciplinary Scheme. Such records may be taken into consideration by ASSA in considering the application, and may be retained thereafter by ASSA for as long as is reasonably necessary. ASSA may also take appropriate account of any such relevant determinations, findings, sanctions and/or penalties issued under the IAAust's Disciplinary Scheme.
- 4.4 Applicants who satisfy condition 4.3(a) above and who wish to enrol for Fellowship of ASSA in due course must apply to be enrolled first as an Associate of ASSA while completing the requirements described under conditions 4.3(c) and 4.3(d) above.
- 4.5 Upon approval as a Fellow, the applicant is subject to the same rights, privileges and obligations as all other Fellows of ASSA. Fellows of ASSA must comply with actuarial standards and the rules of professional conduct of ASSA at all times and in particular when providing professional services in South Africa.
- 4.6 ASSA will be responsible for considering and administering applications received under this clause 4 of this agreement.

5. DATA PROTECTION

- 5.1 Each party warrants to the other party that it shall abide by, observe and perform all covenants, requirements, conditions and stipulations of all data protection and privacy laws that apply to the transfer and/or processing of personal data in connection with this agreement.
- 5.2 Each party further warrants to the other party that:
- (a) it will only use any personal data received in connection with this agreement for the purposes set out in clauses 3.1(e), 3.4(f), 4.1(e) and 4.3(f) respectively; and
 - (b) such data will be kept secure and will only be accessible by the relevant party unless otherwise required by law, or by the IAAust's or ASSA's disciplinary process. If a disclosure is made due to such requirements, the relevant party shall (in so far as it is able to) notify the other party in writing and the parties shall in good faith agree to such action as is necessary.

6. CO-OPERATION BETWEEN THE PARTIES

- 6.1 The parties will co-operate on all matters relating to the exercise of their respective regulatory and membership functions which are relevant to this agreement. For the avoidance of doubt, information that is shared shall: be shared via secure means; be in a form accessible by the other party's systems; and be stored securely.
- 6.2 Any application from a member of one party for membership of the other party will be regarded and treated as an application under the terms of this agreement.
- 6.3 Each party will notify applicants for membership of its body of the professional regulation requirements associated with being a member of that body. Such notification may be made via the party's membership application form, on its website or otherwise.
- 6.4 Subject to clause 6.5:
- (a) The parties will co-operate on all disciplinary matters conducted by either party against a member of the other party.
 - (b) Where there is any complaint laid, referral made, or information provided of a disciplinary nature ("Allegation") against a member of both the IAAust and ASSA, such Allegation will be notified to the other party on receipt, or as soon as reasonably practicable thereafter.
 - (c) Each disciplinary matter will be considered on its merits and the parties will agree on which party should initially handle the Allegation. The parties will use the following non-exhaustive criteria to consider which party is the appropriate one to initially consider the Allegation:
 - whether that party has jurisdiction to deal with the Allegation in the first place;
 - where the work which is the subject of the Allegation ("Work") has been undertaken;
 - where the member who is the subject of the Allegation is located;
 - whether the Work has been undertaken in accordance with the legal or regulatory requirements of Australia or South Africa;
 - whether the Work is intended to be used in Australia or South Africa; and/or
 - whether the recipient of the Work is based in Australia or South Africa.
 - (d) Where an agreement cannot be reached within a reasonable time, each party may then handle the matter as they choose, by reference to their own rules, regulations and disciplinary scheme or process.

- (e) Each party will, so far as reasonably possible, disclose to the other any such information in relation to any information, disciplinary complaint, referral, investigation, hearing or procedure which is relevant for the purpose of assisting the other in properly undertaking its regulatory functions.
- (f) Upon a final determination, the investigating party shall communicate its findings to the other party. As a result of the determination, each party shall give such weight as is appropriate to the other party's findings for the purposes of considering the matter under its own disciplinary scheme or process.

6.5 Nothing in this agreement shall adversely affect either party's ability to invoke the terms of its disciplinary scheme or process in force from time to time.

7. CONTACT POINTS

7.1 Each party agrees to designate and advise the other party of:

- (a) an appropriate day-to-day contact point ("Contact Point") to consider requests or to provide relevant information to the other party in relation to regulatory, governance and disciplinary matters connected with the terms of this agreement or to provide any notices required under this agreement; and
- (b) an appropriate educational contact point ("Educational Contact Point") to consider requests or to provide relevant information to the other party in relation to qualification, educational and syllabus matters connected with the terms of this agreement.

7.2 Each party's Contact Point must advise the other party's Contact Point if there have been, or are likely to be, material changes to their own governance, regulatory, or disciplinary requirements which are relevant to the terms of this agreement including, but not limited to, changes to membership categories. The parties will review the terms of this agreement within a reasonable period of time following the notification of such material changes.

7.3 Each party's Educational Contact Point must advise the other party's Educational Contact Point if there have been, or are likely to be, material changes to their own qualification or educational requirements which are relevant to the terms of this agreement including, but not limited to, changes to:

- (a) syllabus and educational requirements;
- (b) continuing professional development requirements; and/or
- (c) practical work training requirements,

and the parties shall agree to review the terms of this agreement within a reasonable period of time following the notification of these material changes.

7.4 Subject to clause 7.4 above, each party's Educational Contact Points shall have an annual review meeting, whether in person, or by teleconference, to discuss any changes to their qualification structure and/or syllabus and educational requirements.

8. TERM AND NOTICES

8.1 This agreement shall be deemed to have commenced with effect from and including October 17, 2015 and, subject to the provisions for earlier termination contained within this agreement, shall continue indefinitely. The agreement shall be subject to formal review three years after the commencement date.

8.2 Either party may terminate this agreement by giving the other party not less than three calendar months' written notice, provided always that, in the event of a material breach of this agreement, either party may give the other party written notice of termination, which shall be deemed effective on the date of postage.

8.3 Any notice under this agreement shall be sent to the relevant party's address, as set out at the beginning of this agreement, or to such other address as may from time to time be notified in writing by either party to the other.

8.4 Each party will, from time to time, notify the other in writing of the appropriate person(s) to whom notices under this agreement must be addressed.

8.5 Termination of this agreement will not affect the rights, recognition and obligations of individuals already granted membership under the terms of this agreement.

SIGNED

THIS 17th DAY OF OCTOBER 2015

THE INSTITUTE OF ACTUARIES OF AUSTRALIA



LINDSAY SMARTT
Senior Vice President

SIGNED

THIS 17th DAY OF OCTOBER 2015

THE ACTUARIAL SOCIETY OF SOUTH AFRICA



ROSEANNE DA SILVA
President *Elect*