

The European Insurance CFO Forum  
Comité Européen des Assurances  
American Council of Life Insurers  
The Life Insurance Association of Japan

Sir David Tweedie  
International Accounting Standards Board  
30 Cannon Street  
London, EC4M 6XH  
United Kingdom

18 December 2008

Dear Sir David

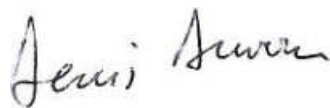
**Insurance Contract Boundaries – Proposal to replace the guaranteed insurability criteria**

We are writing to you in connection with the Board's consideration, due in January we understand, of the boundary of the insurance contract in relation to policyholder behaviour and future premiums. This letter has been drafted by the European Insurance CFO Forum, which is a body representing the views of 20 of Europe's largest insurance companies, the Comité Européen des Assurances, whose members account for 94% of total European premium income, the American Council of Life Insurers, which is a trade association whose members account for 93% of life assurance premiums in the United States, and the Life Insurance Association of Japan, a trade association comprising all life insurance companies in Japan.

The European Insurance CFO Forum has previously discussed this issue with Peter Clark and Hans van der Veen and has provided a draft of the attached paper. Further to those discussions the other organisations that are party to this letter have considered the proposed principle in relation to particular products in their own markets and have agreed that it represents an effective solution to this issue. Accordingly, on behalf of the insurance industry, we submit this principle as an important contribution to the Board's discussions.

If you have any queries that you would like to raise, please feel free to contact us.

Yours faithfully



Denis Duverne  
Chairman  
European Insurance CFO Forum

Michael M. Monahan  
Director, Accounting Policy  
American Council of Life Insurers

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