

International Accounting Standards Board  
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## Response to IASB Discussion Paper - Preliminary Views on Insurance Contracts

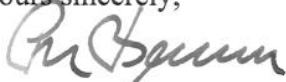
The Danish Insurance Association (DIA) welcomes the opportunity to comment on your Discussion Paper - Preliminary Views on Insurance Contracts. The DIA supports the views put forward in the joint response of the CEA/CFO Forum.

We would like to stress, however, that the DIA is of the view that any profit (after potential profit sharing in participating contracts), including profit at inception as defined by the IASB, belongs to shareholders and hence should be classified as equity upon recognition through the income statement (P/L). Moreover, we find that the reasons for and the size of a possible profit at inception should be investigated further.

In our view this treatment of profit at inception is consistent with the proposed future European solvency system ("Solvency II"), which is built on a so-called economic approach. Based on available information so far, the measurement models proposed by the IASB for accounting purposes and by the European Commission for the future European solvency system seem to broadly rest on the same basic principles.

In the view of the DIA, it will have great merits to build the future measurement model of the IASB accounting standard for insurance contracts and the (European) solvency system on the same basic principles.

Yours sincerely,



Per Bremer Rasmussen, Managing Director  
Danish Insurance Association