

## CapitOx Actuary Division Weekly Newsletter

Welcome back everyone! To kick off the term, we bring to you the first Trinity Term installment of our Newsletter. If you missed any of the past issues and would like to take a look at them, these can be found on our website <http://www.capitox.com/actuary/>.

### Structure Summary

1. Recent Developments
2. Term of the Week
3. Puzzle
4. Conclusion

### 1. Recent Developments

*Below is a summary of relevant news. Please read more about the following articles:*

- An initial response by Mercer to pensions tax relief proposals from the Budget 2010  
<http://uk.mercer.com/summary.htm?idContent=1376105>
- Some interesting findings about how the recession has hit pensions  
<http://www.towerswatson.com/press/1659>
- An article relating to the insurance issues come about from the recent volcanic eruption  
<http://news.bbc.co.uk/1/hi/business/8624717.stm>

### 2. Term of the Week

#### *Definition of Reinsurance*

Reinsurance is the practice where one party (the Reinsurer) agrees to purchase part of the liability assumed in an insurance policy issued by another party (the Reinsured). It is particularly common in high risk policies, as is a way of minimising the risk for each individual insurer.

### 3. Puzzle

*(A puzzle from [www.the-actuary.org.uk](http://www.the-actuary.org.uk))*

After every busy week working as an actuary for a pensions consultancy, you go for drinks to a nearby wine bar followed by dinner. The group that you socialise with has its own system of paying the bill – one person (a different person each week) has to pay the bill at the restaurant. At the end of a particularly long night out, you realise that it is your turn to pay and that you don't seem to have your wallet. All your friends have left and there is no-one who can help. The waiter challenges you to the following game.

Both of you will take turns placing plates on a clean table. All the plates must be the same size, lie flat on the table, and no plate may overlap another. The first person who is unable to place another plate on the table without it falling off or moving another place must wash the day's dishes. The table is a perfect circle, with a five-foot diameter. Each plate is also a perfect circle with a 10-inch diameter. If you are given the choice of going first or second, which do you choose, and what will your strategy be?

#### **4. Conclusion**

We hope that you have enjoyed reading. If you would like to contact us for any reason, feel free to e-mail [capitoxactuaries@googlemail.com](mailto:capitoxactuaries@googlemail.com). Be sure to catch the next newsletter of TT, which will be out next week!

Thank you for your time.

CapitOx Actuaries

#### **Hint to puzzle**

Go first. The first plate should be placed at the centre of the table.

#### **Answer to Puzzle**

The easiest way to ensure that you won't be stuck with dish duty is to go first. Place the first plate in the exact centre of the table. Wherever the waiter places his plate on his turn, place your next plate at the exact opposite setting. Since every setting has a mirror opposite, at any stage in the game if he can still place a plate, so can you.