29 JUN 1998
AC7

The Actuarial Society of Hong Kong
NEWSLETTER

Volume 02/98

New Members

The following new members have been confirmed in recent Council meetings

New Membership Applications

Name	Company	Status
Ted KWONG	AIA Co Ltd	A
Oi Kwan LI	Eagle Star	S
Kin Chung KUNG	Eagle Star	S
Eugene MAK	Eagle Star	S
Des THOMAS	Eagle Star	F
Kim WONG	HSBC Insurance	A
Shuk Ling YUNG	HSBC Insurance	S
Stella KONG	ING Financial	A
Kun Man LEUNG	Swiss Re	F
Amanda LO	Top Glory	S
Michelle TSUI	Watson Wyatt	F
Siu Yin LIU	Cologne Re	F
Colin PAKSHONG	Cologne Re	F
Paul AU	New York Life	A
Chung Ping NG	New York Life	S
Jeffrey MORE	Scottish Provident	F
Andy WONG	Watson Wyatt	A
Tai Kuan LY	AIU-Searo Personal Lines Division	S

Change of Membership Status

Name	Company	Status
Victor YIP	Lippo Protective	F
Paul CHAN	Winterthur	A
On Lee CHU	MetLife Hong Kong	A

Members Subscriptions

The notice for membership subscription for 1997/98 was sent out to members in April. Members who have not yet paid their subscriptions are reminded to do so as soon as possible. Please contact Tian Keat Aun if another subscription form is required.

Members Handbook

The membership details are being updated following the renewal of membership subscription. The Members Handbook, which was first issued in 1994 after the ASHK was incorporated as a professional body, will be reissued once members details have been updated . In future it is intended that the membership listing will be updated annually in conjunction with the subscription notice.

Meeting

Dallas Reid presented the HK Life Mortality Tables 1997 at a luncheon meeting on 29 April 1998. Copies of the Tables have been distributed to members who attended the meeting. The Tables have also been sent to various professional bodies. Copies are available from Vivien Mok at 2519 1198.

Draft Guidance Note 5

A draft Guidance Note 5 Principles of Life Insurance Policy Illustrations was recently sent to members for information and comments . A meeting was held on 11 June 1998 to discus the draft GN.

Chinese Translation of PS1 and PS2

The Chinese Translation Committee have been working closely with the Registrar of the Occupational Retirement Schemes and the Office of the Commissioner of Insurance on the Chinese translation of PS1 and PS2. Drafts of Chinese translation of PS1 and PS2 will be issued to members shortly for comments. An Extraordinary General Meeting will be arranged, probably in July, to adopt these drafts. In due course once the Chinese translations are adopted by ASHK, the relevant legislation will be amended to effect the translations.

Investment Committee

The Investment Committee has been very busy exploring the development of various indices, in particular a China B share Index and a HK Fixed Interest Index, in cooperation with various parties. Our input in the development of these indices will assist in raising the profile of both ASHK and the actuarial profession in HK and the PRC. Members will be kept informed of developments in future newsletters.

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Note: Views expressed are not necessary those of The Actuarial Society of Hong Kong

Retirement Scheme

The Retirement Scheme Committee has been in discussions with the Registrar of the Occupational Retirement Schemes on issues relating to scheme solvency shortfalls. Following the currency and economic turmoil in Asia Pacific during the last quarter 1997 and in recent months, some schemes are experiencing funding shortfalls. Under ORSO with effect from 15 October 1998, schemes must be solvent at all times. However the continuing volatility in investment markets may lead to rapid deterioration in scheme funding levels and insolvency. The RSC is exploring alternative funding approaches with Registrar to deal with this topical issue.

MPF Legislation

Various pieces of legislation have been passed. The first was the Provident Fund Schemes Legislation (Amendment) Ordinance 1998 and the other the MPF (General) Regulations and MPF (Exemptions) Regulations, the much awaited subsidiary legislation to govern the operation of the MPF.

The ASHK welcomes the passing of these legislation after many years of debate and development and looks forward to the implementation of the MPF. As members are aware ASHK held a press conference on 17 March 1998 to support the passing of the legislation, The press release and background materials have been copied to members.

ASHK immediate past president C.F.Yam has been invited to represent ASHK in the restructured MPF Panel Specialist.

Conferences

The Actuarial Institute of the Republic of China (AIRC) will be holding its 1998 Annual Conference in Taipei on 20-22 October 1998, with a theme on papers for the conference being "The Challenge of Actuaries in the Deregulation Marketplace". A workshop will be held and papers on Non -Life and Life are expected to be presented at the conference. ASHK has been invited to the Conference but interested members are invited to present papers. The deadline for submission of papers is 1 September. Please contact Mike Ross for further details.

The next East Asia Actuarial Conference will be held in Korea in October 1998. Members are encourage to present papers at the Korea EAAC. Hong Kong will hosting the EAAC in 2001, and ASHK will heavily involved in the preparation and planning. Please contact Mike Ross if you are interested in helping out.

International Actuarial Association (IAA)

At the 26th International Congress of Actuaries, the worldwide actuarial profession made further moves towards becoming the first truly global profession. The general assembly of the members of the IAA voted overwhelmingly to adopt new Statutes. The IAA has been changed from an association of individual actuaries to an association of actuarial associations. Mr. Jean Berthon is the first president of the reorganised association. After a century of promoting cooperation among actuaries throughout the world, the IAA has been transformed into an organisation that can not only continue with this role but can also look after the collective interests of actuaries in the world market. As an association of actuarial Associations, it is in a strong position to promote the interests of the profession world wide, and to guard its standards.

26th International Actuarial Congress

The 26th International Actuarial Congress was held in Birmingham from 8 June to 12 June 1998. It was attended by 948 delegates and 373 partners. The congress was a good opportunity to further actuarial knowledge through discussion of technical papers and enabled delegates to meet and renew old friends as well as make new ones.

The technical part consisted of 123 papers as well as 45 national reports. These were produced in eight volumes consisting of:

1. Volume 1 - Professional, National Reports 1
2. Volume 2 - National Reports 2
3. Volume 3 - Life Insurance
4. Volume 4 - General Insurance, Risk Theory
5. Volume 5 - Pensions, Social Security
6. Volume 6 - Health, Long Term Care, Mortality
7. Volume 7 - Investment
8. Volume 8 - Index & Abstracts

The meetings were held in plenary sessions and smaller parallel sessions. In this way it was

possible to have more informed debate from those who had a particular interest in the topics.

Michael Ross has a full set of the papers and if you wish to find out more please contact him.

Call for Papers/Contest

To strengthen communication between members on issues related to actuarial science, insurance and pension industries, the Council invites members to submit articles for publication. The articles may be in the form of research papers, commentaries, opinions, discussions, essays and letters, and will be printed in the Newsletter. The best paper will be awarded a prize at the end of the year. Please send all materials to Tian Keat Aun.

Professional Conduct Committee

Following the adoption of a code of professional conduct, ASHK will be applying for full membership of the IAA once the changes to ASHK's Memorandum and Articles of Association have been approved by the Companies Registry.

Meetings with HKSA

The Retirement Scheme Committee held a meeting with representatives from the Hong Kong Society of Accountants. The meeting was arranged to discuss common issues affecting retirement schemes. It was agreed that regular meetings will be scheduled to discuss areas affecting both our professional bodies.

Changes to Faculty / Institute of Actuaries

The Faculty of Actuaries has moved to its new permanent premises on Maclaurin House, Dublin Street. A new telephone system has also been installed for direct calls to staff members. The new telephone switchboard/fax numbers are:

	Main UK Switchboard	Main UK Fax
Maclaurin House	0131 240 1300	0131 240 1313
Napier House	01865 268 200	0186 268 211
Staple Inn	0171 632 2100	0171 632 2111

ASHK Logo

The Council has been approached by Mr. Stuart Leckie to produce a medallion for the ASHK. However in order to produce this, the Council feels that ASHK should firstly have its own logo. Members are invited to provide comments and suggestions on the design of logo. Actual designs for the logo are most welcome. The logo design should reflect the aims of the ASHK, the profession and perhaps contain a motto. For ease of members reference, the objectives for which the ASHK was established are given below:-

(a) To increase the value to the community of the actuarial profession.

(b) To encourage and assist the study of actuarial science statistics and any other subjects of interest to members of the actuarial profession.

(c) To promote the general efficiency of and, to uphold standards of professional conduct among members.

(d) To regulate the practice by its members of the profession of actuary by issuing from time to time as when necessary guidance notes and other forms of guidelines or directions.

(e) To discuss and comment on the actuarial aspects of public, social and economic and financial questions which from time to time may be the subject of public interest.

(f) To consider the actuarial aspects of legislation existing and proposed and to take such action as is considered desirable.

Please sent all comments, suggestions, and indeed actual designs, to Mike Ross by 31 August 1998.

Other News

- The Insurance Authority and the registrar of ORS have issued their 1997 Annual Reports. Copies are available from the Government Printing office.

- In keeping with the Society of Actuaries increasing Asian membership and the region's rapidly growing interest in the actuarial profession, the SOA established a Representative Office in Hong Kong in November 1997. The Representative Office is working with the SOA Asia Committee (1) to promote actuarial education; (2) to provide services to members in the development educational programs, research, and other professional support; and (3) to build the image and awareness of the profession in Asia.

For information, please contact Patrick Cichy at 2973-4032 or by fax at 2826-9189. The office is located at 11/F., Bank of East Asia Building, 10 Des Voeux Road Central. Correspondence should be addressed to Society of Actuaries Representative Office, P.O. Box 192, General Post Office, Hong Kong.

- ***SOA Asia Committee***

  Since its inception in early 1997, the Asia Committee has undergone some personnel changes. If interested in joining one of the subcommittees, please contact the Representative Office.

- ***Singapore Actuarial Society***

  The Singapore Actuarial Society has elected Mr. B.P. Gupta as its president for the term of office 1998/99.

HKFI New Governing Committee

The Hong Kong Federation of Insurers (HKFI) recently announced the appointment of its Governing Committee for the term 1998/99:

Chairman:	Mr. Robert Ka	AXA Insurance Hong Kong Ltd
Deputy Chairman:	Mr Terry Smith	National Mutual Insurance Co (Bermuda) Ltd
Members:	Mr Roddy Anderson	Dah Sing Life Assurance Co Ltd
	Ms Sarah Ho	Assicurazioni Generali S.p.A.
	Mr Bob Hubbard	HSBC Life (International) Ltd
	Mr Andrew Kirkland	Royal & Sun Alliance Insurance (Hong Kong) Ltd
	Mr Ed Lau	Manulife International Ltd
	Mr Steven Lau	Union Insurance Society of HK Ltd
	Mr Ross Matthews	American International Underwriters Ltd
	Mr Davinder Rajpal	National Mutual Insurance Co (Bermuda) Ltd

"In the coming term, the primary task of the HKFI is to promote the adoption of the Code of Conduct for Insurers which will greatly enhance the image and professionalism of the insurance industry. After a decade of operation and our success in implementation of the Code of Practice for the Administration of Insurance Agents, we believe that the time has come for us to expand our self-regulatory regime to cover insurers," said Mr Robert Ka, the newly-elected HKFI Chairman.

Suggestion Box

Members are encouraged to sent suggestions or comments on any aspect of the running of ASHK or on any issue affecting the profession to the appropriate committee chairman below:-

Council Member Role (Employer)	Telephone / Fax / E-mail address
Mr Michael Ross President Meetings Committee (National Mutual)	2519-1199 2598-5736 actdept@nm.com.hk
Mr C F Yam Past President MPF (CMG Asia Life)	2861-4017 2865-6837 yamcf@cmgasia.com
Mr Andrew Alexander Investment Committee (Long Investment Management)	2537-1901 2869-6904 andrewa@lim.com.hk
Ms Anna Louie Education Committee (University of Hong Kong)	2857-8318 2858-9041
Mr August Chow General Insurance Committee (Prime Consulting)	2872-0318 2104-2995
Mr Danny Chung Experience Committee (Manulife (Int'l) Ltd.)	2510-5870 2510-5616
Ms. Diane Chung Professional Conduct Committee (Watson Wyatt)	2820-8227 2827-8899
Mr Jacky Chan Chinese Translation Committee (AIA)	2881-3468 2882-1968
Mr Joseph Yip Retirement Schemes Committee (Watson Wyatt)	2820-8207 2827-8899 joseph_yip@watsonwyatt.com
Mr Keat Tian Membership & Publication Committee (Watson Wyatt)	2820-8206 2827-8899 keat_tian@watsonwyatt.com
Mr Nicholas Crouch Company Secretary & Treasurer (The Manufacturers Financial)	2510-5809 2503-1540
Mr. Russel Lok Life Insurance Committee (Coopers & Lybrand)	2504-6615 2890-3187

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