

**TRANSACTIONS OF SOCIETY OF ACTUARIES
1954 VOL. 6 NO. 16**

MINUTES OF THE ANNUAL MEETING
of the
SOCIETY OF ACTUARIES

HELD AT THE STATLER HOTEL
BOSTON, MASSACHUSETTS
OCTOBER 20, 21, AND 22, 1954

The meeting was called to order by the President, Richard C. Guest, on Wednesday, October 20, at 11:00 A.M. The following were present:

FELLOWS

Eleanor A. Abbott	Josephine W. Beers	L. A. Cannon
W. H. Aitken	E. R. Benedict	J. O. Challenger
R. D. Albright	M. D. Bennett	W. L. Chapin, Jr.
William Allan	E. C. Berkeley	M. F. Chauner
M. H. Alvord	J. R. Beveridge	G. D. Chester
A. B. Ambler, Jr.	A. A. Bingham	E. E. Clarke
G. H. Amerman	W. H. Bittel	J. W. Clarke
J. F. B. Amsden	Walter Bjorn	R. P. Coates
A. W. Anderson	W. L. Blackadar	D. D. Cody
R. R. Anderson	J. M. Boormeester	J. F. Coleman
W. M. Anderson	S. W. Boyle	W. S. Connell
J. C. Antliff	J. M. Bragg	S. F. Conrod
A. E. Archibald	W. H. Breeze	J. B. Copple, Jr.
E. C. Armstrong	William Breiby	W. M. Corcoran
C. R. Ashman	Norman Brodie	D. S. Craig
R. C. Bailey	L. J. Brown	L. K. Crippen
R. D. Baldwin	G. M. Bryce	R. E. Cross
Daniel Barry	N. F. Buck	Leigh Cruess
E. L. Bartleson	E. F. Bucknell	F. D. Cubello
D. H. S. Bateman	A. T. Bunyan	M. R. Cueto
E. W. Bates	W. H. Burling	Mary M. Cusic
E. R. Batho	B. E. Burton	F. H. David
W. R. Battle	F. J. Bush	G. H. Davis
M. H. Beach	F. H. Byron	M. E. Davis
C. M. Beardsley	A. M. Campbell	Andrew Delaney
F. T. Beasley	J. A. Campbell	Mitchell Dezube
J. G. Beatty	N. L. Campbell	E. A. Dougherty

H. E. Dow	G. O'H. Harrison	K. K. Keene
R. M. Duncan	W. V. Hauke	George Kenigson
J. K. Dyer, Jr.	G. O. Head	T. H. Kirkpatrick
R. E. Edwards	J. F. Heckman, Jr.	Walter Klem
A. W. Eldred	V. E. Henningsen	G. F. Knight
D. M. Ellis	G. L. Hill	A. H. Kretschmer, Jr.
J. S. Elston	R. H. Hoffman	E. C. Krogh
R. M. Ely	R. A. Hohaus	J. T. Kvernland
R. G. Espie	S. M. Holcombe	H. A. Lachner
W. L. Farmer	B. T. Holmes	M. A. Laird
E. G. Fassel	G. L. Holmes	W. D. Laird
H. L. Feay	J. E. Hoskins	M. T. Lake
S. A. Fenichel	R. H. Hoskins	Kermit Lang
R. D. Fink	R. N. Houser	A. W. Larsen
P. F. Finnegan	Valentine Howell	J. R. Larus
H. J. L. Fortuin, Jr.	A. J. C. Huenergard	H. R. Lawson
P. K. Frazer	N. M. Hughes	A. T. Lehman
L. K. Friedman	P. L. Humphrey	Louis Levinson
T. M. Galt	Ruth Hunt	E. A. Lew
J. T. Gannon	Arthur Hunter	W. J. D. Lewis
H. A. Garabedian	James Hunter	J. B. Lienhard
H. S. Gardner	E. C. Huntington	M. A. Linton
R. L. Glazier	H. S. Huntington, III	J. A. Livingston, Jr.
M. L. Gold	W. H. Ingersoll, Jr.	L. G. Logan
W. L. Grace	J. G. Ireland	D. J. Lyons
E. A. Green	C. E. Jack	J. B. Mabon
T. N. E. Greville	E. S. Jackson	K. R. MacGregor
F. L. Griffin, Jr.	H. H. Jackson	N. W. Macintyre
E. A. Grossman	R. T. Jackson	W. D. MacKinnon
A. O. Groth	C. W. Jacoby	G. A. MacLean
H. A. Grout	W. A. Jenkins	J. F. MacLean
M. L. Grover	R. J. Johansen	J. B. Maclean
A. N. Guertin	Esther Johnson	R. H. Maglathlin
R. C. Guest	A. W. Johnston	R. G. Maitland
Marcus Gunn	H. G. Johnston	E. W. Marshall
David Hall	W. C. Johnstone	Gladstone Marshall
J. A. Hamilton	H. W. Jones	L. R. Martin
H. C. Hanlin, Jr.	N. F. Jones	L. R. Martin, Jr.
Stefan Hansen	C. W. Jordan	P. E. Martin
P. T. Harkness, Jr.	A. L. Joyce	J. E. Matz
D. H. Harris	L. J. Kalmbach	J. C. Maynard

A. H. McAulay	John Phelps	C. W. Southern
C. A. McConaghy	H. F. Philbrick	H. J. Southern, Jr.
E. M. McConney	J. T. Phillips	W. A. Spare
A. R. McCracken	Albert Pike, Jr.	C. A. Spoerl
J. R. McDonnell	K. B. Piper	J. B. Stearns
J. Clunas McKibbon	W. A. Poissant	J. L. Stearns
Hugh McLeod	E. A. Porter	W. W. Steffen
R. C. McQueen	Jerome M. Powell	A. W. Steinforth, Jr.
L. H. McVity	John M. Powell	Gathings Stewart
J. H. Miller	W. J. Preble	W. M. Stewart
M. D. Miller	G. T. Prentice	H. J. Stowe
W. A. Milliman	R. F. Preston	E. E. Strock
D. M. Millyard	C. E. Probst	W. J. Sullivan
E. J. Moorhead	W. C. Prouty	F. G. Swanson
W. O. Morris	P. A. Rabenau	R. H. Tallman
H. P. Morrison	R. J. Randall	J. E. Taylor
J. E. Morrison	F. E. Rathgeber	J. R. Taylor
A. P. Morton	H. C. Reeder	Walter Tebbetts
Z. I. Mosesson	G. A. Reynolds	P. M. Tompa
R. E. Moyer	C. F. B. Richardson	C. H. Tookey
G. G. Myer	C. E. Rickards	R. C. Tookey
R. J. Myers	E. A. Rieder	C. L. Trowbridge
C. A. Naylor	J. D. Rommel, Jr.	G. V. Varga
J. C. Noback	H. F. Rood	C. N. Walker
W. J. November	Irving Rosenthal	R. J. Walker
J. A. Oates	J. B. Ross	R. W. Walker
W. L. O'Connor	K. H. Ross	M. G. R. Wallace
J. J. Olsen	W. M. Roth	R. G. Ward
F. J. Onstine	P. T. Rotter	D. B. Warren
C. A. Ormsby	G. K. Rugger	D. N. Warters
H. G. Paff	W. L. Rugland	W. B. Waugh
D. C. Pailler	George Ryrie	A. G. Weaver
J. O. Parsonage	R. A. Saunders	A. C. Webster
J. B. Patterson	W. G. Schneider	M. S. Weinstein
W. D. Patterson	D. G. Scott	F. G. Whitbread
B. S. Pauley	R. M. Sellers	Aubrey White
R. C. Perry	R. E. Shalen	C. G. White
Stefan Peters	Pearce Shepherd	W. K. White
R. M. Peterson	S. M. Shotwell	Helen J. Williams
R. P. Peterson	P. D. Slater	J. D. Williamson
D. W. Pettengill	R. E. Slater	G. W. Wilson

A. A. Windecker
 Samuel Winn
 W. C. Wirth

M. J. Wood
 J. C. Wooddy
 A. L. Wright

R. S. Yoder
 G. W. Young
 M. L. Zeffert

ASSOCIATES

George Alexander
 J. H. Ames, II
 D. R. Anderson
 P. D. Anderson
 T. L. Anderson
 G. P. Archer
 A. R. Auer
 P. M. Bailey
 W. L. Barber
 F. A. Bash, Jr.
 B. W. Batho
 R. J. Begin
 Ruth C. Bernstein
 H. J. Boothroyd
 E. F. Boynton
 G. M. Brown
 E. J. Buddenbaum
 J. C. Burns
 K. R. Campbell
 G. B. Carlson
 H. E. Cebelius
 H. H. Coleridge
 J. L. Cummins
 A. M. Cushing
 L. F. Drake
 C. C. Dubuar
 H. C. Dunkley
 J. A. Dunlap, Jr.
 A. C. Eddy
 Norma L. Edwards
 R. W. Erdenberger
 E. F. Estes
 G. L. Fairbanks, Jr.
 W. A. Feeny
 Jesse Feld

L. B. Fewster
 J. G. Fletcher
 E. A. Flickner, Jr.
 E. D. Forbes
 L. D. Forbes
 J. C. Fraser
 R. B. Gaioni
 R. R. Gallagher
 C. T. P. Galloway
 H. D. Garber
 Louis Garfin
 A. C. Gill
 D. L. Gowing, Jr.
 A. R. Grossnickle
 J. W. Hahn
 E. E. Halpern
 J. V. Hanna
 John Hanson
 J. R. Hanson
 Mary A. Hardiman
 M. B. Hardin
 Carlton Harker
 H. W. Hauser
 H. J. Heintzberger
 C. G. Hill
 K. P. Hinsdale
 W. A. Hosier
 A. C. Howell
 P. R. Hudek
 J. W. Hutton
 J. R. Jamieson
 R. M. Johnstone, Jr.
 H. L. Jones, Jr.
 G. R. Jordan, Jr.
 S. J. Kingston

R. B. Koch
 C. W. Kraushaar, Jr.
 J. W. Kroeker
 R. J. Learson
 R. B. Leckie
 Grace Leight
 W. T. Lewis
 A. B. Lincoln, Jr.
 C. G. Lincoln, II
 Joseph Linder
 S. S. Lipkind
 D. A. Lockwood
 W. F. Lumsden
 W. J. Lutz
 John Macarchuk
 J. B. MacDonald
 J. C. A. Macdonald
 M. D. MacKinnon
 Leonard Mactas
 W. F. Marples
 H. J. Martin
 R. C. Martin
 W. H. Martin
 Simone Matteodo, Jr.
 H. W. McCubbin
 Lois M. McDougall
 Charles Mehlman
 J. A. Mereu
 R. L. Millman
 L. J. Mondoux
 J. L. Morgan
 E. J. Morton
 J. S. Moyse
 E. J. Mullen
 W. R. Mullens

R. D. Murray	Walter Riese	Gerald Toy
Joseph Musher	A. E. Roffey	J. H. Turoff
Alexander Mutch	W. J. Saunders	H. G. Walton
R. E. Nelson	Walter Shur	R. W. Warwick
A. M. Niessen	J. D. Sillesky	W. T. Watson
F. S. Ockels	T. D. Sloan	W. A. White
P. J. Overberg	J. P. Smith	R. L. Whitney
Gertrude L. Palmer	R. H. Smith	C. D. Williams
R. R. Patrick	H. B. Staley	Elizabeth W. Wilson
C. N. Peacor	J. P. Stanley	Eugene Wisdom
R. G. Pearson	C. L. Strom	M. H. Wollman
A. K. Peterson	L. J. Stulce	C. F. Wood
B. N. Pike	J. M. Sutherland, Jr.	L. C. Workman
Morris Pike	H. L. Sutton, Jr.	Leta M. Worley
H. A. Plimpton	W. J. Taylor	M. G. Wyatt
N. J. Prendergast	E. H. Tebbetts	C. A. Yardley
A. M. Price	P. M. Thexton	Mary E. Yardley
J. O. Prouty	G. C. Thompson	D. H. Young, Jr.
F. H. Rice		

REPRESENTATIVES OF FORMER CONTRIBUTING
MEMBERS OF THE AMERICAN INSTITUTE
OF ACTUARIES

G. L. Bowman	American Mutual Life Ins. Co.
K. H. Easley	Amicable Life Ins. Co.
D. E. Fortna	Atlantic Life Ins. Co.
Edgar J. Blume	Bankers National Life Ins. Co.
Elmer H. Hardebeck	Bankers National Life Ins. Co.
Julian D. Anthony	Columbian National Life Ins. Co.
Don C. Tillotson	Columbian National Life Ins. Co.
Ray A. Clark	Columbus Mutual Life Ins. Co.
Dirk Heezen	Country Life Ins. Co.
Alanson Towne	Empire State Mutual Life Ins. Co.
Kenneth I. Hittle	Farm Bureau Life Ins. Co.
Paul F. Bourscheidt	Great States Life Ins. Co.
Ernest H. Klepetar	Mutual Service Life Ins. Co.
H. B. Sturtevant	Old Line Life Ins. Co. of America
Edward F. Holtzman	Pan-American Life Ins. Co.
Bernard S. Haines	Presbyterian Ministers' Fund
Arthur N. Matthews	Shenandoah Life Ins. Co.

GUESTS INVITED BY THE PRESIDENT

Sydney J. R. Chatten.....	Australian Mutual Provident Society Sydney, Australia
Joseph Hamilton-Jones.....	Mercantile & General Re-Insurance Co., Ltd. London, England
Hubert Vaughan.....	Mutual Life & Citizens' Assur. Co., Ltd. Sydney, Australia

OTHER GUESTS

L. S. Brooke.....	Retail Credit Co. Atlanta, Ga.
William A. Butz.....	Employers Reinsurance Corp. New York, N.Y.
Thomas J. Connell.....	Connell, Price & Co. Boston, Mass.
Frank F. Dodge.....	Hospital Service Plan of New Jersey Newark, N.J.
Israel M. Krowitz.....	New York State Ins. Dept. New York, N.Y.
C. H. Menge.....	Midland National Life Ins. Co. Watertown, S.D.
W. M. Stufflebeem.....	Retail Credit Co. New York, N.Y.
Thurlow Taylor.....	Bankers Life & Casualty Co. Chicago, Ill.

SUMMARY

Fellows.....	336
Associates.....	160
Representatives of Former Contributing Members	17
Guests.....	11
Total.....	<u>524</u>

The President summarized his presidential address which is printed in full in this number of the *Transactions*.

The President introduced Sydney J. Chatten and Hubert Vaughan of Australia and Joseph Hamilton-Jones and Charles F. Wood of London. Mr. Wood's response appears as an addendum to these minutes.

The minutes of the spring meetings held April 29 and 30, 1954 and

June 3 and 4, 1954 were approved as printed in the *Transactions* for those meetings.

The President announced the death of Lewis P. Buckner and Elijah H. Norton, Jr., Fellows, and Albert A. Tousaw and Alva C. Washburne, Associates. Obituaries are printed in this number of the *Transactions*.

The Secretary-Treasurer presented the following summary of the business transacted by the Board of Governors since the last meeting of the Society:

1. The Board approved the report of the Education and Examination Committee which included the following rule with respect to the Fellowship Examinations for insertion in the 1955 Year Book:

Notice Regarding 1955-57 Fellowship Examinations

A candidate previously credited with the first 5 Parts and Part 6A must write Part 6B if he writes any Fellowship Part in 1955-57, but he may write in addition either Part 7 or Part 8, or both, without regard to the requirement that Parts must be written in numerical order.

2. The 25 members of the Board present unanimously approved the following resolution:

Board of Governors Resolution
Society of Actuaries
re: Executive Committee

An Executive Committee of members of this Board is hereby created as a Standing Committee. Members at any time shall be the then President (who shall preside); the then four Vice-Presidents; the then Secretary-Treasurer; and the then two immediate past Presidents. Five members of the Executive Committee shall constitute a quorum.

At times when the Board of Governors is not in session, the Executive Committee shall have and may exercise the powers of the Board in the management of the Society of Actuaries and the administration of its assets, except the power to:

- (1) act for the Board in proposing amendments to the Constitution;
- (2) amend By-Laws;
- (3) pass upon applications for membership or waive examination requirements;
- (4) make recommendations to the Society of Actuaries in regard to the expulsion or suspension of a member;
- (5) appoint a nominating committee or receive its report;
- (6) designate the place and time of meetings of the Society of Actuaries;
- (7) arrange for an annual audit of the accounts of the Secretary-Treasurer and the Executive Secretary;

- (8) fill vacancies among the officers;
- (9) authorize standing committees of the Board;
- (10) appoint or remove the Executive Secretary, or fix or alter his salary or other emoluments.

Meetings of the Executive Committee shall be called whenever the President or at least two members of the Committee so request, and may be held either within or outside the State of Illinois. Notice of the meeting shall be given to each member of the Committee five or more days before the time appointed.

The Secretary-Treasurer shall keep a record of the proceedings of the Executive Committee, and shall send copies to each member of the Board of Governors. Such record shall have the same status as the minutes of the Board of Governors.

3. The Board approved an amendment to Article VI, Section 3, of the By-Laws of the Society giving authority to the Secretary-Treasurer to pay bills, authorized by the Board, in amounts up to \$500 without securing the approval of the President. The limit has been \$50.
4. The Board received the report of the special committee regarding the publishing of *Monetary Values for Ordinary Disability Benefits*. The paper on this subject is printed in the 1954 Eastern Spring meeting number of the *Transactions*. The probable distribution date for these tables, to be published in two volumes, is December. Tables on the basis of Period 4 rates of disablement will be included. The price for the two volume set will be \$15.
5. The Board agreed that the Society of Actuaries join with the American and Canadian sections of the International Congress of Actuaries in ascertaining whether the European sections would be interested in receiving an invitation for an International Congress of Actuaries meeting to be held on the North American Continent in 1957. At this point there is no assurance that these tentative plans may materialize because, among other reasons, of the invitations which other groups may have made.
6. The Board established a standing committee on professional conduct, consisting of members of the Board, appointed by the President.
7. The following Fellows of the Institute of Actuaries or of the Faculty of Actuaries have been admitted as Associates of the Society:

Alexander T. Brooks
Percival L. Grainge
Geoffrey C. Lane
Frank E. Lofthouse
Alexander C. Robertson

8. On September 30, 1954 the membership of the Society consisted of 850 Fellows and 646 Associates, making a total of 1,496 members.

The Treasurer's report as printed in this number of the *Transactions* was presented and accepted.

The President read a letter from Kenneth K. Weatherhead, President of the Faculty of Actuaries, regarding the Centenary of the Faculty to be held in Edinburgh, Scotland, in 1956. Mr. J. B. Maclean, a Vice-President of the Faculty and Fellow of the Society of Actuaries, commented briefly with respect to attendance at the Centenary.

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

The Society proceeded to the election of Officers and Members of the Board of Governors with the following result:

<i>President:</i>	Walter Klem
<i>Vice-Presidents:</i>	William M. Anderson
(Terms Expiring in 1956)	Charles A. Spoerl
<i>Secretary-Treasurer:</i>	Victor E. Henningsen
<i>Editor:</i>	Alden T. Bunyan
<i>Board of Governors:</i>	<i>Three-Year Term</i>
	Garnett E. Cannon
	Malvin E. Davis
	George L. Holmes
	James E. Hoskins
	Walter O. Menge
	Arthur Pedoe
	<i>Two-Year Term</i>
	Gilbert W. Fitzhugh
	<i>One-Year Term</i>
	Leigh Cruess

This election was started at the first session and carried through subsequent sessions until completed. Henry F. Rood received sufficient votes for election to a three-year term of the Board of Governors but declined to serve.

The presentation and discussion of papers as printed in this number of the *Transactions* was begun. The meeting adjourned at 1:15 P.M.

On Wednesday afternoon the Society recessed in order to participate in the historical tours sponsored by the Massachusetts companies.

On Thursday, October 21, the meeting was called to order by the President at 9:30 A.M. The presentation and discussion of papers printed in this number of the *Transactions* was resumed. The papers presented at the spring meetings were also discussed. During these discussions the meeting was presided over by Vice-President M. E. Davis.

James Hoskins, Chairman of the Aviation Committee, presented a report for his Committee.

The meeting adjourned for lunch at 12:00 A.M. and reassembled at 2:00 P.M.

The afternoon session opened with a panel on the Implications to Insurance of the 1954 Internal Revenue Code. The Society then proceeded to discuss informally Topic I. On behalf of the Society, B. T. Holmes presented a silver tray to the President. The meeting adjourned at 5:15 P.M.

On Friday, October 22, the meeting was called to order by the President at 9:30 A.M. The Society concurred in the suggestion by the President that greetings be sent to the President of the Institute of Actuaries, John F. Bunford, who on the following Monday would be delivering his presidential address to the Institute.

Walter Klem, newly elected President of the Society, expressed his appreciation for the honor which had been given to him. Vice-President Henry Rood then presided over the meeting of the Society. The Society discussed informally Topics II and III. The meeting adjourned at 12:05 P.M.

V. E. HENNINGSSEN
Secretary-Treasurer

ADDENDUM TO MINUTES OF THE MEETING

RESPONSE BY MR. CHARLES F. WOOD:

Mr. President, Ladies and Gentlemen:

It is my very pleasant duty to convey cordial greetings from the President and Council of the Institute of Actuaries, and the good wishes for the future prosperity of our cousins in the Society of Actuaries.

You have been good enough to permit me to say a few words on the work which is now in progress on the rebuilding of the home of the Institute of Actuaries at Staple Inn. Outside on a notice board there are some photographs of Staple Inn as it was in 1939, Staple Inn as we found it one morning in August 1944 and Staple Inn as it has been in the course of the reconstruction of the Hall this year. There is also a plan of the ground and first floors. You may know that Staple Inn Hall was built in the latter part of the sixteenth century, and for nearly four hundred years was one

of the gems of Tudor architecture in London. I cannot do better than read to you a short extract from Charles Dickens' description of Staple Inn as it appeared in *Edwin Drood*.

Behind the most ancient part of Holborn where certain gabled houses some centuries of age still stand . . . is a little nook composed of two irregular quadrangles called Staple Inn. It is one of those nooks the turning into which, out of the clashing streets, imparts to the relieved pedestrian the sensation of having put cotton in his ears and velvet soles on his boots. . . . It contains a little hall with a little lantern in its roof, to what obstructive purposes devoted, and at whose expense, this history knoweth not.

The Hall had many vicissitudes over the years. It was unscathed by the fire of London in 1666 and got through the early days of World War II, but, as you all know, a flying bomb dropped in the garden at the side of the Hall, the old mortar disintegrated, the walls collapsed, and the old roof just caved in. The destruction was complete.

We saved some of our treasures from the wreckage although they were damaged, and fortunately the precaution had been taken of storing all the old stained glass which will be put back in the new building. At the time of the damage we had many messages of sympathy and offers of gifts from our friends all over the world which we were very happy to accept. We were particularly grateful for the magnificent gift from this Society which has been prominently before us in recent years when we have been preparing the plans for the refurnishing.

You may know that there were many restrictions and priorities on erecting new buildings in London after the war, and although plans had been ready for some years, it was not until a few months ago that permission to rebuild was received. Our landlords, the Prudential Assurance Company of London, immediately started the work.

The new Hall is to be practically a replica of the old Hall and will contain the famous features of the hammer-beam roof, the carved screen, and the oak paneling around the room and the clock. The case of the clock in the original Hall was exceptionally fine and was attributed to Grinling Gibbons.

Adjoining the Hall will be a Council Chamber, paneled and furnished appropriately, which also will serve as an anteroom to the Hall. On the first floor will be a library and reading room. Other space will be devoted to offices, lecture and committee rooms. The work in connection with the paneling and furniture has been entrusted to the best craftsmen that can be found in the United Kingdom, so that the final results will be worthy of the traditions of the Hall.

Around the reading room will be oak bookcases, and it will contain desks and chairs. I was advised by letter which arrived yesterday that the Council, at its meeting last week, decided that the gift from the Society should be used for the purposes of furnishing the reading room, providing the oak bookcases, the chairs and the desks at which we hope future generations of actuaries will study in preparation for their examinations. When the work is completed by about next summer, there will be an inscription in the reading room which will remind those actuaries of the future of the kindness, the sympathy, and the generosity of the Society, and (to paraphrase Dickens) so that history will know to what obstructive purposes and at whose expense is devoted the reading room attached to the Hall. Those of us who have lived through these years will not need to be reminded. We shall never forget your generosity.

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