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Thank you for that kind introduction.

Thanks to our hosts, the French Federation of Insurance Companies and my friend, FFSA President Bernard Spitz. Putting on an event like this is extremely hard work for you and your team. Your hospitality has been wonderful. You make us feel very welcome.

I had the pleasure of speaking at this conference last year. Bernard, I am honored that you invited me back.

France and the United States share so much. Our connections are strong and historic.

They grew stronger on November 13. America was horrified by the terrorism your people ... your nation experienced. America is standing in solidarity with your country against the evil that attacked your greatness.

America is emblazoned in blue, white and red. The evening of November 13, at the site of the September 11, 2001 terrorist attack in New York City, you found the new 408-foot spire of One World Trade Center highlighted in blue, white, and red.

Boston city officials raised the flag of France next to the American flag at Boston City Hall.

Seattle’s space needle flew the French flag in support.

The United States Army’s college football team on Saturday, November 14 paid tribute to the victims of Friday’s terror attacks in Paris, running onto their historic home field in West Point, New York carrying the French flag alongside the American flag. There were thousands of people at the game, standing in solidarity and respect.

And, at the White House, over the U.S. Capitol and at our national monuments, American flags flew at half staff in honor of the victims of the attack on Paris.

In comments I delivered last week at a dinner of business CEOs I referenced that the only reason a cornerstone of the U.S. Capitol could be laid by George Washington was because of the French help in our revolution.

Your Marquise de Lafayette, who fought for America and was a great friend to our General Washington, wrote to France after we secured our independence from Great Britain. He wrote:

L'humanite a gagne sa bataille. La liberte a maintenant un pays.

Mankind has won its battle. Liberty now has a country.

I said to the group of CEOs:

May humanity once again win its battle ...

Et qu'une fois encore, l'humanité sorte victorieuse de cette bataille – and proposed a toast to France.

God bless France.

Let me note the strong U.S.-France insurance connection. Our first ambassador to France was Benjamin Franklin. He not only was a Founding Father of our country, but a Founding Father of our insurance in America. In 1752, he founded the Philadelphia Contributorship for the Insurance of Houses from Loss by Fire.

In 1769 he wrote that: “a policy of life assurance is the cheapest and safest way of making certain provision for one’s family.” However, American insurance history is quite new when compared to French insurance history.

Perhaps the first insurance regulations were written in 1150 in the publication of Roles de Oleron ... regulations decided on the French island of Oleron.

It is fair to say that insurance has been important to people both in the United States and France, and throughout the world.

We have a great history to uphold. The Global Federation of Insurance Associations is doing just that at the international level.

The Global Federation membership honored me last year by electing me its chairman. Our 40-member organization speaks with one voice to policy-makers around the world. Insurance companies protect individuals, families and communities. They make world-wide investments that serve to raise standards of living and create employment. They help communities rebuild after catastrophes. They provide peace of mind and financial security and dignity for retirees.

Our mission is noble. Our role is vital.

Regulators today - by and large - understand this and agree with this. That is why communication and collaboration between regulators and the regulated are so important. We should always be working toward the same goal: helping to financially protect policyholders, families and businesses.

The goal also should be to plan for the needs of generations of tomorrow. We need to be a forward-looking industry.

When the prime minister spoke last night of the young people, I thought of the young people at the Sorbonne. Wouldn't it be interesting if they were the next panel telling the industry their perspective of insurance and whether or not it is relevant to them. We have much to learn together with the next generation.

We recognize the pressures regulators face in the wake of the financial crisis of 2008 that nearly brought down the world's financial system. No one wants a repeat of that terrible time. But, we need to learn from it.

- International regulatory standards must be crafted so as not to create unintended consequences that could jeopardize the ability of insurance companies to serve their customers.
- International standards must be established in ways that recognize and respect national and sub-national laws and regulations, and allow for great diversity.
- And, international regulatory standards must be developed with communication and collaboration between regulators and the regulated.

Capital standards is a case in point: collaboration is essential, especially in connection with the further development of Higher Loss Absorbency ... the HLA requirement.

The current draft of the HLA is seriously flawed.

Fortunately, both the International Association of Insurance Supervisors and the Financial Stability Board acknowledge that the current version of the HLA is only a first draft. More work needs to be done, including a revision of the IAIS principles used to identify non-traditional, non-insurance activities. Any revision should better recognize the true nature of risk from an insurance balance sheet perspective and result in a level playing field.

With so much to be done, I have a question: What is the rush to adopt the HLA?

Basel II took 11 years. Solvency II took some 13 years to develop and implementation is still underway. It is critically important to get the HLA done right, not simply done.

Standards need to be developed in an open and sensible way – with an impact assessment and cost-benefit analysis much like the European Commission and U.S. rulemaking undertakes.

In addition, they need to be developed in a comprehensive ... holistic ... a manner, where there is no disconnect between group capital standards and supervision.

The best way to achieve proper standards is through a fully transparent process.

That is one of the reasons why the Global Federation recently hosted in Morocco an afternoon conference. Many regulators from the International Association of Insurance Supervisors traveled across the city to meet with Global Federation members and companies from many nations to discuss key capital standards issues.

This industry-funded, industry-organized event was useful not just to industry, but to the regulators as well. Good information was exchanged in an open dialogue. Much like the conference that we have had here today.

Thanks to the success of the meeting, another will take place next year in Paraguay around the same time as the IAIS holds its annual meeting there. In addition, there have been some indications that the IAIS will again open its conference to stakeholders.

I also received a letter from then-IAIS President Felix Hufeld committing to have an IAIS Executive Committee delegation come to the next Global Federation event in Dublin in May at the time of the Insurance Europe International Conference. In one-on-one meetings and in large, open meetings, Felix always has been candid and forthright.

As major proponents of transparency, I think the FFSA and ACLI, among all of our Global Federation members, can be pleased with this decision.

The benefits of the IAIS engaging openly and transparently with industry stakeholders cannot be underestimated.

It will help us in the U.S. as we inform Congress about the international standard-setting process. I can't overemphasize the importance of our reports to Congress. I think you understand this well.

The American culture is to be wary of rules and laws that are drafted from afar. You understand this and probably share this sentiment. Resistance to rules from afar is personal to me.

When I served in the U.S. Senate, representing my home state of Idaho, I successfully worked alongside Senator John Glenn of Ohio – the astronaut who was the first American to orbit the Earth – against mandates from Washington, D.C.

Before our bill the federal government could pass a law and require states to spend their own money to implement that law. That was wrong. And we changed that. Now the federal government has to engage and communicate with the states before imposing any new costly rules or laws on those states and the federal government paying for it ... not the states.

It should not be surprising that some members of the U.S. Congress are very concerned about the activities of the IAIS and the FSB. And it's also not surprising that some U.S. Congressmen have introduced legislation calling for restrictions on U.S. authorities working with international standard setters like the IAIS and FSB unless there is more transparency.

Now, ACLI and the Global Federation support international standards. We agree that proper, well written international standards are essential to the long term health and success of our international financial system.

Institutional transparency. Due process. These are principles I am positive we all agree on. They are part of the checks and balances that are ingrained in our respective political systems.

U.S. lawmakers will not cede their responsibilities to set the rules for American institutions. They will always insist on transparency, on communication and on collaboration.

We also need to be engaged because of our unbending belief in what our industry does: protecting families through life insurance. Helping retirees maintain dignity by receiving an income for life through the annuities we provide.

This is our mission as an industry. We have been – and we always will be – in the business of providing long-term financial security through insurance products.

We must have a balanced policy framework with regulation that supports our mission, while also providing the right level of oversight.

I have the utmost respect for all the individuals in this room because you represent a fine industry. You represent fine regulators. You represent people that are doing what is right so that millions of other people can have a good life . . . A better life.

I am very eager to hear this issue discussed in the upcoming panel.

Let me close with a line that defines our industry: Promises made are promises kept.

Promesse faite, promesse tenue.

Thank you.