

PARTNERSHIP AGREEMENT

between the

International Association of Insurance Supervisors,

International Actuarial Association,

Comité Européen des Assurances, and

Groupe Consultatif Actuariel Européen

for the

Establishment and Maintenance of a Common Glossary of Insurance Terminology

February 2008

Partnership Agreement for the Establishment and Maintenance of a Common Glossary of Insurance Terminology

I. Parties to the Agreement:

1. The International Association of Insurance Supervisors (IAIS) represents insurance supervisors globally and welcomes insurance professionals as observers – including industry associations, professional associations, insurance and reinsurance companies, consultants and international financial institutions. The goals of the IAIS are to: promote cooperation among insurance supervisors; set international standards for insurance supervision and regulation; provide training to members and coordinate work with regulators in the other financial sectors and international financial institutions.

2. The International Actuarial Association (IAA) is the worldwide association regrouping local professional actuarial associations and their individual actuaries. The IAA exists to encourage the development of a global profession, acknowledged as technically competent and professionally reliable, which will ensure that the public interest is served.

3. The Comité Européen des Assurances (CEA) is the European insurance and reinsurance federation. CEA represents the views of European insurers to the EU institutions as well as international regulators and supervisors to ensure an appropriate regulatory framework.

4. The Groupe Consultatif Actuariel Européen (the Groupe) brings together the actuarial associations in the EU to represent the actuarial profession in discussions with the EU institutions on existing and proposed EU legislation which has an impact on the profession.

The IAIS, IAA, CEA and the Groupe (hereinafter “Parties”) have agreed to the following:

II. Participation:

5. Participation in this agreement is currently limited to the Parties named in section I. Consideration may be given to extending the participation at a later stage, subject to the mutual agreement of the Parties. The limitation on participation to the agreement should not restrict access by other parties to the use of the Common Glossary, subject to the provisions of this agreement on use, dissemination and copyright provisions.

III. Object of the Agreement:

6. This Partnership Agreement sets out the scope and basis of cooperation between the Parties with regard to the fulfilment of their joint objective to establish a common glossary of insurance terminology.

- a. It sets out a process to combine and harmonise the respective glossaries of the Parties to establish the common glossary, including the establishment of an editorial group to facilitate the decision making in respect of that process.

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- b. It sets out a process for the ongoing maintenance and administration in respect of the common glossary, including the secretarial support of the editorial group.

IV. Mutual recognition:

7. In entering this agreement, the Parties acknowledge the mutual benefit that can be obtained from the establishment of a common glossary of insurance terminology in facilitating a global insurance industry and supervisory framework. However, each Party also acknowledges the differences in scope of their respective organisational aims and purposes and recognises the practical challenges of harmonising the different technical terminology used within various jurisdictions and national and supra-national regulatory regimes.

8. Within this framework, each Party undertakes to facilitate the establishment of a common terminology to the extent possible, consistent with the objects of this agreement, while maintaining the integrity of their own organisational aims and objectives.

9. Each Party agrees to utilise the common glossary, once established, as the basis for the terminology adopted and applied in their papers, standards and other documentation issued to members and the public. The Parties agree to make every effort to avoid the use of inconsistent terminology, to the extent practicable.

V. Main Outputs and Processes:

Process to Combine and Harmonise the Glossaries

10. The respective glossaries of the Parties¹ will be combined and harmonised to establish the Common Glossary.

11. In combining these glossaries:

- a. terminology unique to the glossary of a particular Party will be adopted, unaltered, in the Common Glossary;
- b. terminology not unique to the glossary of a particular Party, will be harmonised in adopting a definition for the common glossary.

12. The Parties agree to establish an “Editorial Group” as the joint decision making body in relation to the process for combining and harmonising the glossaries.

¹ The Glossaries to be covered are:

1. IAIS Glossary of Insurance Terms, February 2007
2. Solvency II Glossary of the Comité Européen des Assurances (CEA) - Groupe Consultatif Actuariel Européen (Version 1.0, March 2007)
3. A Glossary for IASPs under International Financial Reporting Standards IFRS [2005] – International Actuarial Association, June 2005
4. the internal glossary of the paper, A Global Framework for Insurer Solvency Assessment – A report of the Solvency Assessment working party of the International Actuarial Association
5. the internal glossary of the paper: Exposure Draft: Measurement of Liabilities for Insurance Contracts: Current Estimates and Risk Margins - prepared by the Risk Margin Working Group of the International Actuarial Association, February 2007.

The Editorial Group

13. The Editorial Group will comprise 7 members; two representatives from each of the IAIS and IAA, one representative from each of the CEA and the Groupe and one external, independent member. The members of the Editorial Group are to be mutually agreed by the Parties, having regard for an appropriate representational spread across geographic area, insurance sector and technical expertise.
14. The Editorial Group may operate with less than 7 members, particularly in the establishment period prior to obtaining a full complement of members or during any interim period of vacancy in a membership position.
15. The Editorial Group should elect from amongst themselves a chairperson.
16. Members of the Editorial Group will be appointed for a term of 3 years and may be reappointed for one subsequent term of the same duration.
17. The Editorial Group will be responsible for decisions relating to the content of the Common Glossary. The Editorial Group will also be responsible for decisions relating to the proper use of the Glossary, its dissemination (subject to paragraph 26) and the exercise of the common copyright (refer to paragraph 25).
18. Further, the Editorial Group will be responsible for:
 - a. establishing processes for the addition of new terminology to and/or amendment of existing terminology in the Common Glossary
 - b. defining the due process in relation to the Common Glossary, including processes for consultation with the Parties' members and other stakeholders, having due regard for (and avoiding undue duplication with) the existing respective due processes of each Party²
 - c. appropriately documenting agreed processes in written procedures
 - d. coordinating appropriate communication flows with the Parties
19. The costs associated with representation on the Editorial Group, including any costs associated with travel for meetings, will be the responsibility of the individual representative. No liability will fall to the Parties, other than to the extent agreed between a Party and one of its representative members.

Administration and Maintenance

20. Administrative support to the Editorial Group and maintenance activities in respect of the Common Glossary will be provided by the IAIS Secretariat. In undertaking this role, the IAIS Secretariat will preserve the independence of the Editorial Group by establishing

² This is not intended to undermine the due process for decision making within each Party on glossary or terminology issues (which will still arise in practice in the context of each Parties' processes for developing papers etc). However, it is intended to provide a mechanism to facilitate the coordination of those various due processes, and to avoid a situation where the decision process on International Glossary matters becomes unduly extended.

appropriate separation of this function from its broader function in serving the IAIS membership directly.

21. The IAIS Secretariat will:

- a. undertake secretariat activities for the Editorial Group including meeting organisation, dissemination of papers, coordination of consultation processes etc.
- b. provide access to a consistent and current version of the Common Glossary on the IAIS website and, through linkages, to the websites of the other Parties
- c. cover the reasonable costs of the administrative support services and maintenance activities.

22. The IAIS Secretariat will act as the interface with the Editorial Group in respect to its activities relating to the Common Glossary. To facilitate cooperation and efficiency of process, each Party will designate a principal contact person in relation to the Common Glossary. All communication between the Editorial Group (or the IAIS Secretariat on behalf of the Editorial Group) and the Parties will take place directly with the respective designated contact person.

23. The IAIS Secretariat will not directly interface with the members of the Parties (other than the IAIS) on matters relating to the Common Glossary, unless otherwise agreed by those Parties for reasons of efficiency. Any such interface (unless otherwise agreed) will be the responsibility of the respective designated contact person.

The Common Glossary

24. The Common Glossary will be referred to as the "IAIS-IAA-CEA-Groupe Consultatif Common Glossary of Insurance Terminology." The logos of each of the Parties should appear on any version of the Common Glossary.

25. The copyright of the content of the Glossary will be held jointly by the Parties to this agreement – the Parties agree that the Editorial Group will be responsible for the exercise of the common copyright.

26. Unless otherwise agreed between the Parties, the Common Glossary will not be released in hardcopy print form and no revenue or other proceeds will be generated in respect of the Glossary.

VI. Commencement, modification and termination:

27. This Partnership Agreement will commence on the date of final signature by all Parties.

28. The Partnership Agreement may be modified by the Parties at any time by mutual agreement in writing.

29. The Parties will periodically review the functioning and effectiveness of the Partnership Agreement, with the first such review to occur no later than three years following commencement of the Agreement.

30. A Party may withdraw from the Agreement giving the remaining Parties three months written notice. The withdrawing Party will forego its joint copyright entitlements to the Common Glossary.

31. The withdrawal of any single Party from the Agreement will not necessitate the termination of the Agreement - the remaining Parties may continue the Agreement, subject to such modification as is necessary and mutually agreed in writing. The copyright for the Common Glossary will revert to the remaining Parties.

32. The Agreement may be terminated by mutual agreement in writing of the Parties.

Signed on behalf of IAIS

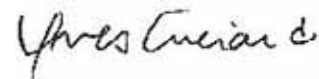
Name: Michel Flamée
Position: Chairman, Executive Committee



Date: 27 February 2008

Signed on behalf of IAA

Name: Yves Guérard
Position: Secretary General



Date: February 6, 2008

Signed on behalf of CEA

Name: Michaela Koller
Position: Director General



Date: 7 February 2008

Signed on Behalf of the Groupe

Name: Ad Kok

Position: Groupe Chairman



Date: 26 February 2008

Name: Karel Goossens

Position: Chairman, Insurance Committee



Date: 26 February 2008