

**43rd (extraordinary) Meeting of the General Assembly  
held virtually via LoopUp  
on Friday 19 June 2020**

**MINUTES**

The list of participants is added to these minutes as Annex 0.1 at the end of this document.

<b>1.1</b>	<b>OPENING OF THE MEETING</b>
	The Chairperson opened the meeting, welcomed all participants and welcomed especially Grahame Stott, Chair of the IFoA Management Board. In addition, the Chairperson explained the “housekeeping rules”, particularly regarding unmuting and the handraising process. He added that only the Chairperson and Grahame Stott would use the video option.
<b>1.2</b>	<b>ADOPTION OF THE AGENDA</b>
	The agenda was adopted.
<b>2.</b>	<b>PROPOSAL OF THE INSTITUTE AND FACULTY OF ACTUARIES (IFoA)</b>
<b>2.1</b>	<b>DISCUSSIONS WITH THE IFoA</b>
	The Chairperson referred to the discussions and communication that have taken place between the AAE and IFoA. These contacts are listed in the attached presentation on slide #2-3. The Chairperson also explained that the board has had no mandate so far and discussions have been only informal.
<b>2.2</b>	<b>THE PROPOSAL FROM THE IFoA</b>
	Grahame Stott thanked the Chairperson for this opportunity to explain the IFoA proposal and their value and position within the AAE. He mentioned in particular: <ul style="list-style-type: none"> <li>• Critical changes (Brexit etc.) has made the UK question the relationship with the AAE.</li> <li>• the IFoA changed since joining AAE.</li> <li>• the importance of good connections with international and European colleagues are recognised.</li> <li>• the UK wants to stay full member, but is willing to take the back seat in a small number of areas.</li> <li>• IFoA is going through a change, made a financial loss.</li> <li>• IFoA is unable to justify the current financial contribution even though the added value of AAE is recognized</li> </ul>

- UK wishes to continue to play a leading role in AAE.
- IFoA cannot sign a MRA that exposes IFoA to legal cases involving e.g. discrimination.  
Alternative could be a Mutual recognition of qualifications.  
For legal reasons it is difficult if not impossible stay in the current AAE MRA.
- Should we not be able to reach an agreement, IFoA would be willing to walk from the table and leave AAE. Grahame apologised for being blunt, but he hoped AAE understands the serious situation, IFoA finds itself in.
- Grahame shared that he would be extremely disappointed when an agreement cannot be reached.
- Grahame thanked Falco, other board members and others involved. And asked whether there were any questions

Questions from MAs to further clarify elements of the IFoA proposal included:

1. Malcolm Campbell asked if IFoA does not worry about isolation if IFoA is not connected with EU institutions.  
Grahame responded that the IFoA is not worried, they will still be connected in some way.  
Malcolm also asked if they have a specific problem with Europe. Grahame answered that the answer is not black and white, more in the gray area an that this is something that will progress and be more clear nearer end of year.
2. Christophe Heck asked if IFoA are planning to enter other MRA's with EU bodies afterwards?  
Grahame responded that they are actively trying to find ways and are prepared to consider agreements with other bodies. The goal is to improve the level of qualifications, but they are struggling to come up with a definitive answer.  
Grahame stressed that he is in the hands of the lawyers.
3. Lauri Saraste asked as a follow up on Christophe's question whether IFoA still support the AAE's Strategic Objectives.  
Grahame responded that this was discussed with the AAE Board and confirmed that IFoA still support the three AAE strategic objectives.
4. Luis Saez de Jauregui asked about the mutual recognition and referred to the 5 year cooling off period that is applied in the European Union. He asked if – although Brexit is happening – there are ways to deliver on mutual recognition?  
Grahame responded that he cannot on answer on the specific Spanish situation, but confirmed that the goodwill is there. He added that lawyers state that there is a problem with the current ways to deliver on mutual recognition, but he confirmed that they want to work on solution.
5. Tony O'Riordan asked how actively IFoA would embrace the work of AAE.  
Grahame responded that if people want to work for AAE, IFoA will support. He added that the issue is that membership is changing, the proportion of members with key interest in EU associations is reducing. A vast majority of their members is in Asia and Africa. IFoA's main focus is more balanced now, not just Europe.  
He added that IFoA want to play full part in AAE, but focus also on regional and global associations. Collaboration among MA's is key for the actuarial profession.

The Chairperson thanked Graham for presenting IFoA's point of view and for answering questions.

	Grahame thanked everyone for the cooperation and stated that he is hopeful this can be brought to a good end.
	<i>The representatives of the IFoA (Grahame Stott, Nick Dumbreck and Kartina Thomson) left the meeting.</i>
<b>2.3</b>	<b>DISCUSSION OF THE PROPOSAL</b>
	<p>The Chairperson explained:</p> <ul style="list-style-type: none"> <li>• Financial impact (slides 4-6). The slides presented the facts on the financial impact of the IFoA proposal. The Chairperson explained also that the Board is fully aware of the impact and already discussed the options. The Board identified over 100 measures related to increase of income and saving of costs. The conclusion of the Board was that financial impact was evident. Though, AAE can cope with a significant reduction of subscriptions</li> <li>• Suggested process based on a mandate (slide 7): <ul style="list-style-type: none"> <li>○ Board will enter formal discussions with IFoA after mandate Discussions during summer period</li> <li>○ Aim to have another extra GA before the annual meeting</li> <li>○ If no unanimity, second vote.</li> <li>○ Final decision will be made in October the latest.</li> </ul> </li> </ul> <p>The Chairperson added that Grahame would have rather see a final vote at end of July.</p> <p>The Chairperson thanked the five MA's (Germany, France, Spain, Portugal and Italy) that submitted proposals (slide 8).</p> <ul style="list-style-type: none"> <li>• He concluded that these proposals are all different but very much aligned in substance and considered this a good starting point for discussion.</li> <li>• The Board's assessment is that it will be difficult to get more than 55% of the current contribution from IFoA.</li> <li>• Question is: How committed is the IFoA? To the actuarial profession as well as to the AAE as being "one". Is there any alignment with the strategic objectives of AAE?</li> <li>• High support for full membership</li> </ul>
<b>3.</b>	<b>MANDATE FOR THE BOARD</b>
	<p>The Chairperson presented the proposed next steps based on a mandate and presented the items to be included in the mandate.</p> <ol style="list-style-type: none"> <li>1. Full membership with full rights: basis for mandate?</li> <li>2. Cap or equivalent option of comparable monetary terms: basis for a mandate?</li> <li>3. Full payments for 2020?</li> <li>4. Commitment as to SO1 and SO2. (e.g. MRA)?</li> </ol> <p><b><u>Mandate, part 1: Full membership with full rights: basis for mandate?</u></b></p> <p>Comments included:</p> <ul style="list-style-type: none"> <li>• Michael Renz mentioned that IFoA was one of the founders of AAE and has greatly contributed so far. IFoA will still be the largest MA in Europe (not EU), it would be weird if not connected. DAV does not see an obstacle to keep IFoA as full member.</li> <li>• Tony O'Riordan added that the UK made strong contribution and has strong knowledge that AAE has benefitted from. The interest of IFoA and AAE are</li> </ul>

	<p>quite aligned, so working together on similar interest is definitely useful. From Irish perspective, IFoA as full member is supported.</p> <ul style="list-style-type: none"> <li>• Malcolm Campbell added that he also supports full membership. It would not make sense to set up new membership types. We need to discuss how to work around MRA problems. We could not have a vote today since it is impossible with the current statutes. Note added to the minutes: This refers to Art. 19 of the Statutes. Moreover, even if voted on today, it would not change the 2020 subscriptions.</li> <li>• Florin Ginghina mentioned that he finds current meeting very useful. He also stresses the statute. What in case of full resignation? The Chairperson responded that he understands the question. The Board has assessed the financial impact of a full resignation as well. The Board believes that we can cope with that as well. He added that this option was not included in slides because the Board did not want to discuss the possibility of full resignation as it is not proposed.</li> <li>• Christophe Heck explained that the Swiss position is in line with all the previous comments. The sour part is the 2020 subscriptions. He add the option to put in relative number, so no adjustments in the statutes over time are needed.</li> <li>• José Mendinhos stressed that IFoA explicitly said that they are prepared to negotiate, and added not to set ultimatum. He is in favour of a percentage of the total number. Proposal: this year is difficult. They don't have the money to pay for it.</li> <li>• Matthias Pillaudin stressed that he regards the issue of the 2020 subscription fee to be not gentlemen like behaviour and it feels like blackmail. He regards it as a bad approach to negotiation. He confirmed that the commitment of IFoA is valuable for AAE, so the Board should explore possibilities to keep them on board and find solution for the fee.</li> <li>• Rafael Moreno Ruiz mentioned that negotiations have been hard so far. He would like to have not a fixed cap but relative formula. But understands that the Board needs to consider all discussions so far. So the Board could get an open mandate based on what is discussed. The Board needs to find a responsible solution. He is aware that this gives a lot of responsibility to the Board.</li> </ul> <p><b>Mandate, part 1: all are in favour of giving the Board the mandate to negotiate on full membership with full rights.</b></p>
	<p><b><u>Mandate, part 2: Cap or equivalent based on same monetary terms.</u></b></p> <p>Comments included:</p> <ul style="list-style-type: none"> <li>• Malcolm Campbell mentioned that the attitude of the IFoA seems like blackmail. We might need to be prepared to "bite the bullet and let them go". We should not allow blackmailing. We need to be careful to not open up new principle and start negotiations for their contribution. We should take into account everyone's views, but the Board needs to take the problem and discuss for themselves.</li> <li>• The Chairperson responded that the outcome should work for all MAs. From a risk management perspective 40% of the total contribution coming from only 1 MA is not ideal.</li> </ul>

	<p><b>Mandate, part 2: all are in favour of giving the Board the mandate to negotiate on a cap or an equivalent based on the same monetary terms with a preference for a relative cap.</b></p>
	<p><b><u>Mandate, part 3: full payments for 2020.</u></b></p> <p>The Chairperson explained to the General Assembly that this where the Board is struggling. IFoA voted for subscriptions levels, set by the GA 1.5 years ago. From a legal perspective, IFoA is obliged to pay subscriptions.</p> <p>Comments included:</p> <ul style="list-style-type: none"> <li>• Florin Ginghina mentioned that he is in a difficult position, since he works in the UK. He suggested to concentrate on the future relationship.</li> <li>• Malcolm Campbell mentioned that it seems difficult for IFoA to pay the 200,000. He noted that IFoA numbers included access for people working in Europe outside UK as well.</li> <li>• Esko Kivisaari mentioned that he wanted to add to the history that the leadership of AAE has had regular meetings with IFoA. One of the discussion points has always been the impact of Brexit. However, no warnings were given/received over the years.</li> <li>• The Chairperson added that Brexit could be seen as a “new event” so they can be excused for that. We could decide to take 2020 as a transitional phase.</li> <li>• The Chairperson asked if a lower fee would be acceptable.</li> <li>• Lauri Saraste asked that if IFoA pays less, what does that mean for the AAE. Considering that plans are already made taking full contribution into account? The Chairperson responded that there are options, with the reorganisation of the secretariat being one of them. Lauri added that the proposal would be to start negotiations with IFoA with focus on long term and take 2020 as transitional phase.</li> <li>• Jette Lunding Sandqvist said that she thinks it is blackmail from IFoA. Why should they pay less? Cannot use blackmail into a reduction. She agreed to give the possibility to negotiate but advised not to bow for blackmail.</li> <li>• Malcolm Campbell added that in principle, they should have paid. Although he is aware that you should give a bit sometimes. Though, it should be made clear that they should have paid the full subscription.</li> </ul> <p><b>Mandate, part 3: all are in favour of giving the Board the mandate to negotiate on the payments of the 2020 subscription with the baseline of paying in full.</b></p>
	<p><b><u>Mandate, part 4: Commitment as to SO1 and SO2. (e.g. MRA)?</u></b></p> <p>The Chairperson stressed that IFoA should not be sent alone to EU institution in name of AAE, but that it can be done in cooperation with other MAs.</p> <p>Comments included:</p> <ul style="list-style-type: none"> <li>• Matthias Pillaudin referred to the French proposal. Regarding mutual recognition he advised to make rules. We should adapt the AAE statutes of and in particular article 6. The Chairperson responded that IFoA are willing to look at mutual recognition. It is noted that they are having severe legal issues at the moment.</li> <li>• Malcolm Campbell added that overall a feeling like being blackmailed remains. The mandate to the Board should include the option to continue without them.</li> </ul>

	<ul style="list-style-type: none"> <li>The Chairperson shared that this could be an option as well, although not generally preferred. But it is good to know that we have such heavy arms as Grahame, who has the mandate to walk away when necessary.</li> </ul> <p><b>Mandate, part 4: All are in favour of giving the Board the mandate to negotiate on commitment as to SO1 and SO2. (e.g. MRA).</b></p> <p><b>Mandate, part 5: all are in favour of giving the Board the mandate to continue without the IFoA if negotiations are unsuccessful.</b></p> <p>The Chairperson added that the exposure period for any amendment to the statutes will be taken into account.</p>
<b>4.</b>	<b>ANY OTHER BUSINESS</b>
	No issues were raised.
<b>5.</b>	<b>DATE AND PLACE OF NEXT MEETING</b>
	<p>To note that:</p> <ul style="list-style-type: none"> <li>the 44<sup>th</sup> Annual Meeting will be held in 2020 – Munich, Germany on 9 October 2020. Given COVID-19 there is the possibility that this meeting will be a virtual one. Further information to follow.</li> <li>the 45<sup>th</sup> Annual meeting will be held in 2021 – Campus Sursee near Zurich, Switzerland on 1 October 2021.</li> </ul>
<b>6.</b>	<b>CLOSE OF THE MEETING</b>
	The Chairperson closed the meeting and thanked everyone for the valuable input and the mandate. Based on the mandate, the AAE Board will proceed with formal negotiations with IFoA.

**Participants extraordinary General Assembly****Virtual | Friday 19 June 2020**

MT = Membre Titulaire
MS = Membre Suppléant

First name	Family name	Country	Nominating association	Role in AAE
Manfred	Rapf	Austria	Aktuarvereinigung Österreichs	MT
Philippe	Demol	Belgium	Institut des Actuaire en Belgique	MT
Tatiana	Bitunska	Bulgaria	Bulgarian Actuarial Society	MT
Jan	Svab	Czech Republic	Ceská Spolecnost Aktuáru	MT
Jette Lunding	Sandqvist	Denmark	Den Danske Aktuarforening	MT
Esko	Kivisaari	Finland	Suomen Aktuaariyhdistys	AAE Board
Lauri	Saraste	Finland	Suomen Aktuaariyhdistys	MT
Matthias	Pillaudin	France	Institut des Actuaire	MS
Michael	Renz	Germany	Deutsche Aktuarvereinigung	MT
Wilhelm	Schneemeier	Germany	Deutsche Aktuarvereinigung	AAE Board - MS
Ákos	Ribenyi	Hungary	Magyar Aktuárius Társaság	MT
Bjarni	Gudmundsson	Iceland	Félag íslenskra tryggingastærðfræðinga	MT
Giampaolo	Crenca	Italy	ISOA	MT
Andris	Barlots	Latvia	Latvijas Aaktuāru Asociācija	MT
Eugenija	Bieliauskiene	Lithuania	Lietuvos Aktuaru Draugija	MT
Lotte	van Delft	Netherlands	Het Koninklijk Actuarieel Genootschap	MT
Falco	Valkenburg	Netherlands	Actuarial Association of Europe	AAE Chairperson
Gunn	Albertsen	Norway	Den Norske Aktuarforening	MT-AAE Board
Marcin	Krzykowski	Poland	Polskie Stowarzyszenie Aktuariuszy	Alternate for MT
Jose	Mendinhos	Portugal	Instituto dos Actuários Portugueses	MT-AAE Board
Tony	O'Riordan	Rep. Ireland	Society of Actuaries in Ireland	MT
Florin	Ginghina	Romania	Asociatia Romana de Actuarat	MT
Mariá	Kamenárová	Slovak Republic	Slovenská spoločnosť aktuárov	AAE Board
Jozef	Ducky	Slovak Republic	Slovenská spoločnosť aktuárov	MT
Luis Maria	Sáez De Jáuregui	Spain	Instituto de Actuários Españoles	AAE Board
Rafael	Moreno Ruiz	Spain	Instituto de Actuários Españoles	MT
Malcolm	Campbell	Sweden	Svenska Aktuarieföreningen	MT
Lutz	Wilhelmy	Switzerland	Association Suisse des Actuaire	AAE Board
Christophe	Heck	Switzerland	Association Suisse des Actuaire	MT
Taylan	Matkap	Turkey	Actuarial Society of Turkey	MT
Kartina Tahir	Thomson	UK	Institute and Faculty of Actuaries	AAE Board - MS
Nick	Dumbreck	UK	Institute and Faculty of Actuaries	MT
Grahame	Stott	UK	Institute and Faculty of Actuaries	Invited guest
Monique	Schuilenburg	Netherlands	Actuarial Association of Europe	Secretariat
Maikel	Schuilenburg	Netherlands	Actuarial Association of Europe	Secretariat