



SOCIETY OF ACTUARIES

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# RISKS AND REWARDS

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## Chairman's Corner

by Max J. Rudolph

**W**ow! My three years as a member of the Investment Section Council are almost over. It has been a great experience. In this short period of time I served as Web liaison, Investment Actuary Symposium co-chair, moderator, speaker and continuing education liaison. I got involved with the 2005 E&E initiative and the section/practice debate. I have served on two project oversight groups and a specialty guide update. I helped form the risk management task force, was exposed to the SOA leadership and made a lot of new contacts and friends.

I believe that my company came out ahead on the deal, as I have become aware of many financial initiatives that I might not have seen otherwise. Whether it's your church, your community or your profession, it feels great to get involved and know that you have influenced others in a positive way. In the actuarial profession, I have been blessed to work for and with individuals who have encouraged me to grow both personally and professionally. Exposure to these

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actuaries make us all not only better at our jobs, but better people. At Mutual of Omaha, I have been lucky enough to work for both Burt Jay and Cecil Bykerk. Both are like the Energizer bunny. They just keep on serving. Steve Miller now works in our investment department, but I don't know anyone who understands the ins and outs of derivatives and stochastic analysis better than he. He always makes time to share his vast knowledge with co-workers and the industry. My predecessor as investment chair, Peter Tilley, has become a good friend through our SOA dealings. He is a prototype of the future actuary—one who is very good with people as well as being brilliant. I have learned a lot from him. Thanks to these and many other actuaries who continue to mold me, both as an actuary and as a person.

I want to welcome the three incoming council members who won the recent election. Thanks also to those who were willing to run and didn't win. The vote is always very close. Bryan Boudreau from Morgan Stanley, Steve Easson from ERC and Michael O'Connor from Tillinghast are our new members. The Investment Section has been blessed with a very active council over the years, and this is driven by members willing to serve.

In addition to my status as the lame duck chair, Vic Modugno of Internetactuary.com and Dave Ingram of Milliman USA are also completing their terms this year. Both have been active members of the council and will be missed. Vic, in addition to being one of the editors of *Risks & Rewards* and council secretary, suggested and recruited many worthwhile investment/pension sessions at SOA meetings. Vic was instrumental in creating the investment boot camp for pension actuaries. Dave has also been an active member, coordinating the risk management seminars and in serving as the founder of the Risk Management Task Force. This is a very active group that is reporting on its progress via the *soa.org* Web site and various seminars this fall. Check it out!

The Investment Section has three stand-alone seminars remaining in 2002. In addition to the sessions at the annual meeting, the section is

co-sponsoring a reception with the Financial Reporting Section on Tuesday night. Stop by and say hi! I'm very excited to see that Peter Bernstein (*Against the Gods and The Power of Gold*) is the keynote speaker in Boston. The SOA has clearly taken note of Dave Ingram and his group's work on risk management! The joint lunch in San Francisco, working with the Pension Section, was very well received. Many thanks go to Mark Bursinger (spring meetings) and Joe Koltisko (annual meeting) for coordinating these efforts. Reports have been positive on the ALM seminar at Wharton this summer, which included a European delegation. We are working with the Financial Reporting Section to make this material available. There's still time to sign up for the Investment Actuary Symposium to be held in Chicago November 7-8. With a three-track schedule and an exhibit hall, there is something for everyone. Next year the IAS will be co-sponsored by the CIA, and will be held in Toronto November 13-14, 2003. Dave Ingram and Larry Rubin will co-chair two risk management seminars to be held in New York December 4-6. The beginning and advanced sessions will appeal to distinct audiences, and both will be well attended with knowledgeable speakers.

I'd like to especially thank this year's section officers and editors. The section council will be in the good hands of Doug George after the annual meeting. As vice-chair he has been very helpful and I'm sure he has some ideas that will continue the section's progression. Craig Fowler has served ably as treasurer, and Vic Modugno and Charles Gilbert have served the council well as secretary. It takes nine active members for a council to work smoothly, and I was lucky that the Investment Section voted in candidates who were willing to help out and share their opinions. In addition, during this past year, Nino Boezio, Vic Modugno and Dick Wendt have edited *Risks & Rewards*. Great job! I thank you all.

It's been a great three years. I thank you for allowing me to help out, and I thank my wife (and fellow actuary) Karen for encouraging me to be active. ☺



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