



MEMORANDUM OF UNDERSTANDING¹

BETWEEN

THE INTERNATIONAL ACTUARIAL ASSOCIATION

AND

THE INTERNATIONAL FINANCIAL REPORTING STANDARDS FOUNDATION

1. INTRODUCTION

- 1.1 The International Actuarial Association (IAA) is an independent not-for-profit, private sector organisation. A strategic objective of the IAA is to establish, maintain and promote common principles of professional conduct through the development and issuance of actuarial standards in the jurisdictions of all Full Member Associations and the global convergence of actuarial standards, including by developing model International Standards of Actuarial Practice (ISAPs).
- 1.2 The International Financial Reporting Standards Foundation (the Foundation) is an independent not-for-profit, public interest organisation. The objective of the Foundation is to develop a single set of high quality, understandable, enforceable and globally accepted International Financial Reporting Standards (the Standards) through its standard-setting body, the International Accounting Standards Board (the Board), and the promotion of their use and rigorous application.

2. SHARED INTEREST

- 2.1 Although the activities of the IAA, the Foundation and the Board are independent, these bodies have a shared interest in ensuring that standards and guidance developed through their respective standard-setting processes are consistent, comprehensive and well-developed insofar as they relate to financial reporting. Furthermore, the work of these bodies is mutually supportive in that ISAPs often deal with the advice actuaries provide in relation to key items in financial reporting, whilst the Standards encompass measurement bases for items in financial reporting.

3. COOPERATION

- 3.1 The IAA and the Foundation intend there to be mutual interaction at the working level, with an expectation that it will enhance consistency between the work of the Board and the work of the IAA. The regular transparency and confidentiality policies and practices of the IAA and the Foundation will apply to these interactions.
- 3.2 The IAA commits to:
- Provide input, as appropriate, to the Board on proposed amendments to the Standards and developments in financial reporting that are relevant to the areas on which actuaries advise, through regular exchanges of information, meetings and the Board staff's outreach processes for researching new issues.
 - Consider the Board's comments, in the normal course of its work, in developing ISAPs and

¹ The first memorandum of understanding between the International Actuarial Association (IAA) and International Accounting Standards Board was signed in May 2012. It was revised in April 2015 and August 2018, and signed by the IAA and the International Financial Reporting Standards Foundation.

other related actuarial material, and providing feedback as appropriate.

3.3 The Foundation commits to:

- Provide input, as appropriate, to the IAA on proposed amendments to ISAPs and other actuarial guidance material, through regular exchanges of information, meetings and the IAA staff and member's outreach processes for researching new issues.
- Consider the IAA's comments, in the normal course of its work, in developing the Standards, and on financial reporting issues which would involve actuarial advice and providing feedback as appropriate.

3.4 Both parties commit to:

- Provide the opportunity for each other's staff or representatives to be included in their respective advisory and consultative groups, committees and task forces, as appropriate, recognising that each party determines the composition of these groups on a case-by-case basis.
- Keep abreast of developments, inform each other and exchange views about emerging and divergent practice issues and research with respect to measurement in financial reporting under the Standards.
- Organise, as and where necessary, discussion sessions for the staff or representatives of both parties, in order to highlight any relevant issues that may impact upon their work and the standards they publish.
- Participate, as and where necessary and/or appropriate, in each other's conferences, symposia and panels dealing with topics of mutual interest, providing suitable speakers where possible.

4. REVIEW OF THE MEMORANDUM

4.1 Both the IAA and the Foundation believe that the role of the IAA and the Foundation will continue to evolve. Every three years, representatives of both organisations will review how this Memorandum has contributed to the goals they have in mind, and determine whether there are ways in which the Memorandum can be improved.

5. NON EXCLUSIVITY

5.1 For the avoidance of doubt, nothing in this Memorandum shall be construed as limiting the rights of either party from forming future relationships, or entering into similar memorandums, with any other organisation.

6. NON ENDORSEMENT

6.1 For the avoidance of doubt, nothing in this Memorandum shall be construed as amounting to either party endorsing each other's work. Each organisation takes sole responsibility for the drafting and dissemination of its standards, and any supporting documentation which may be used to justify this material.

7. TERMINATION OF THE MEMORANDUM

7.1 Either party may terminate this Memorandum by giving not less than two months written notice by e-mail to the named contact person noted in section 8 below.

8. PRINCIPAL CONTACTS

- 8.1 The two principal points of contact at the Foundation shall be a designated member of the Board and the Executive Technical Director.
- 8.2 The two principal points of contact at the IAA shall be a designated by the IAA's Executive Committee from time to time.
- 8.3 Appendix A contains the names and email addresses of the individuals currently designated. Should any of these principal contacts noted in Appendix A change, the parties will ensure that appropriate named contacts will be appointed and the details of the appointed individual(s) shall be shared, and Appendix A will be updated accordingly.

9. DATA PROTECTION AND CONFIDENTIALITY

- 9.1 Each party may be given access to confidential information from the other party in order to perform its obligations under this Memorandum. A party's confidential information shall not be deemed to include information that:
- 9.1.1 is or becomes publicly known other than through any act or omission of the receiving party;
 - 9.1.2 was in the other party's lawful possession before the disclosure;
 - 9.1.3 is lawfully disclosed to the receiving party by a third party without restriction on disclosure;
 - 9.1.4 is independently developed by the receiving party, which independent development can be shown by written evidence; or
 - 9.1.5 is required to be disclosed by law, by any court of competent jurisdiction or by any regulatory or administrative body.
- 9.2 Each party shall hold the other's confidential information in confidence and shall not make the other's confidential information available to any third party, or use the other's confidential information for any purpose other than the implementation of this Memorandum (a) to its parent or subsidiary companies; or (b) for due diligence purposes related to a prospective sale of the party's business or assets, PROVIDED THAT where such a disclosure is made the disclosing party shall, in so far as it is able to, provide details of the intended or actual disclosure to the other party as soon as is reasonably practicable.
- 9.3 Both parties shall comply with their respective obligations under all applicable data protection laws.
- 9.4 Both parties warrant that:
- 9.4.1 all relevant data subjects whose personal data it has supplied to the other party in connection with this Memorandum (Party Personal Data), have given their informed consent for the other party to process the Party Personal Data; and
 - 9.4.2 if required by the local laws of the country in which it is registered and/or undertakes its activities, it is registered with all relevant data protection authorities to process all the Party Personal Data.
- 9.5 This clause 9 shall survive termination of this Memorandum, however arising.

10. INTELLECTUAL PROPERTY RIGHTS

- 10.1 Neither party shall acquire any right, title or interest in or to the intellectual property rights of the other party (including without limitation copyright, database rights, trade marks, business and domain names and any other proprietary rights).

10.2 Each party may license the other party to use such of its intellectual property rights as it may agree may be used by the other party from time to time provided such licence is in writing and executed by an authorized representative of both parties.

11. GENERAL TERMS

11.1 Nothing in this Memorandum shall be construed as creating a partnership or relationship of agent and principal between the parties.

11.2 Data is provided “as is” and without warranty of any kind, express or implied, including but not limited to performance, satisfactory quality, fitness for a particular purpose, non-infringement, accuracy, errors, omissions, or completeness. IAA acknowledges that the data is provided for general information purposes only and will not, under any circumstances, be considered legal, financial or professional advice intended to replace the judgment of professional advisors.

11.3 In the event that any provision of this Memorandum is void, voidable, illegal, or otherwise unenforceable the remaining provisions of this Memorandum shall remain in full force and effect.

11.4 This Memorandum is not assignable.

11.5 No variation to the Memorandum shall be given effect unless expressly agreed in writing by an authorised representative of both parties.

11.6 It is not anticipated that either party shall make, or permit any person to make, any public announcement concerning this Memorandum without the prior written consent of the other party except as required by law or any governmental or regulatory authority.

11.7 The parties intend that clauses 9 and 10 of this Memorandum are legally binding and enforceable.

11.8 This Memorandum shall be effective as of August 31, 2021.

AS WITNESS whereof the parties have executed this Memorandum on the date(s) below.

Signed for:



**International Financial Reporting
Standards Foundation**

September 7, 2021

Signed for:



**Mathieu Langelier, Executive Director
International Actuarial Association**

September 21, 2021

APPENDIX A POINTS OF CONTACT

Designated at 2018.08.31

- 1.1 In accordance with paragraph 8.1, for the Board, or such other person as may be notified in writing from time to time.
- unless:
 - Designated member of the Board: Rika Suzuki, rsuzuki@ifrs.org
 - Executive Technical Director: Nili Shah, nshah@ifrs.org
 - In accordance with paragraph 8.2, for the IAA, unless:
 - IAA representative to the IFRS Advisory Council: Andrew Chamberlain, ajmc56@outlook.com
 - IAA Executive Director: Mathieu Langelier, mathieu.langelier@actuaries.org