

8th Annual

Capital Management in the Re/Insurance Industry

Utilising economic capital for competitive advantage

Central London, UK

1st & 2nd

March 2007

“Discover how to implement successful economic capital models in an evolving regulatory environment”

In the current regulatory and competitive landscape, it is now more necessary than ever to examine how to get the most out of existing capital models. This 8th annual conference will examine current issues in the area of economic capital and provide a valuable opportunity to benchmark with major players through practical case studies.

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Gain insights into vital issues:

- Review the latest updates on regulation and consider the implications for industry
- Examine the rating agency methodologies for assessing solvency and debate their overall influence
- Consider how the role of investors impacts on an organisation's capital management strategy
- Examine the importance of identifying risks accurately for effective modelling
- Evaluate progress on improving capital modelling methodologies
- Understand the unique challenges of using capital modelling in a small to medium sized organisation
- Discuss how to optimise the use of capital models for strategic advantage through practical case studies

In the Chair:

David Hare
Senior Actuarial Manager
Standard Life Assurance Company

Your Expert Speaker Panel:

Noël Guibert
International Director
ACAM

Henry Johnson
Actuary and Head, Market Risk and Reserving
Lloyd's

David Hare
Senior Actuarial Manager
Standard Life Assurance Company

Rob Jones
Managing Director
Standard & Poor's Financial Services Ratings

Andrew Murray
Director, Insurance Department
Fitch Ratings

Ulrik Andersson
Head of Group Analysis
TrygVesta

Terry Masters
Managing Director
AON Group Ltd

Nylesh Shah
Group Actuary
Wellington Underwriting Plc

Samit Shah
Chief Actuary
Atrium Underwriting

Andrew Gay
Deputy Managing Director
UIA Insurance Ltd

Mikir Shah
European Insurance Analyst
Fox-Pitt, Kelton

Petri Viertiö
Chief Risk Officer
Sampo

Simon Harris
Team Managing Director,
Life Insurance, FIG
Moody's

Randle Williams
Group Investment Actuary
Legal and General Group

Hitesh Patel
Partner
KPMG UK

Andrew Hitchcox
Chief Actuary
Kilin

Michael Moller
Senior Risk Consultant
Converium Ltd

Yvonne Braun
Head of Financial Regulation
Association of British Insurers

Cosimo Turi
Group Regulatory Officer
Swiss Re

Rob Curtis
Head of Insurance Technical Risk
Financial Services Authority



Day 1

1st March 2007

Booking Line

Tel: +44 (0) 20 3002 3315

Fax: +44 (0) 20 3002 3005

08:30 Registration and Coffee

09:00 Opening Address from the Chair

David Hare

Senior Actuarial Manager

Standard Life Assurance Company

RECENT INDUSTRY DEVELOPMENTS

09:10 **Solvency II: Assessing the Progress Made so Far**

- Discussing the results of QIS 2
- Outlining what QIS 3 should cover
- Plans for the future from CEIOPS
- Outlining the roadmap for completion

Noël Guibert

International Director

ACAM

09:55 **Reviewing the ICA Principles: Guidance from the FSA**

- Summarising and interpreting the guidelines
- Why is the ICG often higher than the ICA?
- Evaluating best practice for submitting ICAs
- Discussing the development of industry benchmarks
- How the ICA links to Solvency II and lessons to be learnt from the UK experience
- What UK insurers will need to change for a move to Solvency II

Rob Curtis

Head of Insurance Technical Risk

Financial Services Authority

10:40 Morning Coffee

11:00 **A Practitioner's View on Regulatory Issues**

- Evaluating the ICA regime
- Discussing how to prepare for Solvency II
- Is increasing regulatory control a burden or benefit?

David Hare

Senior Actuarial Manager

Standard Life Assurance Company

11:45 **Panel Discussion**

The Implication of Regulatory Changes on Industry

- View from European regulators on the changes to practices still required
- View from industry on the opportunities and challenges presented by Solvency II and how to respond
- Debating the approach to diversification benefits and capital eligibility
- The pros and cons of standardised models
- Assessing the criteria for the acceptance of internal models

Noël Guibert

International Director

ACAM

Rob Curtis

Head of Insurance Technical Risk

Financial Services Authority

Yvonne Braun

Head of Financial Regulation

Association of British Insurers

Randle Williams

Group Investment Actuary

Legal and General Group

David Hare

Senior Actuarial Manager

Standard Life Assurance Company

12:45 Luncheon

14:00 **Linking IFRS to Capital Management**

- Outlining the results of the IASB's paper
- Assessing the impact of the standard on capital management
- Discussing how to reconcile solvency provisions with accounting provisions

Hitesh Patel

Partner

KPMG UK

THE ROLE OF EXTERNAL STAKEHOLDERS

14:45 **Rating Agency Methodologies**

- Development and impact of rating agency own models
- Discussing criteria used to assess internal methodologies
- Understanding the use of industry benchmarks
- Debating the credit given for sound risk management including diversification

Rob Jones

Managing Director

Standard & Poor's Financial Services Ratings

15:30 Afternoon Tea

15:50 **Panel Discussion**

Evaluating the Role of Rating Agencies Going Forward

- Debating the role played in influencing Solvency II
- Are the rating agencies views consistent with those of the regulators?
- Assessing whether the influence of rating agencies is in decline with the advance of tougher regulation
- Plans for the future including the benefits of disclosure for the market

Rob Jones

Managing Director

Standard & Poor's Financial Services Ratings

Simon Harris

Team Managing Director, Life Insurance, FIG

Moody's

Andrew Murray

Director, Insurance Department

Fitch Ratings

Ulrik Andersson

Head of Group Analysis

TrygVesta

Michael Moller

Senior Risk Consultant

Converium Ltd

16:45 **Understanding the Investor Perspective**

- How investors and shareholders assess effective capital management
- How Solvency II may change the economics of insurance
- How financial markets perceive economic capital models

Mikir Shah

European Insurance Analyst

Fox-Pitt, Kelton

17:30 Closing Remarks from the Chair

17:35 Close of Day One

Day 2

2nd March 2007

Booking Line

Tel: +44 (0) 20 3002 3315

Fax: +44 (0) 20 3002 3005

08:30 Re-Registration and Coffee

09:00 Opening Address from the Chair

David Hare

Senior Actuarial Manager

Standard Life Assurance Company

EFFECTIVE CAPITAL MODELLING

09:10 **Economic Capital vs Regulatory Capital**

- Considering the similarities and differences between different methodologies
- Debating whether regulatory capital is moving closer to economic capital
- Strategies for determining efficient capital structures

Terry Masters

Managing Director

AON Group Ltd

09:50 **Case Study**

Building a Valuable Capital Model Framework

- Understanding the modelling requirements
- Specific challenges in the operating environment
- Analysing the reliability of approaches
- Understanding the limitations of selected approach

Petri Viertiö

Chief Risk Officer

Sampo

10:30 Morning Coffee

10:50 **Breaking Down Risk Types**

- Analysing the quality of data for different risks
- Learning how to accurately identify the risks for improvements in mitigation approaches
- Problems with the quantification of operational risk
- Potential solutions for operational risk
- Understanding the importance of correlating risks

Henry Johnson

Actuary and Head, Market Risk and Reserving

Lloyd's

11:30 **Developments in Modelling Techniques**

- Outlining the future of capital modelling
- Discussing how to improve current methodologies
- Outlining the potential of multi year and integrated models
- Consistency with the views of financial markets and equity analysts

Samit Shah

Chief Actuary

Atrium Underwriting

Andrew Hitchcox

Chief Actuary

Kiln

12:10 **Case Study**

Perspective from a Small to Medium Sized Organisation

- Benchmarking to other organisations and facing peer pressure
- Does using tailor made models provide an advantage?
- Developing the knowledge and expertise required
- Evaluating the decision to outsource
- Using economic capital information for day to day running

Nylesh Shah

Group Actuary

Wellington Underwriting Plc

12:50 Luncheon

CAPITAL MANAGEMENT FROM A STRATEGIC PERSPECTIVE

14:00 **Case Study**

Capital Models and Risk Management

- Capital modelling at TrygVesta
- Understanding the benefits and shortcomings of model output
- Embedding the modelling in structured enterprise risk management
- Satisfying the Use Test

Ulrik Andersson

Head of Group Analysis

TrygVesta

14:40 **Group Structures and its Effect on Diversification**

- Group issues and diversification
- Capital mobility
- Solo and group solvency tests
- Swiss Solvency Test

Cosimo Turi

Group Regulatory Officer

Swiss Re

15:20 Afternoon Tea

15:40 **Case Study**

Embedding Capital Models from a Group Perspective

- The importance of exchanging information on capital between a business/operational level and top management
- Reconciling differing capital requirements and strategies
- Implementing schemes to ensure economic capital is used for decision making
- Learning to structure departments around economic capital information
- Conquering the challenges of complying with differing regulatory demands

Michael Moller

Senior Risk Consultant

Converium Ltd

16:20 **Cost Management: Monitoring Internal Capital Models**

- Understanding cost management for capital management
- Achieving value for money through efficient capital modelling
- Reducing cost and optimising profitability by using existing system investment for more than regulatory compliance
- Assessing how the use of economic capital adds value to the business

Andrew Gay

Deputy Managing Director

UIA Insurance Ltd

17:00 Closing Remarks from the Chair

17:05 Close of Conference

Capital Management in the Re/Insurance Industry

Priority Booking form

Please write in **BLOCK CAPITALS**

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Position: _____

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Fees

- Conference Fee (Including Documentation)** @ **£1795.52 + VAT**
 Online Documentation @ **£400.00 + no VAT**

Payment is required within 5 working days.

A 24% service charge has been added to all conference fees prior to the event and is inclusive of programme materials, luncheon and refreshments.

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Registration Details

CONFERENCE: CAPITAL MANAGEMENT IN THE RE/INSURANCE INDUSTRY

DATE(S): 1ST & 2ND MARCH 2007

VENUE: CENTRAL LONDON, UK
VENUE TO BE CONFIRMED 1 MONTH
PRIOR TO CONFERENCE DATE

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