

NORTH AMERICAN ACTUARIAL COUNCIL | Policy Manual

Moving the actuarial profession forward in North America



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1. Introduction to NAAC

1.1 About This Manual

This manual establishes workable procedures that enable NAAC to accomplish its goals efficiently, and will track NAAC's developing policies for the benefit of current and future members to help make future leaders more effective.

1.2 Purpose of NAAC

(Note: The following description appears in Section 2 of the Working Agreement, which governs NAAC's work. The Working Agreement was last revised by the NAAC Participating Organizations in 2006. It is included in this manual [Section 3.1] and in publications distributed by the Participating Organizations to their members.)

The Participating Organizations jointly acknowledge that:

- The operating environments in the three North American countries are very different,
- The Participating Organizations' members expect the organizations to leverage resources and take appropriate advantage of synergies, and
- Increased information sharing and dialogue among the Participating Organizations has the potential to yield collective insights valuable to each organization.

Accordingly, the Participating Organizations define NAAC's purpose as follows:

1. NAAC is to be a catalyst for dialogue on key issues facing the North American actuarial profession.
2. NAAC is to be a facilitator of opportunities for leveraging of resources across organizations.
3. NAAC is to be a source of knowledge in identifying conditions, trends, assumptions, and key issues affecting the North American actuarial profession and benchmarking best practices among member organizations.
4. NAAC is to be a forum for information sharing on current and potential activities among the North American actuarial organizations.
5. NAAC is to be a forum where networking occurs and camaraderie is built among the leaders of the North American actuarial organizations.

In fulfilling its purpose, NAAC shall abide by the following guiding principles:

- The conditions, cultures and perspectives of each individual country and their member organizations will be respected and valued.
- The autonomy of each member organization to pursue its mission and purpose will be preserved.
- The public interest will always be a primary consideration.
- The best interests of the profession will always be considered.

1.3 NAAC Membership

The North American Actuarial Council (NAAC) is composed of up to two officers of each Participating Organization.

One of the two officers shall be the President of the Participating Organization. The other officer shall be the President-Elect of the Participating Organization unless the Participating Organization appoints another officer it deems more appropriate. If a designated officer of a Participating Organization is unable to attend a meeting of NAAC, the Participating Organization may designate another appropriate representative to attend the meeting in that officer's stead.

The nine Participating Organizations are:

- American Academy of Actuaries (Academy)
- ASPPA College of Pension Actuaries (ACOPA)
- Asociación Mexicana de Actuarios (AMA)
- Asociación Mexicana de Actuarios Consultores (AMAC)
- Canadian Institute of Actuaries (CIA)
- The Casualty Actuarial Society (CAS)
- Colegio Nacional de Actuarios (CONAC)
- The Conference of Consulting Actuaries (CCA)
- The Society of Actuaries (SOA)

Additional organizations may participate in NAAC at the invitation of the Participating Organizations.

1.3.1 NAAC Members

2018 NAAC¹

Academy

- President Stephen A. Alpert
- President-Elect Shawna S. Ackerman

ACOPA

- President William G. Karbon
- President-Elect John R. Markley

AMA

- President Jorge Campa
- Vice-President Patricio Belaunzarán

AMAC

- President Roberto Rocha
- Vice-President Rosalba Del Castillo

CIA

- President Sharon Giffen
- President-Elect John L. Dark

CAS

- President Brian Z. Brown
- President-Elect James K Christie

CONAC

- President Luciano Devars
- Vice President Ana María Ramírez

CCA

- President John H. Lowell
- President-Elect Edward M. Pudlowski

SOA

- President Mike Lombardi
- President-Elect James M. Glickman

¹ Note: Year indicates operational year October 2017 to October 2018

2017 NAAC¹

Academy

- President Robert M. Beuerlein
- President-Elect Stephen A. Alpert

ACOPA

- President Kurt F. Piper
- President-Elect William G. Karbon

AMA

- President Jorge Campa
- Vice-President Patricio Belaunzarán

AMAC

- President Roberto Rocha
- Vice-President Rosalba Del Castillo

CIA

- President David Dickson
- President-Elect Sharon Giffen

CAS

- President Nancy A. Braithwaite
- President-Elect Brian Z. Brown

CONAC

- President Carlos Lozano
- Vice President Jorge Luis López-Araiza

CCA

- President Donald E. Fuerst
- President-Elect John H. Lowell

SOA

- President Jeremy J. Brown
- President-Elect Mike Lombardi

¹ Note: Year indicates operational year October 2016 to October 2017

2016 NAAC¹

Academy

- President Thomas F. Wildsmith
- President-Elect Robert M. Beuerlein

ACOPA

- President Karen Smith
- President-Elect Kurt F. Piper

AMA

- President Alberto Elizarrarás
- Vice-President Luis Francisco Galván

AMAC

- President Alejandro Turner
- Vice-President Salvador Milanés

CIA

- President Robert H. Stapleford
- President-Elect David Dickson

CAS

- President Stephen P. Lowe
- President-Elect Nancy A. Braithwaite

CONAC

- President Carlos Lozano
- Vice President Jorge Luis López-Araiza

CCA

- President Donald J. Segal
- President-Elect Donald E. Fuerst

SOA

- President Craig W. Reynolds
- President-Elect Jeremy J. Brown

¹ Note: Year indicates operational year October 2015 to October 2016

1.3.2 Staff

The Executive Directors of the Participating Organizations attend and participate in NAAC meetings, but are not members of NAAC and do not vote.

Chief Staff Officers

American Academy of Actuaries	Mary Downs
ASPPA College of Pension Actuaries (ACOPA)	Marty Pippins
Canadian Institute of Actuaries	Michel Simard
Casualty Actuarial Society	Cynthia Ziegler
CCA	Kelly Fanella
Colegio Nacional de Actuarios	Patricia Alfaro
Society of Actuaries	Greg Heidrich

Other Staff

- When appropriate, the Academy agrees to make its legal counsel available to NAAC; and to coordinate, upon request, with counsel for the CIA and the Mexican organizations. The Academy's general counsel is Paul Kollmer-Dorsey.
- Academy Senior Policy Analyst Claire Mickelson provides staff support for NAAC. She can be reached at 202.223.8196 or at mickelson@actuary.org.

2. NAAC Procedures

The North American Actuarial Council meets twice a year, in April and October. Each country rotates as host as follows:

- Fall 2018: United States (ACOPA);
- Spring 2019: Canada (CIA);
- Fall 2019: United States (CAS);
- Spring 2020: Mexico (AMA)
- Fall 2020: United States (Academy)
- Spring 2021: Canada (CIA)

Host countries may choose to trade meetings within a year.

The U.S.-based organizations will take turns hosting the meetings that take place in the United States in the following order:

- CAS (Last hosted May 2013; New Orleans);
- Academy (Last hosted November 2013; Miami Beach);
- SOA (Last hosted December 2015; Scottsdale);
- CCA (Last hosted May 2017; Williamsburg);
- ACOPA (Will host September 2018; San Diego).

The Mexico-based organizations will take turns hosting the meetings that take place in Mexico in the following order:

- CONAC (Last hosted December 2014; Mérida);
- AMA (Last hosted April 2016; Guanajuato);
- AMAC (Last hosted January 2018; Puebla).

NAAC meetings will include an invitation to and activities for members' spouses or companions. Also, activities to encourage social interaction among the group will be scheduled.

The executive directors and staff should work together to identify potential meeting dates for the next year's meeting while ensuring no conflicts with interests of any participating organization. Dates and locations of other meetings that two or more NAAC members might be attending (meetings of participating organizations, IAA, etc.) should be identified to determine whether it

makes sense to add a NAAC meeting to the beginning or the end of such meeting, in order to avoid unnecessary additional travel and expense for those attending. CUSP meetings may be held in tandem with NAAC meetings.

A variety of locations can be considered, such as resort areas, capital cities, easy to access locations, etc. Reasonable travel time, driving time, and weather conditions should be a consideration.

Local arrangements for the in-person meetings (e.g., location and chairing the meeting) shall be the responsibility of the host country.

Since the latest Working Agreement was signed, the American Academy of Actuaries has agreed to provide administrative support for meetings and other activities.

Meeting expenses, including staff support, will be shared equally among the participating organizations, with the Mexican organizations counting as one organization.

2.1 Fall Meeting

The fall meeting is considered the crossover meeting, consisting of the outgoing presidents, the incoming presidents, and the incoming presidents-elect. The purpose of the meeting is to educate and orient the new members of NAAC and to set the agenda for the coming year.

2.1.1 Role of the Outgoing Presidents

The outgoing presidents are responsible for orienting the incoming presidents-elect on procedures and educating them on the issues and projects that will be ongoing.

The outgoing presidents are also responsible for finalizing the NAAC annual report for the previous year.

2.1.2 Role of the Incoming Presidents

The incoming presidents meet with the executive directors about shared infrastructure and processes. They also discuss and formulate strategic objectives for the coming year, outlining issues NAAC wants to address.

2.1.3 Role of the Presidents

The presidents are charged with shaping their general strategic objectives into a working agenda of projects and initiatives for the coming year.

2.2 Meetings

At both meetings, members of NAAC work to realize NAAC's strategic objectives by implementing the agenda of projects and initiatives developed by the presidents. They also participate in other business and social activities, including events intended to foster long-term working relationships on behalf of the profession.

2.3. Meeting Documents

At its October 2009 meeting, NAAC agreed to the following calendar:

- 8 weeks before the NAAC meeting, executive directors from NAAC will hold a conference call to discuss ongoing topics and the Academy analyst will circulate a draft agenda among the executive directors;
- 6 weeks before the meeting, a draft agenda will be circulated to NAAC member organizations' Presidents for review and finalization;
- 4 weeks before the meeting, the Presidents will send the draft agenda to the Academy and the Academy will begin assembling meeting documents on the basis of that agenda;
- 2 weeks before the meeting, the Academy will send out the meeting materials;
- The Academy will produce both full minutes and a summary of the meeting within 4 weeks of the NAAC meeting.

3. Policies

3.1 NAAC Working Agreement

The members of NAAC revised and signed the latest version of the Working Agreement in 2006. It is reproduced here.

North American Actuarial Council Working Agreement

This Working Agreement sets forth the cooperative goals of the American Academy of Actuaries (Academy), the American Society of Pension Professionals and Actuaries (ASPPA), the Asociación Mexicana de Actuarios (AMA), the Asociación Mexicana de Actuarios Consultores (AMAC), the Canadian Institute of Actuaries (CIA), the Casualty Actuarial Society (CAS), the Colegio Nacional de Actuarios (CONAC), the Conference of Consulting Actuaries (Conference), and the Society of Actuaries (SOA), collectively referred to as the Participating Organizations.

In order to: foster cooperation among the Participating Organizations consistent with their individual missions as described below; eliminate unnecessary duplication of effort and activity among the Participating Organizations (thereby maximizing the efficient use of the Participating Organizations' resources); encourage mutual recognition and cross-border discipline; and enhance the image, growth and reputation of the actuarial profession in North America, the Participating Organizations agree to participate in the North American Actuarial Council ("NAAC") as described in this Working Agreement.

The Participating Organizations agree to broadly publicize this Agreement (e.g., publish it in their Yearbooks and on their websites).

I. Missions of the Participating Organizations

Each of the Participating Organizations operates to further its self-identified mission. The missions of the Participating Organizations may be broadly summarized as follows:

- ▶ **Academy:** Nationally and internationally, to represent the entire U.S. actuarial profession in the formulation of public policy and support U.S. actuaries in fulfilling their related responsibilities; to encourage the professionalism of U.S. actuaries by fostering the establishment, communication, maintenance and enforcement of high professional standards; and to represent and advance the U.S. actuarial profession and increase the public's recognition of the U.S. actuarial profession's value.
- ▶ **ASPPA:** To educate all retirement plan professionals and to preserve and enhance the employer-based retirement system as an essential part of a national retirement income policy in the United States.
- ▶ **AMA:** To support the Mexican actuarial profession in maintaining high standards of professional integrity and technical expertise and, thereby, promote the dignity of the profession and enhance the public's recognition of the profession's value.
- ▶ **AMAC:** To advance the quality of actuarial consulting practice in Mexico by providing continuing education and business support services to Mexican actuaries in consulting practice.
- ▶ **CIA:** As the national organization of the Canadian actuarial profession, to serve the public through the provision by the profession of actuarial services and advice of the highest quality by: representing the Canadian actuarial profession in the formulation of public policy; promoting the advancement of actuarial science and sponsoring programs for the education and qualification of CIA members and prospective members; ensuring that actuarial services provided by its members meet accepted professional standards; and assisting actuaries in Canada in the discharge of their professional responsibilities.
- ▶ **CAS:** To advance the body of knowledge of actuarial science applied to property, casualty, and similar risk exposures by: providing basic and continuing education; conducting research; establishing and maintaining high standards of conduct and competence for its members;

communicating with the publics affected by insurance; and increasing the awareness of actuarial science.

► **CONAC:** To serve as the professional membership organization for all the actuaries licensed to practice in Mexico, regardless of their specialty area; to advise the Mexican government concerning public policy matters with actuarial implications; and to foster actuarial education and research in Mexico.

► **Conference:** to advance the quality of actuarial consulting practice, support the needs of consulting actuaries, and represent their interests.

► **SOA:** The Society of Actuaries is an educational, research, and professional organization dedicated to serving the public and Society members. Its mission is to advance actuarial knowledge and to enhance the ability of actuaries to provide expert advice and relevant solutions for financial, business, and societal problems involving uncertain future events. The vision of the Society of Actuaries is for actuaries to be recognized as the leading professionals in the modeling and management of financial risk and contingent events. The Society also works to anticipate future member needs through environmental scanning, strategic planning, and dynamic strategy management.

Each of the Participating Organizations takes whatever measures it deems necessary, appropriate, or desirable to attract, recruit and serve its individual members. This agreement is not intended, nor should it be construed, to restrict in any way the independent business decisions of the Participating Organizations but, rather, to document the Participating Organizations' desire to cooperate in the service of the North American actuarial profession consistent with their own missions and purposes.

II. The North American Actuarial Council

A. Purpose of NAAC

The Participating Organizations jointly acknowledge that:

- The operating environments in the three North American countries are very different,
- The Participating Organizations' members expect the organizations to leverage resources and take appropriate advantage of synergies, and
- Increased information sharing and dialogue among the Participating Organizations has the potential to yield collective insights valuable to each organization.

Accordingly, the Participating Organizations define NAAC's purpose as follows:

1. NAAC is to be a catalyst for dialogue on key issues facing the North American actuarial profession.
2. NAAC is to be a facilitator of opportunities for leveraging of resources across organizations.

3. NAAC is to be a source of knowledge in identifying conditions, trends, assumptions, and key issues affecting the North American actuarial profession and benchmarking best practices among member organizations.
 4. NAAC is to be a forum for information sharing on current and potential activities among the North American actuarial organizations.
 5. NAAC is to be a forum where networking occurs and camaraderie is built among the leaders of the North American actuarial organizations.
- ▶ In fulfilling its purpose, NAAC shall abide by the following guiding principles:
 - ▶ The conditions, cultures and perspectives of each individual country and their member organizations will be respected and valued.
 - ▶ The autonomy of each member organization to pursue its mission and purpose will be preserved.
 - ▶ The public interest will always be a primary consideration.
 - ▶ The best interests of the profession will always be considered.

B. Members

The North American Actuarial Council (NAAC) is comprised of up to two officers of each Participating Organization. One of the two officers shall be the President of the Participating Organization. The other officer shall be the President-Elect of the Participating Organization unless the Participating Organization appoints another officer it deems more appropriate. If a designated officer of a Participating Organization is unable to attend a meeting of NAAC, the Participating Organization may designate another appropriate representative to attend the meeting in that officer's stead. The Executive Directors of the Participating Organizations attend and participate in NAAC meetings, but are not members of NAAC and do not vote.

Additional organizations may participate in NAAC at the invitation of the Participating Organizations.

C. Meetings

NAAC will meet in person up to three times a year. Arrangements for the in-person meetings (e.g., location and chairing the local meeting) shall be the responsibility of the host country. The Participating Organizations shall decide how to coordinate the agenda and provide meeting materials for the following year no later than at their Fall meeting each year. The Participating Organizations agree to share equally the costs to perform this support function, with the Mexican organizations counting as one organization.

D. Legal

When appropriate, the Academy also agrees to make its legal counsel available to NAAC; and to coordinate, upon request, with counsel for the CIA and the Mexican organizations.

III. Communications Among the Participating Organizations

A. Each Participating Organization shall share items of mutual interest, including items distributed to the Participating Organization's board members (subject to board approval), with the other members of NAAC as soon as feasible after the items are available (electronically through the NAAC list server if appropriate). This sharing includes the Participating Organization's yearbook, newsletters, and board minutes, in addition to other important documents or significant studies that would be of value to the wider audience. This sharing does not apply to any item that a Participating Organization considers to be confidential.

B. Each Participating Organization shall endeavor to inform each of the other Participating Organizations on a timely basis of any of its actions that are expected to have a significant effect on one or more of the other Participating Organizations or their members.

C. Each Participating Organization shall invite the Members of NAAC to all general membership meetings, with the registration fee waived.

3.2 Cross-Border Discipline Agreement

The U.S., Canadian, and Mexican members of NAAC adopted this agreement, which took effect in 2016.

This is an agreement among the Canadian Institute of Actuaries (CIA); the Colegio Nacional de Actuarios, A.C. (CONAC), the Asociación Mexicana de Actuarios, A.C. (AMA), and the Asociación Mexicana de Actuarios Consultores, A.C. (AMAC) (collectively "the Mexico-based organizations"); and the American Academy of Actuaries (Academy), the American Society of Pension Professionals and Actuaries (ASPPA) College of Pension Actuaries (ACOPA), the Casualty Actuarial Society, the Conference of Consulting Actuaries, and the Society of Actuaries (collectively "the U.S.-based organizations"). The CIA, the Mexico-based organizations, and the U.S.-based organizations agree that it is in the best interests of their members to reduce the risk that their members will be subjected to multiple disciplinary investigations arising out of a single complaint, inquiry, or incident involving an alleged breach of the professional standards of the CIA, the Mexico-based organizations, and/or the U.S.-based organizations. Consequently, with regard to their members practicing in Mexico, the United States, and Canada, the CIA, the Mexico-based organizations, and the U.S.-based organizations agree as follows:

- I. Members of the U.S.-based organizations practicing in Canada are required by the U.S.-based organizations to comply with the Rules of Professional Conduct, Standards of Practice, and eligibility requirements of the CIA. Members of the U.S.-based organizations practicing in Mexico are required by the U.S.-based organizations

to comply with the Rules of Professional Conduct, Standards of Practice, and eligibility requirements of the Mexico-based organizations. Members of the CIA practicing in the United States are required by the CIA to comply with the Codes of Professional Conduct, Qualification Standards, and Actuarial Standards of Practice of the U.S.-based organizations. Members of the CIA practicing in Mexico are required by the CIA to comply with the Rules of Professional Conduct, Standards of Practice, and eligibility requirements of the Mexico-based organizations. Members of the Mexico-based organizations practicing in Canada are required by the Mexico-based organizations to comply with the Rules of Professional Conduct, Standards of Practice, and eligibility requirements of the CIA. Members of the Mexico-based organizations practicing in the United States are required by the Mexico-based organizations to comply with the Codes of Professional Conduct, Qualification Standards, and Actuarial Standards of Practice of the U.S.-based organizations. The location(s) of the member's practice in each case is determined by the ultimate purpose(s) of the member's work, as determined by the facts and circumstances of the case. As among Mexico, the United States, and Canada, the ultimate purpose(s) of a member's work is determined by whether the work is performed pursuant to the legal or regulatory requirements of Mexico, the United States, or Canada, or whether it is intended for use in Mexico, the United States, or Canada. (Thus, for example, an actuary who performed work to be filed with a United States governmental body would be deemed to have practiced in the United States when performing that work; similarly, an actuary who performed work to be filed with a Canadian governmental body would be deemed to have practiced in Canada when performing that work, and an actuary who performed work to be filed with a Mexican governmental body would be deemed to have practiced in Mexico when performing that work.) The residence or physical location of the actuary is irrelevant to the determination of whether the actuary has practiced in Mexico, the United States, or Canada.

2. Questions concerning members' practice in Canada are investigated by the CIA in accordance with its rules and bylaws. Questions concerning members' practice in the United States are investigated by the Actuarial Board for Counseling and Discipline and acted upon by the U.S.-based organizations in accordance with their rules and bylaws. Questions concerning members' practice in Mexico are investigated by the CONAC Honor Board in accordance with its rules and bylaws.
3. If a question arises concerning a CIA member's practice in the United States and the CIA member is not also a member of one or more of the U.S.-based organizations, the question will be investigated by the Actuarial Board for Counseling and Discipline (ABCD) and reviewed by the Academy in accordance with its rules and bylaws as if

the CIA member were a member of the Academy. If a question arises concerning a Mexico-based organization's member's practice in the United States and the Mexico-based organization's member is not also a member of one or more of the U.S.-based organizations, the question will be investigated by the ABCD and reviewed by the Academy in accordance with its rules and bylaws as if the Mexico-based organization member were a member of the Academy.

4. The parties hereby agree that, in instances where it is unclear whether a complaint, inquiry, or incident involving a member should be investigated by CONAC Honor Board, by the CIA, or by the ABCD, the Mexico-based organizations' executive director, the CIA's executive director, and legal counsel to the ABCD will initiate discussions between the CIA, ABCD, and the CONAC Honor Board as necessary to determine which organization will undertake the investigation.
5. A determination by the CIA that a member of one or more of the U.S.-based organizations or Mexico-based organizations breached the applicable Rules of Professional Conduct, Standards of Practice, or eligibility requirements of the CIA when practicing in Canada will be made solely by the CIA, and will be deemed final by all the parties to this agreement when the appeal process of the CIA has been exhausted. A determination by one or more of the U.S.-based organizations that a member of the CIA or Mexico-based organizations breached the applicable rules of the U.S.-based organization(s) when practicing in the United States will be made solely by the U.S.-based organizations pursuant to findings and recommendation of the ABCD, and will be deemed final by all the parties to this agreement as to each U.S.-based organization when the appeal process of that U.S.-based organization has been exhausted. A determination by one or more of the Mexico-based organizations that a member of the CIA or U.S.-based organizations breached the applicable rules of the Mexico-based organizations when practicing in Mexico will be made solely by the CONAC Honor Board, and will be deemed final by all the parties to this agreement when the appeal process of the CONAC Honor Board has been exhausted.
6. The CIA will retain sole authority to determine the penalty to be imposed by the CIA upon one of its members based upon a finding by one or more of the U.S.-based organizations or Mexico-based organizations that a CIA member breached applicable rules when practicing in the United States or Mexico. Each of the U.S.-based organizations will retain sole authority to determine the penalty to be imposed by that organization upon one of its members based upon a finding by the

CIA or one or more of the Mexico-based organizations that the member breached applicable rules when practicing in Canada or Mexico. Each of the Mexico-based organizations will retain sole authority to determine the penalty to be imposed by that organization upon one of its members based upon a finding by the CIA or one or more of the U.S.-based organizations.

7. The CIA agrees to communicate to the relevant U.S.-based organizations or relevant Mexico-based organizations any public finding that a member of the U.S.-based organizations or Mexico-based organizations breached applicable rules when practicing in Canada, regardless of whether the member is also a member of the CIA, and to provide each of the relevant U.S.-based organizations or relevant Mexico-based organizations with a copy of the Appeal Tribunal transcript, if any, or the transcript of the Disciplinary Tribunal and the findings of the Appeal Tribunal, if any, or the findings of the Disciplinary Tribunal. The CIA will also provide to the relevant U.S.-based organizations or relevant Mexico-based organizations upon request any and all additional documents and evidence considered by the tribunal in rendering its decision not subject to the solicitor-client or litigation privileges. Each of the U.S.-based organizations agrees to communicate to the CIA or relevant Mexico-based organizations any public finding that a member of that U.S.-based organization who is also a member of the CIA or a member of a Mexico-based organization breached applicable rules when practicing in the U.S., and to provide a copy of the ABCD's findings and conclusions and a summary of the U.S.-based organization's conclusions, as well as other documents not subject to the attorney-client or attorney work product privileges, upon request from the CIA or relevant Mexico-based organization. The Academy agrees to communicate to the CIA or relevant Mexico-based organization any finding that a CIA member or member of a Mexico-based organization who is not also a member of any U.S.-based organization breached applicable rules when practicing in the United States, and to provide a copy of the ABCD's findings and conclusions and a summary of the Academy's conclusions, as well as other documents not subject to the attorney-client or attorney work product privileges upon request from the CIA or relevant Mexico-based organization. Each of the Mexico-based organizations agrees to communicate to the CIA and the U.S.-based organizations any public finding that a member of the CIA or U.S.-based organizations breached applicable rules when practicing in Mexico, and to provide a copy of the CONAC Honor Board's report. The CONAC Honor Board will also provide the CIA or the relevant U.S.-based organizations upon request any and all additional documents and evidence considered by the CONAC Honor Board not subject to attorney-client privileges. The parties will communicate to each other any finding of breach of applicable rules that results in public discipline, but will not communicate or provide copies of documents generated through investigation of a

complaint or question concerning an actuary's conduct that did not result in public discipline.

8. The CIA, each of the U.S.-based organizations, and each of the Mexico-based organizations will not recommend to each other that any specific penalty be imposed upon a member based upon a finding that a member breached applicable rules of conduct, qualification, or practice, but they will recommend that public disciplinary action be considered against a member if that member has been found to have breached applicable rules of conduct, qualification, or practice.

9. Where, in accordance with this agreement, the CIA communicates to the relevant U.S.- based organization(s) or relevant Mexico-based organization(s) a public finding that a member of one or more of the U.S.-based organizations or Mexico-based organizations has breached applicable rules of conduct, qualification, or practice when practicing in Canada, or the U.S.-based organization communicates to the CIA or relevant Mexico-based organization(s) a public finding that a CIA or Mexico-based organization member has breached applicable rules of conduct, qualification, or practice when practicing in the United States, or the Mexico-based organization communicates to the CIA or relevant U.S.-based organization(s) a public finding that a member of the CIA or one or more of the U.S.-based organizations has breached applicable rules of conduct, qualification, or practice when practicing in Mexico, the parties hereby agree that each of the recommending organization(s) designates the following representative to assist in answering any questions that the penalizing organization(s) may have with respect to the recommendation(s):
 - Academy: Executive Director
 - AMA: Executive Director
 - AMAC: Executive Director
 - ACOPA: Executive Director
 - CAS: Executive Director
 - CCA: Executive Director
 - CIA: Executive Director
 - CONAC: Executive Director
 - SOA: Executive Director

Nothing in this agreement prevents a penalizing organization, when it receives a recommendation for discipline pursuant to this agreement, from undertaking whatever action it deems necessary, consistent with its own disciplinary procedures, for the limited purpose of determining whether a material breach of its own Code of Professional Conduct or Rules of Professional Conduct warranting discipline occurred.

10. The parties will each take any necessary steps to amend their rules and bylaws to implement this agreement.

This agreement took effect for all complaints, inquiries or incidents involving members; practice as between the United States, Canada, and Mexico that are under consideration by the parties on October 1, 2016.

- ▶ American Academy of Actuaries (Academy)
- ▶ American Society of Pension Professionals and Actuaries (ASPPA)
- ▶ Asociación Mexicana de Actuarios, A.C. (AMA)
- ▶ Asociación Mexicana de Actuarios Consultores, A.C. (AMAC)
- ▶ Canadian Institute of Actuaries (CIA)
- ▶ Casualty Actuarial Society (CAS)
- ▶ Colegio Nacional de Actuarios, A.C. (CONAC)
- ▶ Conference of Consulting Actuaries
- ▶ Society of Actuaries (SOA)

3.3 Statement of Position on Public Interest

This statement was developed at the April 2007 NAAC meeting.

In recognition of:

- the actuarial profession's commitment to the public,
- the demands brought upon us by the pace of change in the world around us, and
- the growing opportunities that always accompany such change,

the undersigned leaders of the actuarial professional associations comprising NAAC acknowledge the paramount importance of acting in the public interest. It is important to identify, protect and advance the public interest in the work of our profession – its organizations and its members.

NAAC (the North American Actuarial Council) is comprised of the presidents and presidents-elect of the various North American actuarial professional associations.

*Thomas S. Terry
Edward Robbins
Steven G. Lehmann
Normand Gendron
Kenneth Hohman*

*James Murta
Bruce D. Schobel
William F. Bluhm
Thomas Myers
Pedro Covarrubias*

*José Luis Suárez
Francisco Morales
Christopher S. Carlson
Jesús Zúñiga San Martín
Christine Stroud*

3.4 Statement of Position on Practice Standards and Other Guidance

This statement was approved at the July 2007 NAAC meeting.

In recognition of:

- the actuarial profession's commitment to identify, protect, and advance the public interest in the work of our profession,
- the importance of practice standards and other guidance to both our profession and the public, and
- the demands of a dynamic world on a dynamic profession,

the undersigned leaders of the actuarial professional associations comprising NAAC recognize that our profession must continually advance. Accordingly, in concert with the ever-evolving actuarial needs of the public, we are committed to:

- support the continual improvement of actuarial practice,
- assess and proactively identify where practice standards and other guidance should be advanced, and
- communicate to the profession and the public how advances in practice standards and other guidance are in the public interest.

NAAC (the North American Actuarial Council) is comprised of the presidents and presidents-elect of the various North American actuarial professional associations.

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3.5. Statement of Support for Enterprise Risk Management Practice Advancement

This statement was approved at the October 2007 NAAC meeting.

We the undersigned leaders of the actuarial associations comprising NAAC, recognize that:

- Actuarial techniques are essential components of enterprise risk management.
- Cooperative efforts among actuarial associations on underlying education along with research and development are essential to the advancement of this practice.
- The training and development of new actuaries in this practice is critical.
- The education of existing actuaries is valuable and necessary for practice management.

We applaud the pioneering work of the Joint (CAS, CIA and SOA) Risk Management Section. We commit to support its comprehensive agenda, including:

- Creation of outreach initiatives
- Cross-border participation
- Transportable seminars
- Inclusion of all traditional practice areas, such as employee benefits and health
- Expansion into industries beyond the borders of insurance and financial services
- Development of practice guidance

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3.6 NAAC Statement on the Importance of Longevity as a Public Policy Issue

This statement was approved at the February 2008 NAAC meeting.

We, the undersigned leaders of the actuarial profession belonging to NAAC, recognize that:

- Human life expectancy has been increasing since records have been kept.
- The financial condition of retirement, health and many other financial-security and protection arrangements is affected by increasing longevity; this encompasses all actuarial practice areas.
- Failure to adapt these arrangements to increasing longevity imperils their long-term viability.

Actuaries have been in the forefront of longevity research for well over a century. No other profession is so closely identified with this topic. Actuarial concerns about the implications of failure to adapt need to be communicated to policymakers so that they can appropriately respond to long-term trends.

Accordingly, we will seek to educate our members, policymakers, and the general public as to the implications of increasing longevity in order to move it into the forefront of public policy discourse. We ask the American Academy of Actuaries to facilitate this effort within the U.S. and coordinate with the Canadian Institute of Actuaries and Colegio Nacional de Actuarios, A.C.

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4. NAAC Annual Report

Although the annual report is written for a broader audience, it summarizes NAAC's accomplishments in the past year, describes ongoing NAAC issues, and provides other background information that will be especially important to incoming members of NAAC.

The Annual Report is a new NAAC publication, which is designed to:

- Help keep the council accountable to members of the Participating Organizations.
- Give members of the Participating Organizations a better understanding of NAAC's work.