

## MUTUAL RECOGNITION AGREEMENT

This Agreement is entered into at Cape Town, on the 3<sup>rd</sup> of March 2010:

**BETWEEN: THE SOCIETY OF ACTUARIES IN IRELAND**, a professional body incorporated as a company limited by guarantee in 1988, having its Head Office and principal place of business in Dublin, Ireland (hereinafter called the "SAI");

**AND: THE ACTUARIAL SOCIETY OF SOUTH AFRICA**, a professional body registered in South Africa, having its Head Office and principal place of business in Cape Town, South Africa (hereinafter called the "Society").

### A. Introduction

1. The SAI is the sole professional actuarial membership body in the Republic of Ireland. Its members practise both within the Republic of Ireland and elsewhere. The SAI has several categories of membership, but the most relevant categories for the purposes of this Agreement are Fellows and Associates. The SAI confers the designation 'FSAI' on its Fellows, which is a designation required by statute in some situations to perform actuarial work, and the designation 'ASAI' on its Associates. The SAI requires individuals to successfully complete the examination requirements of the Faculty of Actuaries or the Institute of Actuaries in the UK, as part of the eligibility requirements for becoming a Fellow or Associate of the SAI.

2. The Society is the sole professional actuarial membership body in South Africa. Its members practise both within South Africa and elsewhere. The Society has several categories of membership, but the most relevant categories for the purposes of this Agreement are Fellows and Associates. The Society confers the designation 'FASSA' on its Fellows, this being one of the designations required by statute in some situations to perform actuarial work, and the designation 'AMASSA' on its Associates. The Society requires individuals to successfully complete the examinations set by the Society, as part of the eligibility requirements for becoming a Fellow or an Associate of the Society.

3. The objectives of the SAI and the Society (the "parties") in entering into this Agreement are to:

(a) facilitate global trade in actuarial services, and the mobility of individual actuaries, by providing criteria for the recognition of appropriately qualified actuaries from other organisations;

(b) recognise similar qualifications, avoid unnecessary barriers and enhance the global provision of education, research and professional services.

4. In entering into this Agreement, each party considers the current qualification system of the other party as acceptable, based on its rigour and high standards.

5. The remainder of this Agreement details:

(a) the basis on which the SAI will admit members of the Society (Section B);

(b) the basis on which the Society will admit members of the SAI (Section C);

(c) the further obligations accepted by the parties in respect of membership under this Agreement (Section D);

(d) the term of this Agreement and provision for early termination (Section E).

**B. The basis on which the SAI will admit members of the Society**

6. An applicant must send an application in the required form to the SAI, which will administer the process provided for in Section B of this Agreement.

7. The SAI will, on such application, admit to Fellowship a Fellow, or to Associateship an Associate, of the Society on the following conditions, namely that the applicant must:

(a) have attained Fellowship or Associateship of the Society by examination (such examinations being those of the Society or, for Fellows or Associates admitted prior to 2010, the UK Actuarial Profession via either the Faculty of Actuaries or the Institute of Actuaries) and not in recognition of membership of another actuarial association;

(b) attest that he or she wishes to pursue actively the profession of actuary in the Republic of Ireland or to advise on Irish business;

(c) have at least three years' recent appropriate practical experience, of which at least one year was in the Republic of Ireland or related to Irish business;

(d) successfully complete the courses and professional development requirements prescribed by the SAI from time to time;

(e) be, in the sole opinion of the Society, of good standing. In making the application, the applicant will be required to authorise the Society to release records from time to time to the SAI concerning any disciplinary sanction or penalty that has been imposed on the applicant in accordance with the Disciplinary Scheme of the Society, whether before or after the application is made. Such records will be taken into consideration by the SAI:

(i) in determining whether the applicant should become a Member of the SAI; and

(ii) if the applicant has been admitted as a Member of the SAI, in determining whether disciplinary proceedings are to be taken against such person under the Disciplinary Scheme of the SAI; and

(iii) if disciplinary proceedings are so taken, in determining whether a breach of professional obligations has occurred.

8. On application, a Fellow or Associate of the Society who, at the date of his or her application, satisfies the conditions set out in clauses 7(a), (b) and (e) above, but does not meet all of the conditions set out in clause 7, will be enrolled as an Affiliate of the SAI while completing any period of relevant experience and/or in order to be able to attend any relevant courses; and he or she must maintain his or her membership of the Society while completing, to the satisfaction of the SAI, the requirements for Fellow or Associate membership of the SAI.

9. Those admitted to Fellowship, Associateship or Affiliate status of the SAI under this Agreement will have the same rights, duties and obligations as other Fellows, Associates and Affiliates of the SAI (as the case may be). Continued Fellow or Associate membership of the SAI will be conditional on maintaining membership, of corresponding status, of the Society.

10. The Council of the SAI may, at its sole discretion, decide to waive any or all of the requirements in this Section B in any individual case.

### **C. The basis on which the Society will admit members of the SAI**

11. An applicant must send an application in the required form to the Society, which will administer the process provided for in Section C of this Agreement.

12. The Society will, on such application, admit to Fellowship a Fellow, or to Associateship an Associate, of the SAI on the following conditions, namely that the applicant must:

(a) have attained Fellowship or Associateship of the SAI by examinations of the Faculty of Actuaries or the Institute of Actuaries, and not in recognition of membership of any other actuarial association;

(b) have gained at least one year's post-qualification practical experience of actuarial practice obtained in South Africa within three years of the date of application (the "Society adaptation period");

(c) have attended, during the Society adaptation period, either the Society's professionalism course or another professionalism course approved by the Society;

(d) have passed a South African Practice Module (this applies only in the case of applications for Fellow membership); and

(e) be, in the sole opinion of the Society, of good standing. In making the application, the applicant will be required to authorise the SAI to release records from time to time to the Society concerning any disciplinary sanction or penalty that has been imposed on the applicant in accordance with the Disciplinary Scheme of the SAI, whether before or after the application is made. Such records will be taken into consideration by the Society:

(i) in determining whether the applicant should become a Member of the Society; and

(ii) if the applicant has been admitted as a Member of the Society, in determining whether disciplinary proceedings are to be taken against such person and, if so, at what time; and

(iii) if disciplinary proceedings are so taken, in determining whether a breach of professional obligations has occurred.

13. On application, a Fellow or Associate of the SAI who satisfies the conditions set out in clauses 12(a) and 12(e) above, but who does not meet all of the conditions set out in clauses 12(b), 12(c) and 12(d), will be enrolled as an Affiliate of the Society while completing any period of relevant experience, and/or in order to be able to attend a professionalism course, and/or in order to be able to take a South African Practice

Module; and he or she must maintain his or her membership of the SAI at least until such time as he or she is admitted as a Fellow or Associate of the Society or withdraws his or her application for Fellow or Associate membership.

14. Those admitted to Fellowship, Associateship or Affiliate status of the Society under this Agreement will have the same rights, duties and obligations as other Fellows, Associates or Affiliates of the Society (as the case may be).

15. The Council of the Society may, at its sole discretion, decide to waive any or all of the requirements in this Section C in any individual case.

#### **D. Obligations accepted by the parties**

16. The parties will cooperate on all matters related to membership and arising out of giving effect to this Agreement. In particular, the parties will share information on all matters of discipline or compliance related to members covered by this Agreement, subject to each party's constituent documents and rules, and to local privacy and other laws.

17. Any application from a member of one party for membership of the other party will be regarded as an application under the terms of this Agreement.

18. Each party will advise applicants for membership of its body of the professional regulation requirements associated with becoming a member of that body.

19. Any complaint received by either party against a member covered by this Agreement will be considered on its merits and according to the requirements of each party's disciplinary scheme.

20. The parties recognise that their current qualification standards are substantially equivalent and agree to maintain this equivalence. In order to allow this equivalence to be verified, the parties agree, upon specific request, and on a timely basis, to:

(a) exchange information on proposed material changes to their education systems;

(b) exchange information on proposed material changes to other aspects of their qualification process or Continuous Professional Development ("CPD") scheme.

#### **E. Term of Agreement and provision for termination**

21. The term of this Agreement is five years from the date of its execution by both parties. Both parties agree that it is their intention that, subject to the parties' mutual satisfaction with the operation of this Agreement during its term and to the circumstances then existing, this Agreement will be renewed and extended following its expiry.

22. This Agreement will terminate within sixty (60) days if either party concludes that the obligations in any or all of Sections B, C or D are no longer being met, and notifies the other party to that effect in writing. The parties agree that they will engage with each other in a timely manner should any concerns arise that may lead to the termination of this Agreement, and that they will use their best endeavours to resolve the concerns raised. The Agreement will also terminate should the Mutual Recognition Agreement between the Society and UK Profession terminate. Termination of the Agreement will not

affect the rights of individuals already granted membership under the terms of this Agreement.

**THE SOCIETY OF ACTUARIES IN IRELAND**

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Per: Mr Kevin Murphy  
President  
For and on behalf of The Society of Actuaries in Ireland

**THE ACTUARIAL SOCIETY OF SOUTH AFRICA**

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Per: Mr Peter Doyle  
President  
For and on behalf of The Actuarial Society of South Africa