

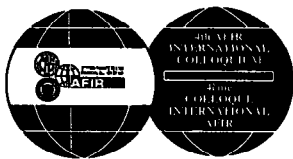


SOCIETY OF ACTUARIES

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# The Actuary

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## AFIR colloquium to feature creator of theory

Professor Stephen Ross, the Sterling Professor of Economics and Finance in the School of Organization and Management at Yale University, will speak at the opening general session on Wednesday, April 20, 1994, at the AFIR Colloquium scheduled from April 20-22, 1994, at the Buena Vista Palace in Orlando, Florida.

Ross is best known as the creator of the Arbitrage Pricing Theory, which involves systematic factors that usually are associated with economic fundamentals such as inflation.

He also is known for his pioneering work in option pricing theory. With two other professors, Ross introduced discrete-time approaches to pricing options on a lattice. This has become the computation method of choice by most traders in options.

AFIR, Actuarial Approach for Financial Risks, is the financial section of the International Actuarial Association. AFIR addresses financial issues and risks that concern actuaries, and it promotes the exchange of ideas between the actuarial profession and other financial experts.

For more information on the colloquium, please call Colleen Fiore at the SOA office, 708/706-3547.

# SOA Board meeting report

The Society of Actuaries Board of Governors met in Rosemont, Illinois, on May 18, 1993. Visitors to the meeting included John Martin, president of the Institute of Actuaries in England, and John McCutcheon, president of the Faculty of Actuaries in Scotland.

SOA President Walter Rugland reported that the SOA received a gift of \$25,000 from the estate of Mary Cusic Wilson, FSA. The gift was designated to be used by female actuarial students.

Board actions included approval of:

- Deferring dues for up to two years for unemployed SOA members. This policy is part of a new "We Care" program. It provides dues relief for newly unemployed members while they seek new employment. During the two years, the member will remain in good standing and retain his/her designation. If the member becomes employed during the two years, the deferred dues are payable.
- Adopting the Operating Plan and Budget of \$14.2 million for the fiscal year August 1, 1993, to July 31, 1994, which includes no dues increase, with the understanding that the dues level can be revisited at the October Board meeting, given the modest projected deficit and current strong surplus position.
- Adopting a revised Code of Professional Conduct, effective January 1, 1994. The code identifies the professional and ethical

standards with which an actuary must comply. This code provides uniform codes for U.S. members; the CIA Code is more stringent but not in conflict.

- Adopting the Working Agreement among the American Academy of Actuaries, the Actuaries of the American Society of Pension Actuaries, the Canadian Institute of Actuaries, the Casualty Actuarial Society, the Conference of Consulting Actuaries, and the Society of Actuaries. This Working Agreement is intended to help increase the quality and variety of educational and professional opportunities available to members of the participating organizations and eliminate the unnecessary duplication of effort and activity between the organizations.
- Changing the procedure to form a new Section. To shorten the time it takes to organize a Section, the petition for a new Section and bylaws are to be submitted simultaneously to the Board for approval. After the Board approves the petition and bylaws, the petition will be published as an insert to *The Actuary*, and Society members will be invited to join the proposed new Section. The Section will have authority to organize when at least 200 members have joined the Section.
- Funding the following research projects: Methodology to Deal with Dependencies on Multi-Life Risks (up to \$30,000), Option Pricing-Phase II (up to \$50,000), and Risk Adjusters-Phase I (up to \$35,000).
- Adopting a requirement that the Board receive an annual summary from the Education and Examination Vice-President concerning disciplinary cases and appeals from the examination discipline process.

James F. Reiskytl  
SOA Vice President — Secretary/Treasurer

## Fall Seminar Calendar

September 20-21	Valuation Actuary Symposium	San Francisco Marriott
September 21-22	Reinsurance Regulation	San Francisco Marriott
September 23	Teleconference: Qualified Retirement Plans	Various cities
October 4-5	Multivariate Duration Analysis	Boston MIT Faculty Club
October 6-7	Multivariate Immunization Theory	Boston MIT Faculty Club
October 17-20	Annual Meeting	New York Marriott Marquis
October 27-28	National Health Care Reform	New Orleans Marriott
December 6-7	Critical Issues in Underwriting	San Francisco Marriott-Fisherman's Wharf

For more information, call Continuing Education, 708/706-3545.