

Editorial

We have now introduced the "Members on the Move" section and we are also aiming to promote further communication between members by putting membership details on the ASHK website (please see more details in the newsletter). We are still looking for puzzles for our "brain teasers" section....please send in any items that you would like to be included.

Education & Careers Expo 2002

The 12th Education & Careers Expo 2002, jointly organized by the Hong Kong Trade Development Council (HKTDC) and the Labour Department, was held from 21 to 24 February 2002 at Hong Kong Convention & Exhibition Centre. The four-day Expo was divided into education and career sections, featuring 343 exhibitors from a wide range of trades, government departments, professional bodies, local and overseas education and training institutions.

Chairman of the Education Commission, Dr. Rosanna Wong, the Commissioner for Labour, Mrs. Pamela Tan, and Executive Director of HKTDC, Mr. Michael Sze were the VIP guests to the Opening Ceremony. This year, the theme for the Expo was "Bracing Up for Challenges", encapsulating the importance of continuous self-improvement in tandem with the pace of change and requirements of the global market.



ASHK Council members, ASHK member volunteers, HKU student volunteers and Actuaries Office's staff manning the booth to answer enquiries from both students and the public.

This was the first time the ASHK, the Society of Actuaries (SOA), Faculty and Institute of Actuaries (F&IoA), and Institute of Actuaries of Australia (IoAA) participated in the Expo. During the exhibition, an integrated approach in promoting the actuarial profession was adopted. Visitors could use a computer

on-site to browse professional bodies' websites for actuarial education and examination information. Actuarial magazines, education catalogs, a video show and colorful posters outlining the actuarial profession were displayed. A wide variety of promotional literature from the above actuarial professional bodies were distributed. Many visitors came to the booth with questions in areas like the definition of "Actuary", the scope of actuarial work, the differences between Accountant, Chartered Financial Analyst and Actuary, the syllabus/arrangement of actuarial examinations, length of time required to become a qualified actuary, career prospects, remuneration and market demand in Hong Kong.



The response from students and the public at the careers seminar on 'The Actuarial Profession' was overwhelming.

Apart from the exhibition, there was also a career seminar presented by Dr. Wai-Sum Chan, Associate Professor of The University of Hong Kong and Mr. David Alexander, Head of Actuarial Services - China Region of Swiss Re Life & Health for visitors to obtain more in-depth information on the actuarial profession. This seminar was well attended. In addition, an article profiling the actuarial profession was also published in the South China Morning Post's special supplement of Education & Careers Expo 2002 on 21 February 2002.

We would like to thank the SOA, F&IoA, IoAA, ASHK Council, ASHK members and HKU students for their earnest support during the exhibition.



Mr. David Alexander and Dr. Wai-Sum Chan answering enquiries during the Q & A session of the career seminar.



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NEWSLETTER

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Guidance Note on the Corporate Governance of Authorized Insurers

The Insurance Authority (IA) sought the opinion of the ASHK on its draft Guidance Note on the Corporate Governance of Authorized Insurers which sets out the minimum standard of corporate governance that is expected of authorized insurers.

Regarding the situation relating to the position of the Appointed Actuary, the ASHK indicated that the role of Appointed Actuary does not have any executive authority within the company that the person is Appointed Actuary to, and the person who is fulfilling the role of Appointed Actuary may hold a position as an executive of the company to which they are Appointed Actuary to. The ASHK believes that it is for the individual person to consider whether he or she has any conflicts of interest in occupying the position of Appointed Actuary at the same time as being in the Chief Executive position or another executive position in that same company. Moreover, the Actuary concerned should at all times ensure that he or she adheres fully to the letter and spirit of Professional Standard 1 and that he or she makes it clear to the Board of the Company in which capacity he or she is acting when addressing the Board on various matters.

The Actuarial Society of Hong Kong NEWSLETTER

Volume 02/2002

22 March 2002

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Contributions

We welcome articles and letters. Send correspondence to the ASHK Office at the address below. When sending in correspondence which has been created in a word processing program, when possible, email a copy of the file to either the editor's or the coordinators' e-mail address.

Partnership Arrangement (CEPA)

The ASHK received a letter from the Financial Services Bureau in February 2002 which solicited the ASHK views on the CEPA in relation to insurance and insurance-related services. The ASHK is fully supportive of the initiative relating to the above arrangement. It is always the ASHK's objective to promote actively actuarial education and the actuarial profession in China. In line with this goal, the ASHK will jointly organize an international actuarial forum with the Society of Actuaries of China in Xiamen from 25 to 26 April 2002 where the keynote speech will be delivered by Mr. Wu Xiaoping, the Vice Chairman of the China Insurance Regulatory Commission. Key officials from the Chinese government regulatory and supervisory bodies, representatives from Chinese insurance companies and leaders of the international professional actuarial bodies will be meeting together to exchange views on recent developments in actuarial education and the global examination system.

Proposed ASHK Guidance Note on Reserving Standards for Investment Guarantees

Following the issuance of GN7: Guidance Note on Reserving Standards for Investment Guarantees by the Office of the Commissioner of Insurance, a sub-committee has been set up by the ASHK to provide additional guidance on satisfying the requirements of GN7. The sub-committee has drafted a set of guidelines on the process for determining liabilities under GN7 (please see separate notice for full text).

Members are currently being consulted on the exposure draft. The deadline for comments is 30 April 2002. The ASHK Council will in due course convene an Extraordinary General Meeting to discuss the proposed guidelines and to vote on the adoption of the guidelines as a Guidance Note.

Mainland/Hong Kong Closer Economic

Adoption of the Statement of Standard Accounting Practice (SSAP 34)

The Actuarial Society of Hong Kong, 1806 Tower One, Lippo Centre, 89 Queensway, Hong Kong
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Note: Views expressed are not necessary those of The Actuarial Society of Hong Kong

Members may wish to note that the Hong Kong Society of Accountants (HKSA) has recently approved the adoption of the Statement of Standard Accounting Practice – Employee Benefits (SSAP 34) as the new standard for reporting the cost of employee benefits in the company's financial statements. The new standard requires actuarial calculations of the cost of long-term benefit programs such as defined benefit retirement schemes and statutory Long Service Payment obligations. The adoption date of the SSAP 34 is the financial year beginning on or after 1 January 2002.

The ASHK will be working with HKSA on the training of the accountants, auditors and actuarial practitioners in relation to the measurement and disclosure requirements under this new standard. A copy of the standard is now available from the ASHK office upon request.

Hong Kong Assured Lives Mortality Study

At the recent ASHK luncheon meeting on 28 February 2002, Mr. David Alexander, Experience Committee Chairman presented the new mortality report to members. An electronic copy of the report is being sent to members (please refer to separate file for full text) and will shortly be posted on the ASHK website. Around 200 copies will be printed for distribution to government bodies, academic institutions and actuarial bodies. Members wishing to get a printed copy can purchase it from the office at a later date.

New ASHK Council Structure

In order to increase the profile of the ASHK in Hong Kong and raise the awareness of the actuarial profession in general, a review of the present ASHK Council structure and operations has been undertaken.

Currently, the ASHK Council consists of 12 members including the President, the Immediate Past President, and Chairpersons of various committees. The responsibility for representing the ASHK at various functions ultimately lies with the ASHK President. To ensure that all of this responsibility does not fall on one person (including overseas travel on behalf of the ASHK) and that other Council members take an active role in promoting the ASHK, the introduction of two Vice Presidents positions with responsibility for various committees was proposed. These two posts would be

the Immediate Past President and the President-elect. Under the proposed structure, it is hoped that the ASHK can ensure the continuity of ideas/actions within the ASHK Council by having more time to identify a suitable successor to current President one year in advance of the appointment and allowing the President-elect to start thinking about strategic objectives for the following year.

The ASHK Council is seeking advice from Mrs. Christine Koo, Honorary Legal Adviser on the above proposal and on the possible changes to our Memorandum and Articles of Association.

Statutory Body – Recognition for the ASHK

Having noted that there have been significant changes to the actuarial profession in Hong Kong over the past few years and the demand for actuarial expertise has increased significantly and with many more qualified actuaries having started to practice in Hong Kong, the ASHK would like to request the Government to recognize it officially as a Statutory Body. The ASHK Council believes that taking this step will put it in a more proactive stance on matters relevant to the actuarial profession and the community in Hong Kong. A letter will be sent out shortly as a start towards discussion on what steps will be necessary to achieve this recognition.

ASHK Membership Update

New Members

The ASHK Council would like to extend the warmest welcome to the following new members whose applications have been approved by the Council.

Name	Status	Company
Pang Hsiang CHYE	Fellow	Milliman Asia Ltd
Min AI	Student	Watson Wyatt Insurance Consulting Ltd
Tammy Shuk Ming CHAN	Student	--
Jeff Kam Chiu CHENG	Student	HSBC Life (Int'l) Ltd
Samuel Ka Chi NG	Student	--

Change of Membership Status

The following members have changed their membership status since December 2001.

Name	Updated Status	Company
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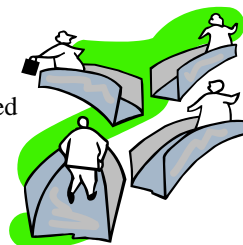
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Anthony Wing Lok KWOK	Fellow	MassMutual Asia Ltd
Richard NG	Fellow	Winterthur Life Insurance Company
Guy Wai Kai YEUNG	Fellow	Tillinghast - Towers Perrin
Michael Hoi-Leung CHAN	Associate	Eagle Star Life Assurance Co Ltd
Fiona Wan CHENG	Associate	CIGNA Worldwide Insurance Company
Danny Ka Ming CHOW	Associate	Winterthur Life Insurance Company
Alex Chun Lun HO	Associate	Tillinghast - Towers Perrin
Circle Pui Yuen HUNG	Associate	ING Life Insurance Co (Bermuda) Ltd
George Kin Chung KUNG	Associate	Munich Reinsurance Company
Windian Wing Yum LAI	Associate	AXA China Region Insurance Co Ltd
Angela LAU	Associate	Pacific Century Insurance Holdings Ltd
Shirley Shut Ling LEUNG	Associate	ING Life Insurance Co (Bermuda) Ltd
Ben Chung Ping NG	Associate	Winterthur Life Insurance Company
Andrew Chung Fai SIU	Associate	MLC (Hong Kong) Ltd
Florence Ka Ying SO	Associate	MLC (Hong Kong) Ltd
Patrick Lam Yuk WONG	Associate	HSBC Life (Int'l) Ltd
Kelvin Pak Kin YU	Associate	New York Life
Alex Ka Chun YUE	Associate	Winterthur Life Insurance Company

Tenny Siu Pong CHONG
BOC Group Life Assurance Co Ltd
33/F, Bank of China Tower
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Cyril TWOMEY has moved from the Hong Kong Office of Tillinghast-Towers Perrin to the company's Melbourne office. His email is cyriltwomey@hotmail.com



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Welcome & Congratulations!!

Members on the Move as of January 2002

FELLOWS

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David GRUNDY
Trowbridge Consulting Pty Ltd
Rooms 2105-6, 21/F, Wing On Centre
111 Connaught Road Central
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david.grundy@trowbridge.com

Jeremy POOLE has moved from the Hong Kong Office of General Colgne Re to the company's German office. His email is jpoole@gcr.com

STUDENT

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Winterthur Life Insurance Company
15/F, Luk Kwok Centre
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Membership List on ASHK Website

The Actuarial Society of Hong Kong is planning to add a new section titled "ASHK Membership List" on the website. The list has two purposes:

- as a list confirming the membership status so that ASHK members and members of the public can



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verify whether or not someone claiming to be a member actually is a member

- to provide members' contact details so that ASHK members can network with their peers.

This online list will be in a pdf file and will only be updated twice a year. Information to be posted on the website will include year of admission to the ASHK, membership status, company name, correspondence address, tel, fax and email. The publishing of such contact information is not intended to be used for commercial gain either by members or non-members. Open access to this information is maintained with the understanding that it will not be abused. It would be highly appreciated if members could use the information properly. Members who do not want their membership information to appear online can contact the ASHK office by tel: 2147 9418 or 2147 9419, or email: patkum@netvigator.com or actsoff@netvigator.com by 15 April 2002.

2001/2002 Subscription Final Reminder

ASHK members who have received the subscription reminder on 4 March 2002 are reminded to send the current year membership fee (Student Member: HK\$430; Associate Member: HK\$720 and Fellow Member: HK\$1,200) immediately to the ASHK Office at 1806 Tower One, Lippo Centre, 89 Queensway, Hong Kong.

Please note if payment is not received by 31 March 2002, membership will automatically be cancelled.

The 27th International Congress of Actuaries (ICA), Cancun, Mexico, 17-22 March 2002

The 27th ICA 2002 is now being held in Cancun, Mexico from 17 to 22 March 2002. We are pleased to inform members that ASHK Council members are attending this international actuarial event. Mr. Kin-Chung Chan, the Immediate Past President representing the ASHK will speak at the CIA Board Meeting while Mr. Stuart Leckie, China Committee Chairman will deliver the national reports on Hong Kong and China.

SOA and F&IoA Joint Regional Seminar in Singapore, Shenzhen, Taipei and Seoul, 1-8 July 2002

The ASHK are pleased to announce that the SOA and F&IoA are sponsoring a regional seminar in Asia on Product Development in July. The seminar will be held for one to one and a half days in each of the 4 locations below. You can choose to attend any one of the 4 locations. Besides actuaries, industry practitioners and government bodies will also be invited to attend the seminar.

Date, location and local organizers:

- 1 July Singapore (Singapore Actuarial Society)
- 2 July, pm Shenzhen (SOA China Region Committee)
- 3 July Shenzhen
- 4 July Taipei (Insurance Institute of the ROC)
- 5 July am Taipei
- 8 July Seoul (Korean Actuarial Association)

Sponsors:

The seminar is sponsored by the SOA, F&IoA with the support of the local actuarial bodies.

Topics:

Product Development Seminar will cover topics on life insurance, annuities and nontraditional products.

Guest speakers:

- Jay M. Jaffe, Actuarial Enterprises, Ltd
- Allen Klein, Bankers Life & Casualty Co
- Mary Bahna-Nolan, North American Co-Life/Health
- Mark Saunders, Tillinghast-Towers Perrin
- UK Speakers

Number of PD credit/CPD:

Information will available on the SOA and F&IoA websites in due course.

Hong Kong Polytechnic University's Recruitment Services

The ASHK has been asked to bring to the attention of members the free recruitment service provided by the Hong Kong Polytechnic University (HK PolyU).



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This year, the HK PolyU will have over 4,000 graduates and about 5,000 under-graduates from a wide spectrum of courses available for graduate employment from the end of May and summer employment from the end of May to the end of August respectively. Should there be suitable vacancies for HK PolyU students, your company may publicize the recruitment advertisements on-line at the Joint Institution Job Information System (<http://www.jijis.org.hk>).

For further information, please feel free to contact Miss Sue Wong at 2766 6793 (email: saswong@inet.polyu.edu.hk) or Mrs. Tina Lau at 2766 6790 (email: satina@inet.polyu.edu.hk).



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Upcoming Events for Your Diary

Date	Event
17-22 Mar	International Congress of Actuaries, Cancun, Mexico
25-26 Apr	Actuarial Forum in China, Xiamen Organisers: ASHK & the Society of Actuaries of China
Early May (tbc)	ASHK Luncheon Meeting Speaker: Ms. Helen Martin, IoAA
4 May	HKRSA Seminar on Retirement Protection Policy <i>(It has been approved for 2 units of SOA PD credit.)</i> Speakers: Mr. Grahame Stott, Watson Wyatt Hong Kong Limited Mr. Joseph Wong, Civil Service Bureau Mr. Peter Wong, Deloitte Touche Tohmatsu International Mr. Stuart Leckie, Hewitt Associates LLC Venue: Harcourt Room, Lower Lobby, Conrad International Hong Kong Time: 9:00 am – 12:00 noon
1 Jun	ASHK Technical Seminar, Hong Kong <i>(Organizer will apply for SOA PD credit.)</i> Speaker: Prof. Elias Shiu, The University of Iowa and The Hong Kong Polytechnic University Topic: Interest Rate Risk Management: Immunization, Cashflow Matching and Option-Pricing Theory
1-8 Jul	SOA and F&IoA Joint Regional Seminar in Singapore, Shenzhen, Taipei and Seoul <i>(Organizer will apply for SOA PD credit and CPD.)</i>
Sept (tbc)	Chinese Actuarial Examinations in Hong Kong
Sept (tbc)	ASHK 2nd Appointed Actuary Symposium
Dec (tbc)	ASHK Annual General Meeting