

**TRANSACTIONS OF SOCIETY OF ACTUARIES
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**MINUTES OF THE REGIONAL MEETING
of the
SOCIETY OF ACTUARIES**

**HELD AT THE AMERICANA HOTEL
NEW YORK, NEW YORK
APRIL 21-22, 1969**

The meeting was called to order by the President, Mr. Wendell A. Milliman, on Monday, April 21, 1969, at 9:00 A.M. The following is a summary of the attendance at the meeting:

SUMMARY

Fellows.....	548
Associates.....	208
Guests.....	30
Total.....	<u>786</u>

The President introduced Mr. William B. Harman, Jr., Mr. John W. Wieder, Jr., Mr. Herbert E. Wittick, Professor Robert B. Miller, Professor John S. Hammond, Professor Joseph M. Belth, Mr. Bert Van Uitert, Mr. Edward M. Lupean, and Mr. Lawrence J. Latto.

The President then introduced Mr. Charles M. Sternhell as moderator of the panel session on "Equity Products." Panel members were Messrs. Thomas P. Bowles, Jr., Edward M. Lupean, and Lawrence J. Latto. Following the panel discussion, there were questions from the floor.

At 10:30 A.M. there was a brief recess, after which the meeting re-assembled in three concurrent sessions and one workshop. Concurrent Session 1, "United States Federal Income Tax," was moderated by Mr. Henry B. Ramsey, Jr.; panel members were Messrs. John C. Fraser, Albert Gubar, and William B. Harman, Jr. Concurrent Session 2, "Management of Professional Personnel," was moderated by Mr. Jack T. Kvernland; panel members were Messrs. William C. Hsiao and George Ryrie. Concurrent Session 3, "Computer Models and Simulation," was moderated by Mr. Cecil J. Nesbitt; panel members were Messrs. Russell M. Collins, David G. Halmstad, and Owen A. Reed. Workshop 1, "Profit Sharing, Thrift Plans, and Incentive Compensation," was moderated by Mr. Harvey J. Saffair, assisted by Mr. Conrad M. Siegel.

Written discussions were presented in some cases, and there were questions from the floor. These sessions adjourned at approximately 12:30 P.M.

The meeting reconvened that afternoon at 2:15 P.M. in four concurrent sessions and five workshops. Concurrent Session 1, "Equity-Oriented Products," was moderated by Mr. Harry Walker; panel members were Messrs. John J. Byrne, W. James D. Lewis, and Peter R. Wilde. Concurrent Session 2, "Life Insurance Net Cost Comparisons," was moderated by Mr. Ernest J. Moorhead; panel members were Messrs. Michael B. Hutchison and William F. Ward. Concurrent Session 3, "Mergers, Acquisitions, and Valuation of Stockholder Equity," was moderated by Mr. Richard M. Sellers; panel members were Messrs. Joseph H. Dowling and Frederick S. Townsend. Concurrent Session 4, "Canadian Income Tax," was moderated by Mr. John C. Maynard; panel members were Messrs. George C. Campbell and J. Craig Davidson. Workshop 1, "Credibility Theory and Its Application to Group Experience-Rating Formulas," was moderated by Mr. Joseph W. Moran, assisted by Mr. William M. Roth. Workshop 2, "Group Long-Term Disability," was moderated by Mr. Robert A. Hall, assisted by Mr. Robert C. McQueen. Workshop 3, "Agents' Compensation and Productivity," was moderated by Mr. John J. Marcus, assisted by Mr. Milton J. Goldberg. Workshop 4, "Topics for Consulting Actuaries," was moderated by Mr. Preston C. Bassett, assisted by Mr. J. Bruce MacDonald. Workshop 5, "Current Underwriting Problems," was moderated by Mr. Harry A. Woodman, Jr., assisted by Mr. Donald L. Gauer. These meetings adjourned at about 4:45 P.M.

On Tuesday, April 22, 1969, the meeting convened at 9:00 A.M. in general session. The President introduced Mr. Marshall Field, F.I.A., of London, England, and Mr. A. J. van Ryneveld, F.F.A., of Cape Town, South Africa. The President also introduced Mr. Henry S. Beers and Mr. Dennis N. Wartens, both of whom have completed fifty years of membership in the Society.

The President then extended a welcome to the new Fellows and Associates who were attending their first meeting of the Society after attaining their present ranks.

The Secretary read a summary of the business transacted at the Board of Governors' meeting, held April 20, 1969:

1. Amended Article VIII, Section 1, of the Bylaws to allow the Board to make future changes in the schedule of membership dues without amending the Bylaws.

2. Adopted the following schedule of membership dues for the calendar year 1969:

- \$85. Fellows 5 or more years, Associates 10 or more years, and Fellows who were Associates for 10 or more years.
- \$60. Fellows less than 5 years and Associates 5-9 years.
- \$35. Associates less than 5 years and Fellows and Associates not residing in the United States or Canada.

3. Approved the Executive Committee's recommendation that medallions and plaques be offered for sale to Fellows. The medallions will be available for \$8.50 in either bronze or a silver-colored metal, with name and date of enrollment inscribed on the back. Plaques, consisting of a medallion and an inscribed metal plate mounted on a framed blue background, will be available for \$13.50. Information will be sent in the near future by the Society office.

4. Approved the following sites and dates for future meetings subject to the condition that the Secretary attempt to reschedule at least one of the 1974 regional meetings after the week of the Society's examinations:

1973 Regional (3d)	San Francisco	June 7-8
1974 Regional	Boston	March 25-26
1974 Regional	Montreal	May 2-3
1974 Regional	Dallas	May 9-10
1974 Annual	New Orleans	October 21-23

5. Approved the following recommendations of various committees:

- a) The recommendation of the Education and Examination Committee and the Advisory Committee on Education and Examinations that certain changes be made in the examination syllabus.
- b) The recommendation of the Committees on Mortality and Morbidity among Lives Individually Insured that the availability of the results of an annual intercompany mortality study be publicized in the *Reports Numbers* and that coding of contributing companies be changed annually.
- c) The recommendation of the Committee on Professional Conduct that drafts of two interpretative opinions on the Guides be given exposure to members by being published in *The Actuary*.

6. Approved a request by the Public Relations Committee that it be given authority to spend up to \$4,000 on a project to furnish actuarial information to over 15,000 high school guidance counselors.

7. Approved the President's request to appoint the following three ad hoc committees: Committee on Liaison with Local Actuarial Clubs, Committee To Study Education Facilities for Actuaries, and Committee To Study Fiscal Policy of the Society.

The President advised that the Society had received word of the deaths of twenty members since the last meeting: Eleanor A. Abbott, Henry W. Allstrom, James B. Copple, Ernest W. Crowe, Edward A. Dougherty, Rex A. Farrier, William F. Hancock, William C. Johnstone, Annie Mary Lyle, Gordon D. McKinney, Kenneth B. Piper, Simon Shannon, and Mortimer Spiegelman, Fellows; and George W. Bishop, H. K. Dasgupta, James E. Frankland, James R. Gillan, M. Wallace McCutcheon, Frederick A. A. Menzler, and Alan K. Peterson, Associates. The members observed a moment of silence in respect for the memory of these members. Obituaries are printed in this volume of the *Transactions*.

The President introduced the authors of the papers presented at other sessions of this meeting.

Four papers were presented by their authors, and Mr. Francisco Bayo and Professor John A. Beekman commented on the discussions of their papers, which had been submitted. Professor Cecil J. Nesbitt presented a discussion by Professor Newton Bowers on Professor Beekman's paper.

Following this, Mr. Robert J. Myers reported on current developments in the United States Social Security Act; Mr. Ernest J. Moorhead reported on some of his recent contacts with actuarial organizations in New Zealand and Australia; and Mr. George H. Davis presented some comments on current legislative developments.

After thanking all the participants, President Milliman adjourned the meeting at 10:00 A.M.

The meeting reconvened at 10:20 A.M. in three concurrent sessions and five workshops. Concurrent Session 1, "The Changing Role of the Actuary," was moderated by Mr. E. Sydney Jackson; panel members were Messrs. Claude J. Castonguay, C. Norman Peacor, and Howard Young. Concurrent Session 2, "Final-Pay Pension Plans," was moderated by Mr. Robert F. Link; panel members were Messrs. James L. Clare, and James A. Curtis. Concurrent Session 3, "Proposed Changes in Auto Liability Insurance," was moderated by Mr. Allen L. Mayerson; panel members were Messrs. Herbert E. Wittick, Roy R. Anderson, and John W. Wieder, Jr. Workshop 1, "Ordinary Dividends and Asset Shares," was moderated by Mr. Robert C. Dowsett, assisted by Mr. James R. Donahay. Workshop 2, "Group Ordinary," was moderated by Mr. Kenneth T. Clark, assisted by Mr. Walter S. Rugland. Workshop 3, "Section

403(b) Annuities," was moderated by Mr. Alexander N. Crowder III, assisted by Mr. Richard M. Stenson. Workshop 4, "Combination Sales: Mutual Funds and Life Insurance," was moderated by Mr. Joseph R. Pickering, assisted by Mr. Winfield C. Burley. Workshop 5, "Operations Research," was moderated by Mr. Gordon Duryea Shellard, assisted by Mr. Kenneth Murden. These meetings adjourned approximately at noon.

The meeting reconvened that afternoon at 2:00 P.M. in two concurrent sessions. Concurrent Session 1, "Utility Theory," was moderated by Mr. Edward A. Lew; panel members were Professors Karl Borch, John S. Hammond III, Robert B. Miller, and Mr. Paul M. Kahn. Concurrent Session 2, "Marketing Trends—Smaller Companies," was moderated by Mr. R. Wesley Shope; panel members were Mrs. Anna M. Rappaport and Mr. William H. Aitken. These meetings adjourned at approximately 4:00 P.M.

