



MEMORANDUM

To: Council
From: Executive Committee (EC)
Subject: Adoption of model International Standards of Actuarial Practice (ISAPs) on Governance of Models (ISAP 1A) and on Insurer Enterprise Risk Models (ISAP 5)
Date: 21 October 2016

The EC approved at its meeting on 18 October 2016, the proposed final ISAP 1A and ISAP 5 (ISAPs are model standards of actuarial practice), along with the associated glossary, as submitted by the Actuarial Standards Committee (ASC). These ISAPs, which were on the 60-day Council agenda for adoption in Cape Town, will be updated for the 30-day Council agenda. The Professionalism Committee has, through two a separate report for each ISAP, confirmed that the steps completed so far in respect of both ISAPs are in compliance with the Due Process for ISAPs.

In accordance with the due process, the ASC published on 18 August 2016 the proposed ISAPs 1A and 5 for a final review consultation with a deadline to comment by 18 September 2016. The proposed final ISAPs and the associated Glossary were provided to all member associations and commenters on the Exposure Draft to enable them to:

- a. draw attention to any unintended consequences in the wording of the final drafts, and
- b. determine whether their comments have been appropriately considered in the preparation of the proposed final ISAP.

Comments received and the ASC's report on these can be found on the [publications page](#) of the IAA website under the heading 'Development History' for each ISAP.

The ASC has reviewed the comments received. The few changes resulting from this review are non substantive in nature, and have been made in accordance with Article 3.4 of the Internal Regulations for making changes to documents posted with the 60-day Council agenda.

In concluding, the EC is pleased to recommend to Council the adoption of ISAP 1A and ISAP 5 along with the associated glossary.