



Minutes  
of the Working Group Meeting on  
Creating a New Life Section  
(IAA Council & Committee Meetings Rome)

Thursday, 16 June 2005

**Present:**

Félix Arias, E  
Roland van den Brink, NL  
Malcolm Campbell, S  
Peter Clark, GB  
Marika Guralnik, EST  
Morten Harbitz, N  
Esko Kivisaari, FIN  
Chris Lewis, AUS  
Tomio Murata, J  
Alan J. Rae, GB  
Kris Stroinski, PL  
Peter Whitey, SA  
Kurt Wolfsdorf, GER  
Inge Zeilstra, NL

## **Agenda**

- 1 Welcome and introduction**
  - a) Remit from Member Services Committee
- 2 Life section concept**
  - a) Value for members
  - b) Possible services to be offered
  - c) Member awareness and marketing
  - d) Possible fee structures
  - e) Governance
- 3 Preliminary draft of By-Laws**
- 4 Discussion of program ideas for 2006 Paris Congress**
- 5 Identification of working group members**
- 6 Next steps before Rio**

- 1 Peter Clark welcomes the participants and gives a short introduction to the background of the project to establish an IAA Life Section. As the IAA in its beginnings comprised only life actuaries there seemed to be no need for a special life section. In the meantime, however, sections like ASTIN, AFIR, IAAHS or PBSS have been set to work successfully so that the question of a forum for life actuaries has achieved new relevance.

In a short introduction of themselves the participants of the working group meeting explain their motivation to engage in the foundation of a life section. In the following discussion two principal questions arise which will have to be answered in the forefront of the foundation:

- What is life insurance?
- How can the relevant topics of the life section be described and marked off against other sections like IAAHS, AFIR and PBSS?

The participants agree on a list of topics which should be covered by the life section (see App. I of by-laws):

- policy design
- research and planning
- developing mortality and disability tables
- cost and pricing of guarantees and options
- internal models for embedded values
- ALM and fair values

- adequacy and services delivery and sustainability
- investment risks for life insurance companies
- solvency
- distribution
- IFRS
- profit participation

There is consensus that the definition of life insurance and the range of possible subjects should not be confined too strictly. If in special cases doubts arise which section should be responsible for a topic the life section actuaries will seek agreements with other sections involved.

- 2 Life section conferences are planned to take place annually, alternately in Europe and in North America and if possible in connection with a regional congress. One and a half day should be the usual time frame as congresses can be organised in several parallel sessions.

Inge Zeilstra and Malcolm Campbell will prepare a marketing concept in order to increase IAA member awareness of the new life section. A first draft of the concept will be available until September so that it can be discussed during the next conference call. By the end of 2005 detailed information about the new life section will be sent to all member associations of the IAA, and later as well to all participants of the International Congress of Actuaries 2006 in Paris. This plan presumes that the foundation of the life section will be decided officially in Brazil in November.

In accordance with the fee structure of already existing sections the participants agree to charge 40 CAD for fully qualified actuaries and individual members and 80 CAD for other members, full member associations and donor members. The first life section conference will take place in Paris in 2006, but fees won't be charged until 2007. Chris Lewis will devise a financial budget to be discussed in Rio de Janeiro.

- 3 The by-laws will be sent to all participants and those who announced their interest in supporting the life section. In parallel, a list of all email contacts will be distributed among interested parties. Remarks and suggestions should be sent to Peter Clark, Stuart Wason and Kurt Wolfsdorf by the end of June.
- 4 Kurt Wolfsdorf will contact Jean Berthon to discuss the possibility to reserve a time block for the first session of the new life section at the ICA in Paris. For this session lecturers for the following subjects will be looked for:
  - guarantees (responsible: Alan J. Rae)
  - longevity (responsible: Morten Harbitz, Kurt Wolfsdorf)
  - distributions (responsible: Félix Arias)

- 6 The next conference call will take place on September 19, 2005, at 13.00 CET.