



Minutes
of the Working Group Meeting on
Creating a New Life Section
in Rio de Janeiro

Friday, November 18, 2005

Present:

Félix Arias, E
Réjean Besner, USA
Malcolm Campbell, UK
Peter Clark, UK
Morton Harbitz, NO
Esko Kivisaari, FIN
Tomio Murata, J
David Parmee, GB
Dave Pelletier, CA
Alan J. Rae, UK
Krzysztof Stroinski, PL
Kurt Wolfsdorf, GER
Jesús Zúniga, MEX

Agenda

- 1 Draft of by-laws**
- 2 Marketing concept**
 - a) Presentation and documents
 - b) Addressees
- 3 Life section session at ICA 2006 in Paris**
 - a) Programme
 - b) Inauguration
- 4 Budget**
- 5 Elections**
- 6 Next steps**
- 7 Next conference call**

- 1 Kurt Wolfsdorf welcomes the participants and opens the meeting.

The by-laws have already been approved by the Nominations Committee, thus they are also expected to be approved by the Council at the meeting next day.

- 2 Malcolm Campbell and Inge Zeilstra have prepared a presentation on the new Life section. The participants agree that it shall be used to promote the Life Section in the member associations. The members of the national associations should be talked to actively in order to win as many members for the Life Section as possible. The UK Life Convention and the German Life Meeting in Munich the following week will be first opportunities to contact life actuaries directly.

The topic of promoting Life Section membership in national associations will be addressed at the Council meeting and the Presidents' Forum, as well. Moreover, the Secretariat will be asked to contact the member associations and to provide further information.

The latest version of the presentation will be sent again to all Life Section group members. In addition, a Life Section website will be established soon to provide further information for life actuaries interested in becoming a member.

In 2006 the Life Section membership will be free. Afterwards, the fees will amount to 40 CAD for fully qualified actuaries a year as for all other sections. The participants agree that it is important to specify the services delivered to members before fees are established.

The initial sign-up for the Life Section could be linked to the annual subscription to the IAA. Asking possible members directly to sign up would be quicker but as this would require a specific response, it is likely that fewer members will react. The Secretariat should be asked how they will handle the Life Section and its membership fees.

As there are far more life actuaries than health or pensions actuaries and the Health and the Pensions Sections have between 300 and 400 the participants agree that expecting around 600 Life Section members is a realistic prospect.

- 3 The Life section has been granted a three-hour (parallel) session at the ICA 2006 in Paris for Thursday, June 1. This first session will be inaugurated by the IAA president. Afterwards, the concept of the Life section will be introduced. For this session the participants have agreed on four presentations:

- guarantees
- longevity
- distributions
- embedded value / securitization

Alan J. Rae will give a presentation on guarantees whereas Inge Zeilstra will take on the topic embedded value / securitization. Concerning longevity Kurt Wolfsdorf informs that he could win Norbert Heinen, president of the German association of actuaries, as a lecturer. Félix Arias will be the speaker on distributions.

As an additional lecture the participants suggest a survey on participation systems which could, for instance, be presented by Stefan Engeländer. In the meantime Kurt Wolfsdorf contacted Stefan Engeländer who consented to give the presentation.

The focus of the presentation on guarantees will be on design of products, level of costs, hedging instruments and the market value of guarantees. Moreover, the developments of the last four years in the US, UK, Germany and Japan will be contrasted. Tomio Murata will provide additional material on guarantees in life insurance.

Moreover, David Parmee will prepare a lecture on reinsurance.

- 4 As Chris Lewis could not attend the meeting the discussion of the Life Section's financial budget will be postponed to the next conference call.

- 5 At the first General Meeting of the Life Section in Paris the Life Section Committee with up to twelve members will have to be elected. Until then, an interim committee has to be established to manage the section.

The interim committee is elected as follows:

Kurt Wolfsdorf and Stuart Wason as chairman and vice-chairman,
Malcolm Campbell as secretary,
Chris Lewis as treasurer.

All other participants present at the meeting will also be members of the interim committee; Inge Zeilstra will be a permanent guest.

- 6 As the name of the Section should not narrow topics to be discussed the participants decide that the official name of the section will be IAA Life Section. The marketing presentation will be amended accordingly.

As the location and time of the Life Section meeting in 2007 must be communicated during the meeting in Paris the planning of the 2007 meeting has to be addressed quickly. The meetings of usually one and a half day will take place in Europe and America alternately. Thus, a location for the 2007 meeting should be looked for in America. Kurt Wolfsdorf will discuss this topic with Stuart Wason.

The section will have to provide tangible material to its members so that they are willing to pay the membership fee from 2007 onwards. One suggestion is a member only access to the Life Section website where national papers on life insurance could be published. As most papers are only available in national languages either a translation has to be funded or English abstracts have to be added to the papers.

The participants agree that the Life Section lectures and seminars will be open for all actuaries interested but there will be a reduced fee for section members.

- 7 The next conference call will take place in January 2006, again at 13.00 CET. The date will be determined after an email query to all members.

Matters for Action

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| 2 | Marketing concept | |
| | Promote marketing concept in national associations | all participants |
| | Address promotion in Council Meeting and Presidents' Forum | Kurt Wolfsdorf, Peter Clark |
| | Ask Secretariat to contact member associations | Peter Clark |
| | Send latest version of concept to all participants | Kurt Wolfsdorf |
| 6 | Next steps | |
| | Discuss location of 2007 meeting | Kurt Wolfsdorf, Stuart Wason |
| 7 | Next conference call | |
| | Organise next conference call after meeting in Rio | Kurt Wolfsdorf |