

OFFICERS — 2007



From left to right: Dave Hartman, President-Elect; Jean-Louis Massé, Immediate Past President; Hillevi Mannonen, President; Yves Guérard, Secretary General

OFFICERS — 2008



From left to right: Katsumi Hikasa, President-Elect; Hillevi Mannonen, Immediate Past President; Dave Hartman, President; Yves Guérard, Secretary General

A COMMUNICATION FROM THE IAA PRESIDENT, HILLEVI MANNONEN



Dear Colleagues

Once again we have had a busy and interesting year full of activity. Our committees and their subgroups have produced public statements, exposure drafts and submissions on important global actuarial issues. We have introduced several new international actuarial standards. This year, our Sections have organized six colloquia and several seminars and the IAA has participated in many other conferences organized by our member associations and other organizations around the world. We have developed a position paper on professionalism education, we have started discussion on a proposal for a CPD (continuing professional development) strategy for the IAA and adopted a new Education Syllabus and Guidelines.

IAA Newsletter

December 2007

CONTENTS

- **OFFICERS — 2007**
- **OFFICERS — 2008**
- **A COMMUNICATION FROM THE IAA PRESIDENT, HILLEVI MANNONEN**
- **RECENT SUBMISSIONS**
- **COUNCIL ELECTRONIC VOTES IN PROGRESS**
- **ANNUAL DUES REMINDER**
- **THE IAA: 1998 TO 2008 — TEN YEARS OF MOVING THE PROFESSION INTERNATIONALLY**
- **ACTUARIES IN THE NEWS**
- **REQUEST FOR PROPOSAL — STOCHASTIC PROCESSES AND MODELING**
- **OUTREACH**
- **NEWS FROM YOUR SECTIONS**
- **JOIN or RENEW YOUR MEMBERSHIP IN THE IAA SECTIONS**
- **OTHER EVENTS**
- **NEWS FROM MEMBER ASSOCIATIONS**
- **MISCELLANEOUS**
- **SEASON'S GREETINGS**



Our International Actuarial Education Programme is progressing well. We have also been active in broadening our scope to the exciting new area of Enterprise Risk Management where we also have a lot to gain.

As the years have passed, the IAA has established its role as an important international organization within the financial and insurance sectors. The IAA is now recognized and respected among its international partners as a professional body with whom those important players wish to cooperate. The past success is not a guarantee for the future success. I am delighted that we have progressed well with our strategic planning to make the IAA even more successful in the future. Defining our mission, vision and values statements and now with a focus on developing a strategy, we will get there in a more disciplined way. I encourage you all to participate in that work either by yourself or via your representatives. You are building the future of the IAA.

The success of the IAA is the result of the hard work of our volunteers. I thank you for your significant and highly appreciated contribution. I also invite new volunteers to join us. In addition to the value of the work itself, it provides us with a great opportunity for our own professional development, for international networking – and to make friends!

I thank you for your support in my work this year and I offer each of you my very best wishes for a joyous holiday season. Together, we can look forward to a prosperous New Year for the IAA!

Hillevi Mannonen, President 2007

RECENT SUBMISSIONS

- December 3: [IAASB Proposed Strategy for 2009-2011](#)
- November 20: [IASB Discussion Paper on Preliminary Views on Insurance Contracts](#)
- November 16: [FASB Agenda Proposal: Accounting for Insurance Contracts by Insurers and Policyholders](#)
- November 5: [IVSC Discussion Paper on the Determination of Fair Value of Intangible Assets for IFRS Reporting Purposes](#)

COUNCIL ELECTRONIC VOTES IN PROGRESS

In accordance with Article 10 of our Statutes, seven (7) electronic voting ballots were issued with a 60-day advance notice for Council decision. The details of the ballots are as follows:

Ballots issued on November 30, 2007 closing on January 29, 2008

- Expansion of the Member Services Committee
- Creation of a Task Force on Sections
- Joint Glossary Project
- Various Appointments

Ballots issued on December 6, 2007 closing on February 4, 2008

- Vision Statement
- Mission Statement
- Values Statement

Early voting is encouraged. You can follow the voting results on the home page of our Website by clicking on each Motion individually.

Annual Dues Reminder

This is a reminder that all membership dues invoices have been sent and that the deadline for payment is **January 31, 2008**.

New Finance Director

The IAA has appointed a new Director of Finance, Denise Vella Lamarca, who will assume her functions at the Secretariat in Ottawa on January 21, 2008.

THE IAA: 1998 TO 2008 – TEN YEARS OF MOVING THE PROFESSION FORWARD INTERNATIONALLY

Decennial Report

Past President Walt Rugland is heading a Task Force that is developing a report on the first ten years of the restructure of the IAA. This report will be presented at our next Council and Committee meetings that will take place in Quebec City, Canada from June 11-14, 2008.

This is an important step in the life of the IAA and you are all invited to join us in Quebec City in June! A special announcement will be sent early in 2008 along with the program, bedroom reservations and a list of exciting things to see and do in and around Quebec City.

The meetings in Dublin in October were reported on in the November Special Newsletter, but here is a [link to a few photos](#) from the traditional IAA dinner and other events to incite you to join us next year!

ACTUARIES IN THE NEWS

Ibrahim Muhanna of Lebanon, the current Chairperson of the Steering Committee of our International Education Program Committee, was

recently awarded the "National Order of the Cedar" by the Lebanese President. The official ceremony took place at the presidential palace on November 1st. The award is in recognition of Ibrahim's great service and devotion to the people of Lebanon. You may view the official site at

www.presidency.gov.lb/presidency/medals/medal.htm.
Congratulations Ibrahim!



Emile Jamil Lahoud (L), President of the Republic of Lebanon with Ibrahim Muhanna (R)

Round Table International 2008

George Psaras, President of the Cyprus Association of Actuaries and Delegate to the IAA Council was elected Vice President of the Round Table International and will be taking over as President of this global organization in August 2008. You can read the press release [online](#). George contributed an article for the October 2007 issue of the Round Table International Newsflash which you can read by clicking [here](#). We will be in Cyprus next November to congratulate you George!

REQUEST FOR PROPOSAL (RFP) – STOCHASTIC PROCESSES AND MODELING

On June 1, 2007, the Committee on Insurance Accounting released a Request for Proposals to prepare an Educational Monograph on the Topic of Stochastic Processes and Modeling in Financial Reporting and Capital Assessment.

The deadline for submitting a proposal was August 15, 2007 and three responses were received. An ad hoc working group of the Committee carefully analyzed the various aspects of each proposal and an announcement will be made shortly as to the successful bidder. To date, the IAA received financial commitments from various donors for a total of US\$85,000 in support of the Educational Monograph.

OUTREACH

14th East Asian Actuarial Conference – Tokyo, Japan (October)

As reported in the September issue of our Newsletter, we were represented by our President-Elect, Dave Hartman, at the 14th East Asian Actuarial Conference held in Tokyo, Japan from October 9-12, 2007. You can read his opening address [online](#). The Conference was a success with over 600 attendees participating, 60% from Japan and 40% from 21 other countries. The Organizing Committee was chaired by Katsumi Hikasa the incoming President-Elect of the IAA for 2008



Katsumi Hikasa (3rd from left) and Dave Hartman (4th from left) with other attendees at EAAC

The conference comprised two plenary sessions (one was a one hour video covering reports on the member countries of the EAAC, and the other was a panel on Evolving Roles for Actuaries) plus an opening and closing ceremony. The parallel

sessions covered the topics of solvency regulation, IACA, medical risk, participating insurance, investments, general insurance, international accounting standards, mortality rates, reserving for general insurance, current status of pension systems in Japan, information technology, risk transfer, introduction to pension plans, variable annuities, risk management, social security systems, insurance products, role of actuaries, regulation and measurement of risk. The IACA Section also participated in the program for this Conference.



Mike Toothman (L), Chairman of the IACA Section with Hideyuki Yoshida (R), Vice-Chairman of IACA

The next EAAC meeting is planned for Seoul, Korea in 2009.

APEC Pension & Annuities Markets Seminar – Singapore (November 8-9, 2007)

This Seminar was held as part of the APEC Finance Ministers' Dialogue on Savings Policy and Capital Market Development. Although the IAA was not officially participating in this event on a subject of growing importance for many actuaries, the actuarial profession was represented by our Secretary General, Yves Guérard, who chaired a session on "Assessing the Solvency of Annuity companies"; the chair of our Pensions, Benefits and Social Security Section, Chris Daykin, and Craig Thorburn, Senior Specialist, Financial Systems Oversight, at the

World Bank, who both made presentations. The Seminar presentations are available from the following website

aimp.apec.org/MDDDB/pages/browseGroup.aspx

4th Annual Asian Pensions Conference – Kuala Lumpur, Malaysia (November 26-27, 2007)

The 4th Annual Asian Pensions Conference was held in Kuala Lumpur, Malaysia in late November. The IAA was officially represented at this event, as co-sponsor, by our Secretary General, Yves Guérard, who also gave a presentation entitled “Learning from experienced markets: Canada, UK, USA”. Conference photos are available at the following website:

www.asiainsurancereview.com/photoalbum/

You can also download and/or save all the conference presentations from this web link:

www.asiainsurancereview.com/confpapers/4thPensions2007/PensionsPapers.html

1st Middle East Healthcare Insurance Conference – Dubai (December 3-4, 2007)

The Asia Insurance Review held its first Middle East Healthcare Insurance Conference in Dubai December 3-4, 2007. Ibrahim Muhanna represented the IAA at this event. Pictures of the event are available at the following website www.asiainsurancereview.com/photoalbum/ and the conference presentations can be downloaded at the following web link:

www.asiainsurancereview.com/confpapers/1stMEHealth2007/MEHealthcarePapers.html

NEWS FROM YOUR SECTIONS

AFIR



The 18th International AFIR Colloquium is being hosted by the Istituto Italiano degli Attuari and will be held in Rome, Italy, October 1-3, 2008. A [call for papers](#) has been

issued and more details are available on the official AFIR Website at www.IAA-AFIR.org.

ASTIN

The 38th ASTIN Colloquium is being hosted by the UK (United Kingdom) Actuarial Profession and will be held at the historic Town Hall in Manchester, UK from July 13-16, 2008.



Information on the forthcoming Colloquium is now available on the Colloquium website: www.actuaries.org/ASTIN2008/.

The Organising Committee look forward to welcoming you to Manchester in July 2008!

IAAHS, IACA, PBSS

A Joint Colloquium and Seminar of three of our sections, namely, the Consulting Section (IACA), the Pensions, Benefits and Social Security Section (PBSS) and the Health Section (IAAHS) will take place in Boston, USA on May 4-7, 2008. The program will include formal addresses by eminent keynote speakers, topical seminar-type sessions with invited presenters, and a variety of

parallel sessions at which submitted papers will be presented.



The Colloquium will cover all practice areas, including pensions, social security, investment, health, life and casualty insurance, enterprise risk management and general topics such as professionalism, the public interest, and consulting practice. Keynote speakers include: David Hartman, 2008 President of the International Actuarial Association; Alicia Munnell, Professor of Management Sciences at Boston College; and David Walker, Comptroller General of the United States. The theme of the Colloquium is **Global Challenges and Opportunities facing the Actuarial Profession**. There will also be a Social program that will include a welcoming reception and a gala dinner event. You are cordially invited to attend the Boston 2008 Joint Colloquium. Registration information is available at: www.actuaries.org/Boston2008/Registration_EN.cfm Details of the Colloquium program are available at: www.actuaries.org/Boston2008/Program_EN.cfm

Boston is a city which offers a wealth of attractions that draw visitors from all over the world. It is very much at the heart of American history. It was here that the ideas for independence were nurtured and the American Revolution was born. Boston is home to many fine museums including The Museum of Fine Arts, The Museum of Science, The Isabella Stewart Gardner Museum and The John F.

Kennedy Library and Museum. Visitors to Boston can expect to see some of the best Federal architecture in the United States. More recently Harvard University and Massachusetts Institute of Technology have attracted leading architects all of whom have left their mark on the city. The Freedom Trail is a 2 ½ mile walk into history which brings to life the events that changed the course of history. Landmarks from the State House, Faneuil Hall, Paul Revere's House, the Old North Church and the USS Constitution all feature in this adventure which concludes at the Bunker Hill Monument.



Colloquium Website:
www.actuaries.org/Boston2008/

We look forward to seeing you in Boston!

Michael L. Toothman, Chairman, IACA
Christopher Daykin, Chairman, PBSS
Howard Bolnick, Chairman, IAAHS

LIFE

The 2nd Life Colloquium is being planned for Quebec City in June 2008. An announcement and more details will be sent in the New Year. Follow the website www.IAA-LIFE.org for developments.





JOIN OR RENEW YOUR MEMBERSHIP IN THE IAA SECTIONS

Annual membership fees for all sections are low at \$40 CAD each (*except for AWF whose dues are \$20 CAD*). If you are not already a member, it is not too late to join. Contact your home association.

OTHER EVENTS

Enterprise Risk Management Webinar – January 16, 2008

Our Enterprise and Financial Risks Committee is planning a Webinar for **January 16, 2008** on the subject of Enterprise Risk Management (ERM). The following website link gives further information and allows those interested to register to participate.

www.soa.org/meetings-and-events/event-detail/global-best-erm/

Please bring this to the attention of members in your respective associations.

Target audience:

- Actuaries who are currently practicing in the ERM area within Insurers or consultancies, and
- Actuaries and actuarial students who wish to get exposure to ERM practices so they can participate in ERM programs at insurers in the future.

Other non-actuarial risk officers may also participate in the webcast and it is planned to permit the International Association of Insurance Supervisors the ability to use the webcast for its own insurance regulator education initiative.

Objectives of this initiative include:

- Disseminate and promote global ERM best practices to the actuarial community;

- Assist with the development of the actuarial profession and individual actuaries in the ERM field by engaging actuaries in discussions with actuarial and non-actuarial risk officers;
- Make information about ERM accessible to actuaries;
- Show actuaries how this new non-traditional actuarial field of ERM uses the actuarial skill set;
- Facilitate discussion of practical and theoretical difficulties actuaries encounter in the risk management area and the solutions they have developed to address these problems;
- Promote global standards of best practices in ERM and give actuaries access to that information; and
- Highlight actuarial contributions to the ERM field and promote a more effective dialogue between actuaries and non-actuaries in the ERM space.

The planning committee, comprised of representation from Asia/Pacific, Europe and the Americas, has developed a program with two tracks of sessions:

1. One track, pre-recorded, includes basic introduction sessions that registrants will have access to as a part of their registration and can view at any time of their own convenience. These sessions will include: Embedding ERM within the Organization, Economic Capital, Emerging Risks Management and Setting Risk Appetite. The Embedding ERM and Economic Capital sessions are an introduction to the regional versions on the same topics described below. We strongly encourage participants to view track one before participating in track two.
2. The second track consists of live sessions, where the topics will be repeated three times with each session offering different speakers and a regional spin appropriate for each of the three regions. These sessions will include



stakeholder views of ERM, Embedding ERM within the Organization, Economic Capital, and Active Risk Controls.

European Actuarial Academy Seminars and Education Modules

Quantitative Risk Management Seminar: Concepts, Techniques and Tools – Amsterdam, The Netherlands, February 21-22, 2008

The implementation of sound quantitative risk models is a vital concern for all financial institutions, and this trend has accelerated in recent years with the advent of regulatory processes such as Basel II and Solvency II. In this course, you will discuss theoretical concepts and modeling techniques of quantitative risk management with a particular focus on the insurance industry.

The early bird registration fee of €820 ends on **December 21, 2007**. After that date, the fee will be €920. Register now and save €100!

Asset Liability Management for Insurance Companies and Pension Funds – Cracow, Poland, March 13-15, 2008

The seminar is suited for actuaries or actuarial trainees that are directly or indirectly involved in issues with regard to Asset Liability Management within insurance companies and pension funds. The aim of the course is to show how the theoretical framework with concern to ALM is constructed and how it is put into practice. Several case studies – to be solved by the participants in Excel (complete version) – will prove the practical application.

The deadline for the early bird registration fee of €595 ends on **January 13, 2008**. After that date, the fee will be €650. Register now and save €55!

Education Modules

EAA 1: Computing: **early bird January 4, 2008**

EAA 6: Mathematics of Finance II: **early bird January 5, 2008**

EAA 8: General Insurance I: **early bird January 6, 2008**

EAA 13: Life Insurance II, **early bird January 14, 2008**

Registration and details for all seminars and education modules are available on the EAA website www.actuarial-academy.com.

Enterprise Risk Management Symposium – Chicago, United States, April 14-16, 2008

Attend for the Latest on ERM Thinking and Practices

“Risk and Return in the Age of Turbulence” is the theme of the 2008 ERM Symposium, scheduled for April 14-16 in Chicago. Throughout the past decade we have seen relatively stable times, but we also have seen extreme events shake our industries to their core. This year’s Symposium will illustrate why a strong enterprise risk management program is essential before, during and after each relative cycle of results – both good and bad.

By bringing together ERM knowledge from a variety of industries, the 2008 ERM Symposium aims to build a strong cross-disciplinary framework for senior management to create systematic value and competitive advantage through effective managing of risk and capital.

Now in its sixth year, this premier global conference on ERM will offer:

- Four general sessions and at least 30 concurrent sessions featuring top risk management experts offering their perspective on key risk issues facing organizations;
- A call for papers program showcasing new applied research in ERM;
- A track of sessions featuring academics presenting ERM research from leading universities;
- Several pre-program workshops on hot ERM issues;



- Networking opportunities to renew and expand your list of ERM contacts; and
- Exhibitors demonstrating their ERM services and knowledge.

The 2008 ERM Symposium is presented by the Casualty Actuarial Society, Professional Risk Managers' International Association (PRMIA), and Society of Actuaries, in collaboration with the Asociacion Mexicana de Actuarios, Canadian Institute of Actuaries, Colegio Nacional de Actuarios, Enterprise Risk Management Institute International, and PRMIA Institute.

Visit www.ermssymposium.org to learn more about this can't-miss opportunity to broaden your knowledge of the latest ERM developments.

Long Range Planning

The International Actuarial Events Calendar is the perfect tool for your long- range planning. Visit it often through the link on the IAA's home page. Member associations are encouraged to post their events in the calendar to make the tool as useful as possible. If you have misplaced your association's login and password, send an email to secretariat@actuaries.org.

NEWS FROM MEMBER ASSOCIATIONS

Institute of Actuaries of Australia

4th Financial Services Forum – 19 - 20 May 2008, Melbourne

The Institute of Actuaries of Australia (IAAust) will convene the 4th Financial Services Forum in Melbourne in May 2008 primarily focused on innovations in Investments, Banking and Finance, Wealth Management, Superannuation, Retirement Incomes and Life Insurance. The Forum brings together actuaries, industry leaders and other professionals in financial services to network and debate issues affecting both the Australian and international financial services environment. To visit the Forum website or check the key dates and suggested topics simply click

on the following link:
www.actuaries.asn.au/events/FSF08Intro?eventID=1450.

2007 Annual Review and Financial Statements

The IAAust has released its [2007 Annual Review](#) and [2007 Financial Statements](#).

Australia to Join the East Asian Actuarial Conference (EAAC)

The IAAust has been invited to join its actuarial neighbours on the East Asian Actuarial Congress (EAAC). The decision to invite Australia to join the EAAC was made at the EAAC Board meeting and announced on 10 October 2007 in Tokyo by the Chairman of the Institute of Actuaries of Japan, Mr. Katsumi Hikasa. Membership of the EAAC will drive greater involvement with regional actuarial neighbours, in particular, facilitating closer collaboration between the Australian profession and actuarial professions in other parts of the region in relation to key areas including:

- Joint assistance to actuarial associations in the region seeking to develop and strengthen their profession (as part of the move towards a global actuarial profession)
- Consideration of regional impacts of key global external developments, such as international accounting standards and regulatory requirements
- Consideration of global/regional actuarial developments, such as the proposed global ERM designation and possible shared educational and continuing professional development initiatives
- Structured sharing of ideas, research and development activities and educational resources

Given the significant, and increasing, contribution that Asia is making to global trade and investment flows, the IAAust is keen to embrace opportunities for engaging with other actuarial associations in the region and to join with them in developing ideas and strategies to meet future professional demands and challenges.



New Task Forces Formed on Research and Member Services

At its recent meeting, Council of the IAAust agreed to establish two new Taskforces:

Research Task Force:

- Can the IAAust play a practical and effective role in the promotion and support of actuarial research in a global context? If so, what should that role be?
- What strategies are available to the IAAust to fulfil that role?
- What action would be required to implement these strategies?
- How would the success of these strategies be measured?
- Specifically in relation to ARCA, the Task Force should consider:
 - the factors which have led to the gap between expectations and outcomes;
 - whether these factors are an unavoidable feature of the ARCA model or can be overcome within the existing framework;
 - whether, in the light of the broader evaluation of the IAAust's role, the ARCA model is an effective use of Institute resources (both tangible and intangible); and
 - what are the practical implications of any changed role for ARCA, including abolition?

Member Services and Educator Task Force: The Member Services and Educator Task Force will assess areas of change needed (e.g. revised value propositions) and initiate the change process by preparing plans and timetables to enable the Institute to be transformed over the period 2008 to 2010 into a professional association that focuses on "Member Services and Educator" as its core role, albeit not forgetting the licensor need. The Task Force will develop value propositions for various groups including current members, students, current 'wider field' members, overseas members, non-Sydney

members, non-actuaries and other groups needing separate identification

Both Task Forces will report to Council by June 2008.

Deutsche Aktuarvereinigung (DAV), Germany

New German insurance contract law

As of January 1, 2008, the new German insurance contract law will apply. The main changes for customers in life insurance will be a partial refund of unrealized gains and a new regulation for surrender values. The DAV took part in the political discussion representing actuarial knowledge and several of its comments have been taken into account.

DAV starts preparing AFIR/LIFE-Colloquia for 2009

In September 2009, DAV will be hosting the colloquia of the IAA's AFIR and LIFE Sections in Munich. The scientific and organising committees for both meetings have been constituted. The scientific committees will be lead by Prof. Dr. Raimond Maurer from Goethe Universität Frankfurt for AFIR and Prof. Dr. Hartmut Milbrodt from Universität Rostock for LIFE, whereas Kurt Wolfsdorf, chairman of the IAA's LIFE Section committee, will be leading the LIFE organising committee, and Dr. Bernhard Schmidt, senior consultant and managing director for a major consulting company, will head the AFIR organising committee. DAV is looking forward to the event!

2008 – Year of Mathematics in Germany

Since the year 2000, each year is dedicated to a science by the German Federal Ministry of Education and Research. 2008 will be the Year of Mathematics. As a sound understanding of mathematics is needed to become an actuary, DAV and its partner organisation DGVFM will, in continuing their mission to promote actuarial practice and science, be taking part in the Year of Mathematics with several activities. Possible



events include a co-authored supplement in major newspapers discussing the need for mathematics in different professions, a participation of DAV and DGVFM in the "Day of mathematics" and also presentations on actuarial science during a touring exhibition's the stay in Cologne where DAV and DGVFM are based.

News of the EAA (European Actuarial Academy)

EAA CPD-Seminars and Education for Actuaries

Since the foundation of the European Actuarial Academy GmbH (www.actuarial-academy.com) by the actuarial associations of Austria, Germany, the Netherlands and Switzerland in August 2005, 700 participants have already taken part in its CPD seminars. As the demand is continuously high, approximately ten seminars on different topics are planned for the coming year with locations ranging from Amsterdam to St. Petersburg. In January 2007, the EAA successfully started its first modules of Education for Actuaries. To date, five different courses have taken place. The education system is now fully established, with the same number of modules coming up in the next semester.

EAA lecture notes

The first title of EAA Lecture Notes "Market-Consistent Actuarial Valuation" by Mario Valentin Wüthrich, Hans Bühlmann, and Hansjörg Furrer is now available!

It is a challenging task to read the balance sheet of an insurance company. This derives from the fact that different positions are often measured by different yardsticks. Assets, for example, are mostly valued at market prices whereas liabilities are often measured by established actuarial methods. Market-Consistent Actuarial Valuation presents powerful methods to measure liabilities and assets in the same way. It explains the mathematical framework that leads to market-consistent values for insurance liabilities. Topics covered in this volume include stochastic discounting, valuation portfolio in life and non-life

insurance, asset and liability management, financial risks, insurance technical risks, and solvency.

EAA Lecture Notes are a series, supported by the European Actuarial Academy GmbH (EAA), on actuarial topics in a broad and interdisciplinary sense, aimed at students, academics and practitioners in the fields of insurance and finance. They inform in a timely fashion and at a high level on theoretical and practical aspects of e.g. risk management, internal models, solvency, asset-liability management, market-consistent valuation, the actuarial control cycle, insurance and financial mathematics, and other related interdisciplinary topics. The Lecture Notes aim to serve as primary scientific reference for education, research, development and model validation.

The Editorial Board, chaired by Damir Filipovic (Munich), consists of Hans Bühlmann (Zurich), Antoon Pelsser (Amsterdam), Walter Schachermayer (Vienna), and Howard Waters (Edinburgh).

This first title is highly recommended to graduate students and scientists in insurance and quantitative finance. For orders please follow directions at www.actuarial-academy.com.

Actuarial Society of Hong Kong (ASHK)

The ASHK is organising a regional conference on Risk Management that will take place January 28-29, 2008 in Macau. The conference website is available at the following link:

www.actuaries.org.hk/riskconference/.

Register by December 24!

UK (United Kingdom) Actuarial Profession

The UK Actuarial Profession has rewritten its ethical code of conduct in eight short principles, each supported by a principles-based standard. Previously known as the Professional Conduct Standards, the new code of conduct is called The Actuaries' Code. This is currently out for consultation amongst the membership at:



www.actuaries.org.uk/files/pdf/professional_affairs/ed1_ed9.pdf.

The UK Actuarial Profession is pleased to inform all companies and individuals who most generously contributed to the purchase of the Equitable Life Assurance Society archives that these have now been fully catalogued. With support from the purchase appeal's surplus, they engaged an archivist to appraise and describe the archive according to established archival standards. Links to the catalogue of the archive, now located at the Institute's offices at Staple Inn, London and at Guildhall Library, London may be found through the Actuarial Profession's website: www.actuaries.org.uk/link/library/elas/index.html. The next step will be to make selected archives of unique historical interest available for viewing in electronic form.

Casualty Actuarial Society (CAS), United States

CAS Publishes Second Issue of *Variance*

The second issue of *Variance: Advancing the Science of Risk*, published by the CAS, has been released and is now available at www.VarianceJournal.org. The issue includes seven papers; read below to learn more about a few of the papers you will find in this issue.

In "*General Iteration Algorithm for Classification Ratemaking*," Luyang Fu and Cheng-sheng Peter Wu propose a flexible and comprehensive iteration algorithm called "general iteration algorithm" (GIA) to model insurance ratemaking data. They also demonstrate how to apply GIA to solve the broad range of GLM models, mixed additive and multiplicative models, and constraint-optimization problems that pricing actuaries often deal with in their practical work.

In "*Estimating Predictive Distributions for Loss Reserve Models*," Glenn G. Meyers demonstrates a Bayesian method for estimating the distribution of future loss payments of individual insurers. The main features of this method include a stochastic

loss reserving model that is based on the collective risk model, and predicted loss payments derived from a Bayesian methodology that uses the results of large, and presumably stable, insurers as its prior information.

In "*Using a Bayesian Approach for Claims Reserving*," Mario V. Wüthrich applies the exponential dispersion family with its associate conjugates to the claims reserving problem. This leads to a formula for the claims reserves that is equivalent to applying credibility weights to the chain-ladder reserves and Bornhuetter-Ferguson reserves.

To read these articles and more, visit www.variancejournal.org.

MISCELLANEOUS

There's a New Book on the Block!

A Comprehensive Guide to Measuring and Managing Life Insurance Company Expenses
Author: Sam Gutterman, Publisher: Society of Actuaries

This book provides comprehensive guidance for the measurement and management of expenses of life insurance companies. It addresses the entire product life-cycle, from pricing, sales illustration, expense management, performance measurement and external reporting, while introducing the concepts of target pricing and active expense management. It also discusses a wide range of related issues, including expense allocation, treatment of development, overhead and one-off expenses, and expense projections. Although its overall focus is on applications of these topics to insurance companies, its primary examples relate to life and health insurers in the U.S. and Canada; many of the concepts it discusses should also be of interest to those in property & casualty insurers and those outside of North America.



The book can be purchased on the Society of Actuaries' website at (www.soa.org/news-and-publications/publications/books/pub-books-detail.aspx) for US\$140.

Actuarial Books Available

The IAA still has available several actuarial books ranging from seminar, congress and colloquia transactions to the proceedings of various actuarial associations such as the UK Institute, the Society of Actuaries and the Canadian Institute of Actuaries, to books on topics of actuarial mathematics and science. The IAA is ready to donate these books to actuarially developing associations for whom these would be an asset, subject to the association assuming the cost of shipping. Please contact [Céleste Leclerc](#) at the IAA Secretariat if you are interested in consulting the full list.

SEASON'S GREETINGS

The IAA Officers and Staff would like to take this opportunity to extend seasonal greetings to each of you.

In line with the IAA's practice of reducing costs by communicating electronically, you can view the greeting on our website by clicking on one of the links below, depending on the language you choose to read the message.

English: www.actuaries.org/Greetings_EN.htm

French: www.actuaries.org/Greetings_FR.htm

German: www.actuaries.org/Greetings_DE.htm

Spanish: www.actuaries.org/Greetings_ES.htm

Japanese: www.actuaries.org/Greetings_JP.htm

The Secretariat will be closed the week of December 24, 2007.