

Operating Principles for the American Society of Enrolled Actuaries (ASEA)

Preamble: These Operating Principles are adopted pursuant to section B.2. of the Final Agreement for the Combination of ASPPA and COPA, which is an agreement entered into between the College of Pension Actuaries, NFP (COPA) and the American Society of Pension Professionals and Actuaries (ASPPA) in September, 2008 and approved by COPA membership September 23, 2008 (hereinafter referred to as the "Agreement"). The Agreement combines the operations of COPA into ASPPA, effective September 23, 2008 (the "Effective Date"), as a semi-autonomous operating unit and is included in these revised Principles as Appendix A.

These Operating Principles document ASPPA's commitment to its actuarial members and to its position within the actuarial community. ASPPA agrees that in order to ensure adequate actuarial representation on ASPPA's Executive Committee and on ASPPA's Board, the Board and the Executive Committee shall have at least one actuary as a voting member at all times. In addition, ASPPA agrees that it will maintain a strategic plan that is consistent with the terms of the Agreement. In the event that there is a conflict with the terms of these Operating Principles and the Agreement or with ASPPA's bylaws, the terms of the Agreement or ASPPA's bylaws shall prevail.

Revised Operating Principles for the American Society of Enrolled Actuaries (ASEA)

As initially established September 23, 2008

As amended May December 23, 2019

Article I - Name, Organizational Basis, and Location

- A. *Name:* This organization shall be named the "American Society of Enrolled Actuaries" hereinafter referred to as "ASEA".
- B. *Organizational Basis:* ASEA is a semi-autonomous operating unit within the American Society of Pension Professionals and Actuaries. It is not a separate legal entity.
- C. *Conduct Business by Mail or Electronic Means:* ASEA may conduct business by in-person meetings, mail, or electronic means with the Members for all matters.

Article II - Objectives

The objectives of the American Society of Enrolled Actuaries are to:

- A. Advance the knowledge of actuarial science as it relates to retirement and other employee benefit plans,
- B. Promote and maintain the highest professional and ethical standards among its Members,
- C. Enable actuaries engaged in pension practice to discuss common issues,
- D. Promote the interchange of information among actuaries and the leadership of various actuarial organizations,
- E. Keep the public informed of the profession and of the responsibilities of the professional pension actuary in public practice,

- F. Promote the expansion of the employer-based retirement system by educating governmental agencies and Congress on issues that affect the short and long range health of the system, and
- G. Promote the education and professional development of both pension actuaries and actuarial students.

In order to achieve these objectives, ASEA shall hold meetings, discussions, conduct studies, sponsor formal education programs, make or sponsor investigations, and undertake such other activities as may be necessary and desirable to achieve the objectives stated above. It is recognized that some of the activities referenced shall include, but not be limited to:

- H. Recommend ASPPA and ASEA representatives to various intersocietal groups (e.g., relevant committees of the American Academy of Actuaries).
- I. Recommend candidates for the ABCD and the ASB.
- J. Recommend representatives, when needed, for the JBEA Advisory Committee and its exam writing committees.
- K. Have the President and President-Elect serve as ASPPA's representatives on the North American Actuarial Council (NAAC), the Council of US Presidents (CUSP) and the Academy's Board of Directors.
- L. Nominate ASEA members for appointment to the Board of Directors of ASPPA.
- M. Provide educational programs for student actuaries and the FSPA program for actuaries, and any actuarial conferences put on by ASPPA, with appropriate staff support from the Retirement Plan Academy, Membership and Conferences Departments.
- N. Promote volunteerism among ASEA members.
- O. Through the Defined Benefit Subcommittee of ASPPA's Government Affairs Committee, have primary responsibility for the content of comment letters that involve "actuarial issues". "Actuarial issues" are issues of primary concern to ASEA members as defined in the Agreement. Any differences of opinion regarding what is defined as an "actuarial issue" are to be resolved based on the dispute resolution clause referenced in Article XII and contained in the Agreement.
- P. Prepare formal comments, position papers, or other relevant pronouncements that involve regulating authorities outside of Treasury, IRS, DOL, PBGC or SEC (e.g., FASB, ASB and ABCD).
- Q. Maintain an actuaries-only online discussion forum for active members of ASEA, provided they do not work for a regulatory or legislative agency of the government. The Leadership Council shall have the responsibility of defining the regulatory or legislative agencies.
- R. Provide actuarial content to ASPPA's and ASEA's publications.

Article III - Membership

A. **Classes of Membership:** ASEA shall consist of Members who shall be entitled to use the following designations: MSPA and, if the Member qualifies for the designation, FSPA. Current ASEA members may maintain their designations of MSPA or FSPA indefinitely, or adopt the new designations of MSEA or FSEA. Any new members on or after January 1, 2020 will be designated MSEA or FSEA.

B. **Requirements for Membership:**

1. *Active members:*

a. Any ASEA Member as of the effective date of these Revised Operating Principles shall continue to be an ASEA Member so long as they remain a credentialed member of ASPPA.

b. An enrolled actuary who is in good standing with the JBEA but does not hold an MSPA or FSPA designation who wishes to become a Member of ASEA shall submit to the ASPPA Membership Committee such information as deemed appropriate by such Committee and shall become a member of ASEA upon being approved for the MSEA or FSEA designation.

i. *Good Standing with the JBEA:* Good standing for this purpose with the JBEA shall include compliance with continuing education requirements, disciplinary procedures, and other rules and regulations of the JBEA.

2. *Retired members:* An active ASEA member who changes to retired member status (as defined by ASPPA for purposes of qualifying for reduced dues) shall remain a Member of ASEA so long as they remain a member of ASPPA.

3. *Cessation of membership:* Membership shall cease when an ASEA Member is no longer a credentialed member of ASPPA. A former ASEA member may apply for reinstatement in accordance with ASPPA's procedures for reinstatement of credentialed membership, provided that an ASEA member who is expelled pursuant to disciplinary procedures in accordance with Article IX shall not be eligible for reinstatement.

Article IV - Meetings of the American Society of Enrolled Actuaries

A. *Annual Business Meeting:* The Annual Business Meeting of ASEA shall be held at such time and place as is designated by the ASEA Leadership Council.

Notice of the date or dates and place of the Annual Business Meeting shall be given to the Membership by the management office at least thirty (30) days prior to the date of such meeting. For all meetings, announcement in any general publication of ASPPA shall constitute valid notice. If a Member attends the Annual Business Meeting, he or she shall be considered as having received proper notice of the meeting. A Member's expenses for attending the Annual Business Meeting are the sole responsibility of such Member.

B. *Transition Business Meeting:* A Transition Business Meeting shall be held during ASPPA's Annual Conference. Notice of the date or dates and place of the Transition Business Meeting shall be made to the Membership by the management office at least thirty (30) days prior to the date of such meeting. Publication in the conference brochure shall constitute valid

notice to the membership. A Member's expenses for attending a Transition Business Meeting are the sole responsibility of the Member.

C. *Special Business Meetings:* A Special Business Meeting of ASEA may be called at any time at the request of a majority of the Leadership Council. The management office shall give notice of the date or dates and place of a Special Business Meeting to the Membership at least thirty (30) days prior to the date of such meeting. A Member's expenses for attending a Special Business Meeting are the sole responsibility of such Member.

D. *Voting:* Each Member will be entitled to cast one (1) vote upon all questions brought before the Annual, Transition or any Special Business Meeting of ASEA. There shall be no voting by proxy at any meeting of ASEA.

E. *Quorum:* The quorum required to conduct any business of ASEA shall be one-tenth (1/10th) of the Members entitled to vote.

Article V - Leadership Council

A. *Composition:* The Leadership Council of ASEA shall consist of voting and non-voting members.

1. *Voting Members:* There shall be nine (9) elected members of the Leadership Council, who shall be referred to as Leadership Council Members, plus the President, President-Elect, Executive Vice President and, for a period of two (2) years following his or her presidency, a past President.

2. *Non-Voting Members:* The individuals that serve in the capacity of Vice President(s) shall be non-voting Members of the Leadership Council and shall not be considered for purposes of determining a quorum. In addition, the highest ranking ASPPA officer who is an actuary and not already on the ASEA Leadership Council and the Executive Director of ASEA shall serve as non-voting members of the Leadership Council.

B. *Election and Term of Office:* All Members of the Leadership Council shall be Members of ASEA. At each Annual Business Meeting of ASEA, based on a report of the Election Commissioner as described in Paragraph 3 of this Article, three (3) members of the Leadership Council shall be elected, each to serve for a period of three (3) years beginning at the close of the Transition Business Meeting following their election and continuing until the beginning of a successor's term. A term of fewer than nine (9) months due to a change in operational year shall not count as a year for purposes of the term limit. The term of office for Leadership Council Members shall expire at the close of the Transition Business Meeting.

C. *Nominations and Voting:* An "Election Commissioner" shall be appointed by the President no later than ninety (90) days prior to the beginning of the Annual Business Meeting. The Election Commissioner shall solicit Leadership Council Nominations from the Membership electronically no later than sixty (60) days prior to the beginning of the Annual Business Meeting. Upon receiving any Leadership Council Nomination, the Election Commissioner shall immediately notify the Nominated Candidate. All such Nominated Candidates seeking election to the Leadership Council must submit an electronic Nomination Acceptance and a statement by another Member seconding the Nomination no later than thirty (30) days before the Annual Business Meeting, at which time the Nominations Process is closed. Upon the closing of the

Nominations Process, the Election Commissioner shall notify all Members electronically of the identity of the Nominees and shall arrange for the election of the Leadership Council Members as described herein.

In the event that any Nominated Candidate has not submitted a Nomination Acceptance by the close of the Nominations Process, or if there are an insufficient number of candidates for the open positions, the Election Commissioner shall so notify the Leadership Council, which shall have seven (7) days in which to choose and obtain the Nomination Acceptance of an Alternate Nominee or Nominees. In choosing any Alternate Nominee, the Leadership Council is authorized to select and obtain a Nomination Second and Nomination Acceptance from any Member in Good Standing.

The Election Commissioner shall be ineligible to run as a Leadership Council Member.

Voting for Leadership Council Members shall be conducted electronically by the Election Commissioner. The Voting Process will commence no later than twenty-one (21) days before the Annual Business Meeting and be completed at least three (3) business days before the Annual Business Meeting.

Those Nominees with the highest number of votes shall be elected. The President shall not vote, except in the event of a tie, and will do so at the Annual Business Meeting.

The Election Commissioner, or delegate, shall announce the voting results at the Annual Business Meeting. Results shall not be valid unless a quorum of one-tenth (1/10th) of the Members entitled to vote have cast ballots pursuant to this section.

D. *Re-Election:* Voting Leadership Council Members can be elected to two (2) full three (3) year consecutive terms and a maximum of eight (8) consecutive years, if they fill a short term. After a voting Leadership Council Member has fulfilled the consecutive rule of the preceding sentence, he or she may not be reelected to a voting Leadership Council Member position for two (2) years. There is no ultimate limit on the number of years that a voting Leadership Council Member may serve.

E. *Forfeiture of Leadership Council Term:* If an elected Leadership Council Member is elected to be the President-Elect, Executive Vice President, or Vice President, and either resigns, dies or is removed for cause pursuant to Paragraph K. of this Article, the remainder of the Leadership Council term shall be forfeited, and a replacement shall be appointed in accordance with Article V. Paragraph F.

F. *Inheritor of a Short Leadership Council Term:* If the forfeited term is with respect to the Leadership Council Member being elected as an Officer, the open Leadership Council position shall be filled by the Member who:

1. was on the slate of proposed Leadership Council Members,
2. was not elected as a Leadership Council Member or Officer and
3. had the next highest vote count on the Leadership Council slate at the Annual Meeting. If there are not sufficient candidates, the President shall appoint a replacement Leadership Council Member and the appointment shall be approved by the Leadership Council.

If the short term is created due to a non-election cycle officer vacancy, the President shall appoint and the appointment shall be approved by the Leadership Council.

If a Leadership Council Member is elected or appointed to a short term that has greater than two (2) years remaining, that Leadership Council member can only be elected or appointed to one full three (3) year term. If the short term is two (2) years or less the Leadership Council Member could be elected to two (2) additional three (3) year terms.

G. *Limit on Members from Same Firm:* No election, re-election, or appointment to the Leadership Council shall cause more than two (2) Members from any one (1) firm, proprietorship, or organization employing enrolled actuaries, to serve as Leadership Council Members at the same time.

H. *Duties:* The Leadership Council shall set the strategic focus of ASEA and enact the rules and guidelines under which it operates. It shall also approve or deny all mid-term Leadership Council vacancies appointed by the President, occasioned by death or resignation or from any other cause; authorize committees as it may deem necessary for the conduct of the affairs of ASEA and assign any additional duties to officers and committees.

I. *Meetings:* An Annual Leadership Council Meeting shall be held during the date or dates and at the place of the Annual Business Meeting of ASEA at such time or times as may be designated by the President. Other meetings of the Leadership Council may be called by the President, to be held at such place as he or she may designate, or by any three Leadership Council Members, to be held at the main office of ASEA, or at such other place as a majority of the Leadership Council may agree. Meetings may be held by telephone or by means of electronic conferencing facilities and any vote taken at any such meeting shall have the same strength as if taken at a face-to-face gathering. Notice of such other meetings must be either mailed or electronically sent at least ten (10) days prior to the time of meeting stated in such notice. A special meeting may be arranged with less than ten (10) days notice provided that at least a quorum of the Voting Members agree, via electronic communication or in writing, to waive the ten (10) day notice requirement.

J. *Quorum:* The quorum required to conduct any regular or special meeting of the Leadership Council shall be eight (8) voting Leadership Council Members.

K. Removal of a Leadership Council Member for Cause:

1. An elected Leadership Council Member, who is incapable of fulfilling the duties of Leadership Council Membership, either due to neglect of duties or malfeasance in that position, shall either resign or be subject to removal as indicated herein.

2. Complaints that a Leadership Council Member or Members are incapable of fulfilling the duties of Leadership Council Membership, either due to neglect of duties or malfeasance in that position, shall first be brought to the attention of the Leadership Council. The Leadership Council, meeting at a regular or special meeting of the Leadership Council, shall determine whether to recommend to the membership that said Leadership Council Member or Members be removed provided, however, that no such determination shall occur until the Leadership Council Member or Members against whom a complaint were lodged

have been advised of the complaint and given reasonable opportunity to present a defense before the Leadership Council. Unless two-thirds (2/3rds) of the Leadership Council Members present and voting determine to recommend removal, the Leadership Council Member or Members subject to the complaints shall remain on the Leadership Council.

4. Upon the determination discussed in the previous sub-paragraph, that a Leadership Council Member or Members are incapable of fulfilling the duties of Leadership Council Membership, either due to neglect of duties or malfeasance in that position, the Leadership Council shall immediately so inform the Membership, by electronic written notice.

5. The Election Commissioner shall arrange for an electronic vote of the membership to occur within sixty (60) days of the sending of the notice referred to in the prior sub-paragraph.

6. Notwithstanding the above, if the Election Commissioner determines that the conclusion of the electronic vote will not take place until there are fewer than 75 days remaining in the term of the affected Leadership Council Member before the Annual Business Meeting, the Election Commissioner may decline to arrange for the electronic vote and the position shall remain vacant until filled through the normal election process.

Article VI - Officers

A. *Composition:* Officers of ASEA shall consist of a President, a President-Elect, an Executive Vice President, up to two (2) Vice Presidents and for a period of two (2) years following his or her presidency, a past President.

B. *Election and term of Office:* All officers shall be Members of ASEA. At each Annual Business Meeting of ASEA the Executive Vice President and Vice President(s) shall be elected based on a report of the Election Commissioner. All Officers shall serve for a period of one (1) year beginning at the close of the Transition Business Meeting that next occurs after the election and continuing until the beginning of a successor's term. An officer's term shall expire at the end of the Transition Business Meeting. The President-Elect shall succeed to the Office of President, and the Executive Vice President shall succeed to the Office of the President-Elect without further vote.

Any vacancies shall be appointed by the President and approved by the Leadership Council with the exception of the Executive Vice President, who shall be subject to a Member vote. Any past President vacancy shall remain unfilled.

In the event that the office of President becomes vacant, the President-Elect shall automatically succeed to fill the vacancy for the unexpired term, and shall serve as President until the close of the Transition Business Meeting of ASEA after completing the remainder of the short term and full one (1) year term. In the event the office of the President-Elect becomes vacant, the Executive Vice President shall succeed to fill the vacancy for the short term and, if the President-Elect position is vacant because the President-Elect filled a vacancy in the office of the President, a full one (1) year term.

A retiring President shall thereafter be permanently ineligible for election as Executive Vice President.

C. *Re-Election:* Vice President(s) do not have term limits.

D. *Nominations and Voting:* The Election Commissioner shall solicit Officer Nominations from the Membership electronically no later than sixty (60) days prior to the beginning of the Annual Business Meeting. Upon receiving any Officer Nomination, the Election Commissioner shall immediately notify the Nominated Officer Candidate. All such Nominated Officer Candidates seeking election must submit an electronic Nomination Acceptance and a statement by another Member seconding the Nomination no later than thirty (30) days before the Annual Business Meeting, at which time the Nominations Process is closed. Upon the closing of the Nominations Process, the Election Commissioner shall notify all Members electronically of the identity of the Officer Nominees and shall arrange for the election of the Officers as described herein.

In the event that any Nominated Candidates have not submitted a Nomination Acceptance by the close of the Nominations Process or if there are an insufficient number of candidates for the open positions, the Election Commissioner shall so notify the Leadership Council, which shall have seven (7) days in which to choose and obtain the Nomination Acceptance of an Alternate Nominee or Nominees. In choosing any Alternate Nominee the Leadership Council is authorized to select and obtain a Nomination Second and Nomination Acceptance from any Member in Good Standing.

The Election Commissioner shall be ineligible to run as an Officer.

Voting for Officers shall be conducted electronically by the Election Commissioner. The Voting Process shall commence no later than twenty-one (21) days before the Annual Business Meeting and be completed at least three (3) business days before the Annual Business Meeting.

Those Nominees with the highest number of votes shall be elected. The President shall not vote, except in the event of a tie, and will do so at the Annual Business Meeting.

The Election Commissioner, or delegate, shall announce the voting results at the Annual Business Meeting. Results shall not be valid unless a quorum of one-tenth (1/10th) of the Members entitled to vote have cast ballots pursuant to this section.

E. *Duties:* In addition to such duties as may be assigned to officers from time to time by the Leadership Council, the members of the Executive Committee shall perform the following:

1. *President:* The President shall preside at all Leadership Council Meetings, Business Meetings and Executive Committee Meetings of ASEA. He or she shall appoint the Election Commissioner, a Chairperson(s) for each committee authorized by the Leadership Council and a Leadership Council Liaison for each committee.

The President shall appoint members to various ASPPA committees and subcommittees including but not limited to the ASPPA Management Team (AMT), Membership, E&E, Conferences and Government Affairs Committee (GAC) Co-Chair(s). In order to ensure actuarial representation at the highest levels of GAC,

the President may appoint an additional GAC Co-Chair. Should additional actuarial GAC Co-Chairs be called for as specified in the Agreement, the President shall further appoint said Co-Chairs. The President shall also appoint the Chair and Vice Chair of the Defined Benefit Sub-Committee (DBSC). These appointments must be approved by the Management Council of ASPPA.

Appointments will also be made for the Actuarial members of the DBSC, including the Chairperson. Unless the President elects to make a change any current appointment to the DBSC or intersocietal positions these posts shall be extended through the next operational year.

2. President-Elect: The President-Elect shall direct the Election Commissioner as to the number of Vice President slots open for nomination and shall have such other duties as may be assigned by the President or by the Leadership Council. In the absence of the President, or in the event of his or her inability or refusal to act, the President-Elect shall perform the duties of the President.

3. Executive Vice President: Executive Vice President shall have such duties as may be assigned by the President or by the Leadership Council.

4. Vice President: The Vice President(s) shall have such duties as may be assigned by the President or by the Leadership Council.

F. *Removal of an Officer for Cause:* An officer who is incapable of fulfilling the duties of office, due to malfeasance in that position, shall either resign or be subject to removal by the Leadership Council. The Leadership Council may remove such an Officer by an affirmative vote of two-thirds (2/3) of the Leadership Council present and voting at any regular or special meeting of the Leadership Council. A vote for removal shall occur only after the officer against whom a complaint has been lodged has been advised of the complaint and has been given reasonable opportunity to present a defense before the Leadership Council.

Article VII - Executive Committee

A. *Composition:* The Executive Committee shall consist of the President, President-Elect, Executive Vice President, Vice President(s) and the most recent past President. All the aforementioned members of the Executive Committee are voting members. The President may add ad hoc nonvoting members to Executive Committee.

B. *Duties:* The Executive Committee reports to the Leadership Council. The Executive Committee shall be responsible for managing ASEA on a day-to-day basis. In addition, all powers of the Leadership Council shall, between meetings of the Leadership Council, vest in the Executive Committee, except the power to:

1. Propose amendments to the Operating Principles, or
2. Fill vacancies among the Officers or Leadership Council membership.

C. *Meetings:* The Executive Committee shall meet upon the call of the President or upon the call of any three (3) of its members.

D. *Quorum:* The quorum required to conduct any meeting of the Executive Committee shall be three (3) members of the Executive Committee.

E. *Appointment of Mediation and Arbitration Panels:* The Executive Committee shall appoint standing committees of three (3) members to serve on the Mediation Panel and on the Arbitration Panel for purposes of the Dispute Resolution provisions in Article XII.

Article VIII - Finances and Contracts

A. *Dues:* All dues of Members shall be administered and collected by ASPPA staff. The amount of dues shall be determined annually by ASPPA.

B. *Budget:* ASEA shall be provided a budget by ASPPA that ensures its ability to provide the needed services to actuaries as well as its commitments to ASPPA and the actuarial community. The ASEA budget is subject to ASPPA's budget procedures, and approval of the ASPPA Board of Directors.

Article IX - Discipline

ASEA will follow the American Retirement Association (ARA) disciplinary processes, which include the Code of Professional Conduct for Actuaries and the ARA Code of Professional Conduct and the procedures of the Actuarial Board for Counseling and Discipline. Effective for discipline cases referred on or after March 31, 2013, ASPPA entered into a Joint Discipline agreement with the other US based actuarial organizations. The agreement was subsequently modified to be effective for disciplinary actions issued on or after [signing date]. The ASEA President and President Elect will serve on the Joint Discipline Council (JDC). The President shall appoint a pool of potential JDC panel members, subject to LC approval, to handle disciplinary cases as the need arises, in accordance with the JDC agreement. If for any reason ASEA must provide additional JDC panel members that are not from the pool, the President or President Elect may appoint one or more ASEA members to serve on a JDC panel. The JDC panel members may serve concurrently on the ARA Professional Conduct Committee.

In the event the ASEA Executive Director receives notification from the JDC that recommends discipline in excess of a two year suspension, such finding shall be referred to the ASEA Leadership Council and handled in accordance with ARA Disciplinary Procedures. The ASEA Executive Director, or his or her delegate, shall take such action as is necessary to effectuate a JDC recommendation not in excess of a two year suspension.

X. Article X - Indemnification

ASPPA shall maintain commercially reasonable insurance to protect members of the ASEA Leadership Council against personal liability they may incur as a consequence of their activities on behalf ASEA and ASPPA.

Article XI - Amendments

ASEA may amend its Operating Principles from time to time by the following procedure:

A. Any proposed amendment must be approved by a majority of the Members of the Leadership Council present and voting.

B. As soon as practicable after approval by the Leadership Council, but not less than thirty-five (35) days prior to the date set by the Leadership Council for the return of ballots, a copy of the proposed amendment shall be either mailed or electronically sent by the management office to the Members of ASEA. Voting will be done electronically.

C. An amendment shall become effective when approved by at least fifty percent (50%), plus one (1), of the voting Members present and voting. Results shall not be valid unless a quorum of one-tenth (1/10th) of the Members entitled to vote have cast ballots pursuant to this section.

D. To the extent an amendment is inconsistent with the Agreement or conflicts with ASPPA's by-laws, such an amendment shall be null and void.

Article XII - Dispute Resolution

The dispute resolution clause of the Agreement is hereby incorporated by reference into these Operating Principles.

In the joint ASPPA and COPA development of ASEA's responsibilities and the subsequent development of these Operating Principles, ASEA and its Members are given primary responsibility for many important items. The core of these responsibilities revolves around those items which are determined to be "actuarial issues". It is recognized that the determination of what is an actuarial issue is impossible to develop if the intent is to define an actuarial issue statically. That is, it is recognized that the definition of what is an actuarial issue and what is not an actuarial issue will be clarified and/or modified over time.

It is also recognized that any modifications must be made on a timely basis. To that end, the Agreement includes a methodology for initially defining what is an actuarial issue, but more importantly, also contains a methodology for modifying that definition over time in a timely manner.

The leaders of both ASPPA and ASEA have agreed to provide a methodology to also ensure that ASEA's input remains important and timely, which is incorporated into the "dispute resolution" provisions of the Agreement. The dispute resolution clause responds to all of the concerns raised by ASEA's leadership in the development of the Agreement. There are certain items directly linked to the dispute resolution clause in these Operating Principles. This is not meant to imply that these are the only items subject to the dispute resolution clause.

As stated above, the dispute resolution clause provides ample opportunity for ASEA leadership to assert its influence in a time-appropriate and effective manner.

Included in these Operating Principles is the recognition that effective use and implementation of the dispute resolution clause vests with the Leadership Council.