

BOLESŁAW MONIC FUND PRIZE AWARD

The Committee of the Boleslaw Monic Fund Foundation has resolved to award prizes for an essay on the subject of "Net Retentions".

The following are some of the factors which may influence insurance companies in determining net retentions in the different branches of their business:

- (I) the relevant volume of premiums, technical reserves and free reserves;
- (II) the security loadings included in the premiums charged by the office;
- (III) the characteristics of the portfolio as regards the size of losses and the probable distributions of claims;
- (IV) the cost of varying reinsurance protections.

When taking these and other factors into consideration, companies have the benefit of theoretical studies (which may assume more information to be available than is actually the case), but often empirical or heuristic rules are applied in which individual underwriting judgement plays an important part.

Competitors are invited to submit papers setting out and justifying methods which will assist offices in determining optimal retention limits. Theoretical analysis of the problem will be welcome but such a treatment, possibly based on a general strategy, should produce methods or algorithms which can be understood and applied by practitioners.

An example of the application of the favoured method to a hypothetical or existing portfolio will be welcome.

RULES OF THE PRIZE AWARD

1. Awards totalling Dutch florins 8,000 (1st prize of D.fl. 5,000, 2nd prize of D.fl. 2,000 and 3rd prize of D.fl. 1,000) are envisaged for the best original and previously unpublished contributions on the above subject. The Committee of the Boleslaw Monic Fund Foundation, which will judge the entries, however reserves the right to divide the total sum made available for awards in a different manner or to withhold all or part of this sum, if in its opinion there is insufficient merit in the entries submitted.
2. The competition is open to anyone of any nationality whether or not directly employed in the insurance industry.
3. Entries must be typewritten and may be in English, French, German, Italian, Spanish or Dutch. They must be in the hands of the Secretary-Treasurer, Boleslaw Monic Fund Foundation, c/o Nederlandse Reassurantie Groep N.V., P.O. Box 7846, Amsterdam, not later than 30th APRIL, 1980.
4. Entries must be submitted under a pseudonym. Under the same cover, but in a separate sealed envelope, a note is to be enclosed repeating the pseudonym and giving the name and address of the author.
5. The Committee of the Boleslaw Monic Fund Foundation will announce the awards as soon as possible after the closing date of the competition and in any case not later than 31st December, 1980.
6. The copyright of any entry which is awarded a prize will be vested in the Boleslaw Monic Fund Foundation. Entries to which no prize is awarded will be returned to the authors.

THE COMMITTEE OF THE BOLESŁAW MONIC FUND FOUNDATION.