

**TRANSACTIONS OF SOCIETY OF ACTUARIES
1961 VOL. 13 NO. 37**

MINUTES OF THE ANNUAL MEETING

of the

SOCIETY OF ACTUARIES

HELD AT THE GREENBRIER, WHITE SULPHUR SPRINGS, WEST VIRGINIA

NOVEMBER 13, 14 AND 15, 1961

The meeting was called to order by the President, Dennis N. Warters, on Monday, November 13, at 10:00 A.M. The following were present:

FELLOWS

R. D. Acker	B. N. Berin	K. R. Campbell
S. P. Adams	W. J. Berry	N. D. Campbell
W. H. Aitken	R. A. Bierschbach	N. L. Campbell
P. A. Alexander	W. H. Bittel	G. E. Cannon
H. D. Allen	H. E. Blagden	L. A. Cannon
H. G. Allen	B. F. Blair	H. E. Cebelius
G. H. Amerman	J. M. Boermeester	J. E. Champe
J. F. B. Amsden	S. L. Booke	Yuan Chang
A. W. Anderson	H. J. Boothroyd	G. D. Chester
R. R. Anderson	B. E. Boyle	D. H. Christian
J. C. Angle	E. F. Boynton	J. A. Christman
J. C. Antliff	W. H. Breeze	W. R. Christmas
G. P. Archer	L. T. Brennan	F. W. Clark
J. C. Archibald	F. M. Bristow, Jr.	Helen L. Clark
C. G. Arlinghaus	D. C. Bronson	J. W. Clarke
J. D. Austin	F. A. Brooks, Jr.	R. P. Coates
W. L. Barber	W. A. Brown	F. X. Cody
E. P. Barnhart	W. C. Brown	F. R. Colquhoun
Herman Bartimer	H. J. Brownlee	H. H. Conklin
E. L. Bartleson	J. G. Bruce	W. S. Connell
D. K. Bartlett, III	W. M. Buchanan, Jr.	C. H. Connolly
P. C. Bassett	N. F. Buck	J. J. Connors
E. W. Bates	A. L. Buckman	W. G. Cook
E. R. Batho	D. T. Bunin	J. W. Coons
W. R. Battle	A. T. Bunyan	A. C. Cragoe
C. M. Beardsley	J. M. Burleigh	D. S. Craig
C. D. Beatty	R. A. Burrows	J. B. Crimmins
C. G. Bentzin	R. B. Burstein	D. J. Croot
W. D. Berg	G. C. Campbell	W. H. Crosson, III

F. D. Cubello	W. L. Farmer	A. N. Guertin
L. G. Current	M. F. Feay	R. C. Guest
J. A. Curtis	L. B. Fewster	H. F. Gundy
Mary M. Cusic	J. A. Fibiger	Marcus Gunn
S. W. Dale	R. D. Fink	D. R. Gustafson
F. B. Dana	C. H. Fischer	Carl Haase
J. P. Daniels	G. W. Fitzhugh	J. W. Hahn
J. M. Darnton	L. D. Forbes	B. A. Halstead, Jr.
F. H. David	L. O. Forde	W. A. Halvorson
J. C. Davidson	H. J. L. Fortuin, Jr.	J. A. Hamilton
K. M. Davies	P. K. Frazer	H. C. Hanlin, Jr.
R. S. Davies	R. M. Fridley	Carlton Harker
G. H. Davis	E. H. Friend	H. F. Harrigan
R. F. Davis	J. S. Fry	D. H. Harris
Andrew Delaney	N. T. Fuhlrodt	S. H. Harris
H. L. DePrenger	F. J. Gagliuso	R. J. Hasbrouck
W. S. Dewar	R. B. Gaioni	W. V. Hauke
M. R. Dodson	J. T. Gannon	V. O. Hayden
R. F. Dorman	H. A. Garabedian	Abraham Hazelcorn
E. A. Dougherty	H. D. Garber	B. H. Hazlehurst
H. E. Dow	D. L. Gauer	R. F. S. Hazlett
J. H. Dowling	J. J. Gianino	A. H. Hebert
W. A. Dreher	T. E. Gill	B. J. Helphand
W. A. Drew	S. W. Gingery	V. E. Henningsen
F. L. Drumm	R. L. Glazier	H. H. Hennington
R. M. Duncan	V. B. Glunts	H. W. Hickman
J. K. Dyer, Jr.	A. C. Goddard	J. S. Hill
R. J. Eckert	W. L. Grace	M. W. Hill
A. C. Eddy	C. R. Graveline	W. C. Hill
J. P. Eden	J. R. Gray	K. P. Hinsdale
R. E. Edwards	M. M. Gray	R. H. Hoffman
S. L. Eisner	Charles Greeley	R. A. Hohaus
A. W. Eldred	E. A. Green	K. W. Holloway, Jr.
F. W. Elley	C. D. Greene	B. T. Holmes
R. M. Ely	T. N. E. Greville	Peter Hondorp
R. W. Erdenberger	F. L. Griffin, Jr.	J. F. Hook
A. W. Ericson	C. G. Groeschell	J. E. Hoskins
R. G. Espie	E. A. Grossman	R. F. Houseman
D. F. Fackler	A. R. Grossnickle	A. C. Howell
J. P. Fallon	A. A. Groth	Valentine Howell
T. P. Farmer, Jr.	H. A. Grout	N. M. Hughes

P. L. Humphrey	A. B. Lincoln, Jr.	R. G. Moss
J. W. Huntley	M. A. Linton	J. S. Moyses
H. G. Ingraham, Jr.	A. E. Loadman	Michael Mudry
C. L. Jackson	J. M. Loftis	W. R. Mullens
E. M. Jackson	W. R. Lones	R. E. Munro
R. T. Jackson	R. A. Lunbeck	A. D. Murch
R. I. Jacobson	Annie M. Lyle	T. B. Murphy
C. W. Jacoby	H. V. Lyons	Joseph Musher
J. R. Jamieson	K. R. MacGregor	C. E. Nelson
W. A. Jenkins	W. D. MacKinnon	E. M. Neumann
R. R. Jensen	R. D. MacLennan	W. K. Nicol
R. J. Johansen	R. H. Maglathlin	L. S. Norman
L. H. Johnson	R. L. Mallory, Jr.	W. J. November
R. H. Jordan	E. L. Marshall	J. A. Oates
W. W. Keffer	Gladstone Marshall	J. J. Olsen
J. W. Kemble	W. H. Martin	P. J. Overberg
L. H. Kemper	J. E. Matz	E. H. Owen
George Kenigson	A. L. Mayerson	D. C. Pailler
W. D. Kidwell	J. C. Maynard	J. O. Parsonage
T. H. Kirkpatrick	W. C. McCarter	C. N. Peacor
J. K. Kittredge	C. A. McConaghy	R. C. Perry
Walter Klem	J. C. McIntyre	W. H. Phillips
P. H. Knies	G. D. McKinney	G. W. Pickering, Jr.
H. K. Knowlton	J. G. McLaughlin, Jr.	J. R. Pickering
T. J. Kowalchuk	C. W. McMahan	B. N. Pike
W. K. Krisher	R. C. McQueen	K. B. Piper
E. C. Krogh	Meyer Melnikoff	P. W. Plumley
H. A. Lachner	J. H. Miller	W. J. Preble
M. A. Laird	M. D. Miller	G. T. Prentice
M. T. Lake	W. A. Milliman	R. F. Preston
E. B. Lancaster	D. M. Millyard	W. M. Rae
Kermit Lang	Morris Monsky	H. B. Ramsey, Jr.
R. E. Larson	A. J. Moore	F. E. Rathgeber
R. K. Lawrence	G. C. Moore	D. M. Reade
H. R. Lawson	J. B. Moore	H. A. Record
R. B. Leckie	J. E. Moore	G. A. Reynolds
R. A. Leggett	E. J. Moorhead	C. F. B. Richardson
F. G. Letwin	J. W. Moran	O. C. Richter
Louis Levinson	H. P. Morrison	C. E. Rickards
E. A. Lew	J. E. Morrison	L. L. Robert
W. H. Lewis	Z. I. Mosesson	J. W. Roberts

J. K. Roberts, Jr.	J. A. Smith	G. A. Vicino
S. A. Robertson	J. H. Smith	R. L. Wagner
A. E. Roffey	R. H. Smith, Jr.	D. N. Wakely
I. M. Rolland	W. D. Smith	Harry Walker
J. D. Rommel, Jr.	W. A. Spare	Margaret Walker
H. F. Rood	J. W. Spellman	R. P. Walker
Samuel Rosenbloom	C. A. Spoerl	G. E. Wallace
K. H. Ross	L. M. Sprung	D. B. Warren
Harwood Rosser	D. R. Staats	D. N. Warters
I. G. Roth	R. G. Stagg	G. N. Watson
W. M. Roth	H. J. Stark	D. E. Watts
P. T. Rotter	J. L. Stearns	A. G. Weaver
R. S. Rouffa	L. T. Steele	A. C. Webster
W. L. Rugland	W. W. Steffen	F. A. Weck
J. F. Ryan	T. A. Stemmermann	M. S. Weinstein
George Ryrie	G. V. Stennes	E. H. Wells
P. E. Sarnoff	H. E. Stephenson	R. L. Whaley
Gertrude A. Schlachter	W. T. Stevens	C. G. White
W. H. Schmidt	Frank Stokes	R. L. Whitney
F. R. Schneider	H. J. Stowe	C. D. Williams, III
W. G. Schneider	W. I. Struble	D. E. Williams
C. S. Schnelle	A. R. Sullivan	E. B. Williams
D. G. Scott	W. J. Sullivan	Helen J. Williams
J. G. Selig	W. F. Sutton, III	W. R. Williamson
S. E. Shaw, II	R. H. Tallman	A. A. Windecker
B. E. Shepherd	W. J. Taylor	D. R. Winhold
Pearce Shepherd	W. W. Terryberry	B. A. Winter
S. M. Shotwell	A. M. Thaler	R. C. Winters
Walter Shur	B. R. Thomas	C. J. Woodley
J. C. Sibigtroth	J. S. Thompson, Jr.	H. A. Woodman, Jr.
C. M. Siegel	S. E. Tinker	C. J. Woods
C. D. Silletto	R. C. Tookey	J. M. Woolery
William Simpson	R. E. Traber	A. L. Wright
F. P. Sloat	G. R. Trapnell	C. A. Yardley
F. E. Smith	C. J. Trudel	D. H. Young, Jr.

ASSOCIATES

R. W. Aikman	H. W. Allstrom	P. D. Anderson
S. N. Ain	Kenneth Altman	R. W. Ascher
G. F. Allan	A. H. Anderson	S. E. Babbitt
H. E. Allan	N. M. Anderson	J. R. Bailey

B. W. Batho	D. L. Fisher	E. S. Linney
T. A. Beckert	G. V. I. Fitzhugh	D. A. Lockwood
J. H. Biggs	J. G. Fletcher	R. M. Lohse
R. D. Boyd	H. S. Galloway, Jr.	L. H. Longley-Cook
E. D. Brown, Jr.	Harold Gilbert	R. D. Lowden
G. W. Buchter	A. B. Goldberg	Lawrence Lubin
E. J. Buddenbaum	W. T. Graves	W. A. Macomber, Jr.
G. R. Burger	B. B. Gresham	K. L. Manchester
C. N. Burgess	D. S. Grubbs, Jr.	C. S. Manson
W. C. Burley	Margaret Hambleton	L. N. Margel
G. R. Chadwick	G. W. Harding	M. H. Margolin
T. T. Chamberlain	G. A. Harris, Jr.	W. F. Marples
I. M. Charlton	Gilbert W. Hart	N. K. Martin
H. T. Cohn	C. L. Hickok	R. O. Martinelli
J. I. Constantin	R. W. Hill	F. D. Mason
G. R. Cook	I. A. D. Holden	G. F. M. Mayo
G. A. Cooper	R. G. Horn	H. L. McCollum
J. J. Cooper	E. C. Houghton	W. J. McDonnell
G. E. Corbett	Robert Hruska	J. A. McLean
L. E. Coward	S. H. Huffman	Charles Mehlman
J. J. Cryan	D. G. Hurlbut	B. A. Miller
Peter Daly	M. B. Hutchison	R. L. Millman
T. M. Dant	C. W. James	R. V. Minck
J. K. Davis	J. L. Johnson	J. M. Morel
Fred De Bartolo	T. H. Jolls, Jr.	A. E. Morson
J. J. Deschenes	C. H. Jones	E. J. Mullen
D. N. Devin	J. P. Jones	G. Lucille Murray
J. R. Donahey	B. N. Joyner	Herbert Nadler
L. F. Drake	H. H. Kayton	J. W. Newell
D. F. Drennan	D. M. Keith	W. L. Nicholls
T. L. Dunn	N. S. Kessner	D. A. Nield
D. R. Edwards	S. J. Kingston	R. E. Olson
Norma L. Edwards	N. G. Kirkland	J. E. Oxley
B. R. Eiler	F. W. Klinzman	E. W. Pattison
J. A. Facey, Jr.	David Langer	L. C. Patz
V. F. Fagan, Jr.	Alexandre Langlois	C. A. Peirce
D. H. Feay	G. H. Leavitt	Giovi Perez
Bernard Fenster	Henri Leblong	H. C. Pettersen
W. A. Ferguson	G. A. Levy	E. F. Porter
R. A. Field	C. G. Lincoln	E. J. Porto
L. J. Finnegan	Joseph Linder	G. E. Reilly

Alan Richards	F. C. Smith	J. H. Turoff
R. A. Richardson	J. P. Stanley	Francois Vachon
L. I. Robinson	J. A. Stedman	R. H. von Geldern
H. E. Ruck	J. M. Stein	G. T. Waaser, Jr.
D. P. St. Jacques	C. L. Strom	H. G. Walton
A. F. Scharff	R. E. Swett	W. D. Ward
J. A. Schof	S. C. Tatum	L. T. Watkins
J. A. Schutz	N. H. Teitelbaum	W. T. Watson
G. N. See	P. M. Thexton	W. I. Wells
R. B. Shapland	David Thomas	R. K. Wendt
A. C. H. Sharp	D. A. Thompson	C. E. Wilson
D. R. Skelton	A. L. Thomson	R. J. Wilson
J. A. Skevington	F. S. Townsend	R. N. Wood
C. A. Smith	W. C. True	David Yanis
C. G. Smith	J. M. Turnquist	

REPRESENTATIVES OF FORMER CONTRIBUTING
MEMBERS OF THE AMERICAN INSTITUTE
OF ACTUARIES

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R. S. Smith.....	Connecticut General Life Ins. Co.
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F. H. Rohling.....	Kansas City Life Ins. Co.
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A. N. Matthews.....	Shenandoah Life Ins. Co.
J. M. Linnell.....	The Standard Life Assur. Co.
W. D. McLelland, Jr.....	Union Life Ins. Co., Inc.

GUESTS INVITED BY PRESIDENT

A. T. Haynes.....	Faculty of Actuaries
Dr. F. L. Horsfall, Jr.....	Sloan-Kettering Institute for Cancer Research
Dr. W. A. Jeffers.....	Life Ins. Medical Research Fund
Dr. N. C. Kiefer.....	The Equitable Life Assur. Society
William Leslie, Jr.....	Casualty Actuarial Society and National Bureau of Casualty Underwriters
Professor D. M. McGill.....	University of Pennsylvania

OTHER GUESTS

Lucien Brosseau	La Survivance, St. Hyacinthe, Que., Canada
W. E. Callahan	Retail Credit Co., Atlanta, Ga.
J. P. Conte	Columbian Mutual Life Ins. Co., Binghamton, N.Y.
D. B. Dahn	Haight, David & Haight, Inc., Indianapolis, Ind.
Earl Gibson	Bowles, Andrews & Towne, Inc., Atlanta, Ga.
K. I. Hittle	Nationwide Life Ins. Co., Columbus, Ohio
L. A. Knowler	State University of Iowa, Iowa City, Iowa
H. D. Middendorf	Insurance Shares Certificates, Inc., Boston, Mass.
G. H. Miller	Illinois Mutual Life & Casualty Co., Peoria, Ill.
Hornsby Mims	Consumers National Life Ins. Co., Evansville, Ind.
P. C. Moore	Southwestern Life Ins. Co., Richmond, Va.
J. H. Powell	Progressive Life Ins. Co., Red Bank, N.J.
Fletcher Shepard	American United Life Ins. Co., Atlanta, Ga.
W. M. Stufflebeem	Retail Credit Co., New York, N.Y.
William Tozer	American Republic Ins. Co., Des Moines, Iowa
C. F. Viotor, Jr.	Savings Banks Life Ins. Fund, New York, N.Y.

SUMMARY

Fellows	438
Associates	179
Representatives of Former Contributing Members	13
Guests Invited by President	6
Other Guests	16
Total	<u>652</u>

The President introduced Mr. William Leslie, President of the Casualty Actuarial Society, and Mr. A. Trevor Haynes, Vice President of the Faculty of Actuaries. Mr. Haynes thanked the President for the introduction and conveyed the warmest greetings from the Faculty of Actuaries to the membership of the Society.

The President announced that the death of the following members had been reported since the last meeting of the Society: Edgar H. Andresen and Liverus H. Howe, Fellows, and Arthur M. Bremer, Associate. The members stood for a moment in respect. Obituaries are printed in this number of the *Transactions*.

The meeting then proceeded to the election of Officers and members of the Board of Governors with the following result:

<i>President-Elect:</i>	John H. Miller
<i>Vice-Presidents:</i>	<i>Two-Year Term</i>
	Harold R. Lawson
	William J. November
	<i>One-Year Term</i>
	Andrew C. Webster
<i>Secretary:</i>	David G. Scott
<i>Treasurer:</i>	Walter L. Grace
<i>Editor:</i>	Alden T. Bunyan
<i>Board of Governors:</i>	<i>Three-Year Term</i>
	Dorrance C. Bronson
	Edward A. Lew
	Morton D. Miller
	Wendell A. Milliman
	H. Lewis Rietz
	William H. Schmidt
	<i>One-Year Term</i>
	Carl H. Fischer

The election was continued throughout the first session and was completed during the morning session of the following day.

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

The minutes of the meetings held March 23 and 24, 1961, as printed in the *Transactions*, Volume XIII, on pages 71-79, and April 6 and 7, 1961, as printed in the *Transactions*, Volume XIII, on pages 80-86, were approved.

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

1. The Board of Governors approved a plan under which late registration by candidates for Parts 4A, 4B and 5 to 8 would be permitted subject to the payment of triple the normal fee and provided it is possible for the Society to arrange for the candidates' examination in time.

2. The following applications for admission as Associate with waiver of Associate Examinations were approved:

<i>Name</i>	<i>Fellow of</i>
Jacques Berclouw	Faculty of Actuaries
Brian Burnell	Institute of Actuaries
Frank Livsey	Institute of Actuaries

3. The Education and Examination Committee reported that the study notes for Part 5 on Construction of Tables had been published in book form under the title, "Measurement of Mortality," by Harry Gershenson.

4. The Committee on Papers awarded the Triennial Prize to James C. H. Anderson for his paper entitled, "Gross Premium Calculations and Profit Measurement for Nonparticipating Insurance."

5. The Public Relations Committee reported that the Institute of Life Insurance had mailed copies of the four page booklet entitled "Actuary" to 13,000 senior high school mathematics teachers and will mail it to another 45,000 shortly. Another booklet, entitled "Actuarial Careers," has been mailed to 4,300 placement officers, deans, vocational counselors, and heads of mathematics departments of colleges.

6. The Committee for the Preparation of Monetary Tables reported that the sale of the volumes of the 1958 CSO Monetary Tables (age nearest birthday basis) has to date resulted in income of \$11,325 in excess of total costs.

7. The Committee advised that the volumes of tables based on the new disability and accidental death benefit valuation standard combined with the 1958 CSO Table will be published at three interest rates, $2\frac{1}{2}\%$, 3% and $3\frac{1}{2}\%$, and that it is hoped that the volumes will be available in the summer of 1962.

8. The Board authorized the Committee for the Preparation of Monetary Tables to proceed with a prepublication subscription for 1958 CSO volumes of tables based on age last birthday. Actual publication will depend on the response.

9. The Committee for the Preparation of Monetary Tables has prepared two special reports (1) describing the methods used to express the 1958 CSO and CET tables on the age-last-birthday basis and (2) recommending the extensions and modification of the disability functions required to compile the disability volumes. These will be presented to the N.A.I.C.

10. The Board authorized the Editor to proceed with the publication of a three year cumulative index to the *Transactions*.

The Treasurer presented a summary of the financial report for the fiscal year ended May 31, 1961. The full report is printed in this number of the *Transactions*. He also reported that as of May 31, 1961, the membership of the Society consisted of 1,199 Fellows and 894 Associates, making a total of 2,093 members.

William J. November, Chairman of the Committee for the Preparation of Monetary Tables outlined the two special reports which are being

presented to the N.A.I.C. These reports are the ones mentioned in item 9 of the Secretary's summary of the business transacted by the Board of Governors.

The meeting then proceeded to the presentation and discussion of papers as printed in this issue of the *Transactions*.

Fellows and Associates attending their first meeting since the attainment of their new rank were welcomed into the Society by the President and diplomas were presented to the Fellows.

John H. Miller thanked the members for the honor paid him by the membership.

The meeting adjourned for lunch at 12:50 P.M.

The meeting reassembled at approximately 2:15 P.M. in three separate sessions for the informal discussion of subjects of special interest as follows:

Individual Life Insurance	Morton A. Laird, <i>Chairman</i>
Pensions	Blackburn R. Hazlehurst, <i>Chairman</i>
Electronic Data Processing	John C. Davidson, <i>Chairman</i>

The sessions adjourned at approximately 5:00 P.M.

On Tuesday morning, the session was called to order by President Warters at 9:30 A.M. and completed the presentation and discussion of papers. On behalf of the membership a silver tray was presented to President Warters by Henry F. Rood. A panel discussion on the actuarial profession with Reinhard A. Hohaus as Chairman followed. The other members of the panel were Edward D. Brown, Jr., Secretary of the Conference of Actuaries in Public Practice, and William Leslie, Jr., President of the Casualty Actuarial Society.

The meeting adjourned for lunch at 12:30 P.M.

The meeting reassembled at 2:00 P.M. in three separate sessions for the informal discussion of topics of special interest.

Individual Health Insurance	John C. Angle, <i>Chairman</i>
Group Insurance	Joseph W. Moran, <i>Chairman</i>
Agency Problems	Ernest J. Moorhead, <i>Chairman</i>

The meetings adjourned at approximately 4:30 P.M.

The meeting reassembled on Wednesday at 9:30 A.M. with Vice-President Wendell Milliman in the chair. Three reports on topics of particular interest to members were given. M. R. Dodson gave a report on developments in connection with proposed legislation for medical care for the aged in the United States. Gilbert W. Fitzhugh discussed the development of a voluntary health insurance program for Canada. John E. Champe gave a report prepared by C. Manton Eddy on the organiza-

tion, promotion and sale of the Connecticut 65 Extended Health Insurance Plan.

After a recess, the members reassembled with Vice-President Morton D. Miller presiding to hear a panel discussion, "The Outlook for Medical Progress in This Decade." The participants were Dr. Norvin C. Kiefer, Chief Medical Director of the Equitable Life Assurance Society, Dr. Frank L. Horsfall, Jr., President and Director of the Sloan-Kettering Institute for Cancer Research, and Dr. William A. Jeffers, Executive Director of the Life Insurance Medical Research Fund.

The President closed the meeting at 12:10 P.M. after thanking the participants in the program.