EDITORIAL NOTES

1. *Report by the Secretary*

The occasion of the 17th International Congress of Actuaries in London and Edinburgh marked the 7th anniversary of the founding of ASTIN and about 230 members were present. Subject 4 of the Congress, namely Statistical techniques in insurance, provided considerable scope for members and a number of the special discussions in Edinburgh were also subjects of considerable interest to members.

The rules of ASTIN provide that a new committee be appointed every four years. The Permanent Committee having nominated Dr. P. Johansen, eight further names of ordinary members were nominated in accordance with established procedure and submitted to the General Meeting of members on 29th May 1964. The names were as follows:

<div align="center">

Messrs. Ammeter
Beard
Masterson
Ottaviani
Sousselier
Sternberg
Thyrion
Welten

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The grateful thanks of the members were expressed to the Chairman and members of the retiring committee, in particular to Messrs. E. Franckx, M. Henry and C. Philipson, for the noteworthy services they had rendered in various ways to ASTIN.

It was also unanimously agreed that Prof. E. Franckx, Chairman of the Permanent Committee, be elected Honorary Chairman of ASTIN.

The membership continued to grow and at 30th April 1964 amounted to 540, made up as follows:

<div align="center">

Ordinary	444
Corporate	94
Special	2
	540

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As regards finance the balance at bank on 15th May 1964 of B.Frs. 241,088 showed an increase over the figure of B.Frs. 188,196 at 31st May 1963. Certain publication accounts were however outstanding and the position remained that the annual income is just about sufficient to cover the cost of two issues of the Bulletin. No increase in contributions was currently proposed, but any increase in printing costs, whether from rising prices or increase in the number of pages printed would give rise to concern; the position was being closely watched by the committee. Mr. Thyrion, a new member of the committee, had agreed to act as Treasurer.

In connection with the Bulletin, the high standard of which was maintained by Mr. Ammeter, it is considered that a closer geographical link with the printers might be beneficial and Mr. C. P. Welten has agreed to act as co-editor. The importance of the Bulletin in the structure of ASTIN needs no

emphasis and all members will be grateful to another one of our new committee members for his practical help in this way.

Members will recall the enquiries made regarding the possible reprinting of Dr. Ove Lundberg's book "On Random Processes and their application to Sickness and Accident Statistics". In the event, through the generosity of Dr. Ove Lundberg's Company, a reprint has been arranged and copies can now be obtained from the publishers Messrs. Almquist & Wiksells, Uppsala. However, Dr. Lundberg has very generously presented a copy to each ordinary member of ASTIN, who will be glad to have copies of this very scarce classic work on random processes. As Dr. Lundberg was in London, it was possible to express to him our appreciation with acclamation at the General Meeting.

28 members, other than members of the Casualty Actuarial Society have intimated that they might be able to attend the 50th Anniversary meeting of the Society to be held in New York in November. All members who are intending to attend are requested to inform the Society without delay.

The growing awareness of the contribution that members are making in the field of non-life insurance was recently illustrated by the request from the 6th Conference of European Insurance Supervisory Services for notes on the work of members, particularly in the problems arising from solvency considerations. The third topic selected for the 5th Colloquium at Lucerne will be of valuable help in this regard and it is hoped that members will bear this request in mind when considering the preparation of papers for discussion. Details of the Colloquium appear separately in this issue of the Bulletin.

In connection with Subject 1 of the 5th Colloquium, the attention of members is drawn to the paper by H. Bohman and F. Esscher published in the Skandinavisk Aktuarietidskrift 1963, entitled "Studies in Risk Theory with Numerical Illustrations Concerning Distribution Functions and Stop Loss Premiums". This important paper summarises the considerable progress made very recently in the calculation of the distribution functions of the total amount of claims and a brief report appears in this issue of the Bulletin. A few offprints are available and may be obtained from the Secretary of ASTIN. Two other papers by H. Bohman and C. Philipson are also of related interest.

Following the discussion of Subject 4 of the Congress it was clear that the choice of Subject 2 for the 5th Colloquium was very opportune and likely to provide a link between the different developments which had been taking place on both sides of the Atlantic.

2. *Invitation for the 5th Colloquium*

The Swiss Actuarial Society is arranging a Colloquium to be held at Lucerne from 9th to 12th June 1965 and has extended an invitation to ASTIN members to take part.

The subjects for discussion have been agreed as follows:

Subject 1: The Recent Development of Risk Theory and its Applications

A special lecture will be held about the developments of the theory itself. Although papers of a more theoretical nature are welcomed as well, the manifold applications of risk theory would be most interesting. The topic of Experience Rating shall, however, be reserved for subject 2.

Subject 2: Credibility and Experience Rating

Contributions are welcomed which deal with Experience Rating or Credibility or with a combination of both topics. An investigation into the question whether and how the tools of "Sequential Analysis" may be applied for both topics would also be of great interest.

Subject 3: Control of Non-Life Business

Experience in the recent past has clearly shown the significance of a control of insurance transactions especially in non-life insurance. It would be most interesting to discuss efficient and rational methods which could refer to the internal control and the State's supervision as well.

Members who are hoping to take part in the Colloquium are requested to complete the form which has been sent to members by circular letter and to return it to Mr. Ammeter as soon as possible, at the latest until 30th November, 1964.

3. *Prize Award*

On the occasion of its 25th anniversary the Algemeene Herverzekering Maatschappij N.V. has established a competition in which prizes will be awarded for the best papers submitted on a reinsurance subject. The competition is divided into two sections:

a) papers concerned with the actuarial or statistical aspects of *reinsurance*;
b) papers concerned with *reinsurance* generally, or with the history, law, practice, present position or future of *reinsurance*, or with any particular aspect of these subjects, or with any *reinsurance* problem not classificable as actuarial or statistical.

In each section the following prizes are envisaged

$$\text{1st prize} - 500 \text{ £}$$
$$\text{2nd prize} - 200 \text{ £}$$
$$\text{3rd prize} - 50 \text{ £}$$

Competitors may, if they wish, enter for both sections of the competition.

Entries may be written in any language for which suitable translation facilities into English or Dutch are available and should be submitted under a pseudonym. The name and address of the author should be enclosed in the same cover.

Entries should be addressed to:

> The Competition Secretary,
> Algemeene Herverzekering Maatschappij N.V.,
> P.O. Box 1076,
> Amsterdam, Holland.

Full rules of the competition are available on application to the same address.

The closing date of the competition is January 31st, 1965.

4. *Reprinting of a famous book*

Some time ago the famous book of Prof. Cramèr "Random Variables and Probability Distributions" which was first published in 1937 has been reprinted. It is hoped that all ASTIN members will appreciate the opportunity

to get acquainted with this authoritative text book in English on the mathematics of risk theory.

5. *Erratum*

Mr. R. E. Beard has noticed with regret that one of the figures in his note on extreme values published in the ASTIN Bulletin, Vol. III, Part I, p. 11, is wrong. The figure 2334 in the second table should be 1400 as can be easily verified from the figures in the first table. The run of the revised figures is much more satisfactory and shows that for the particular experience the extreme value technique gives reasonable results for the higher excess values and could probably be used as a basis for extrapolation for even higher values.