

Sunday, June 15
5:30 – 7:00 p.m.

Session 1

Session Sponsors: Management & Personal Development, Actuary of the Future, Joint CAS/SOA Committee on Actuarial Diversity, International Association of Black Actuaries

Management & Personal Development and Actuary of the Future Section Reception – Building Diversity into the Workplace

Moderator: Michael M. Braunstein, ASA, MAAA
Presenters: Sufang Cui, FSA; John W. Robinson, FSA, MAAA

The Management & Personal Development Section, in conjunction with the Actuary of the Future Section, the Joint CAS/SOA Committee on Actuarial Diversity and the International Association of Black Actuaries, presents its third annual "learning" reception, "Building Diversity into the Workplace."

Few would argue the business and social value of a diverse workforce, i.e. the advantages of better cross-cultural understanding, the increased marketing opportunities, the recruiting advantages and more. However, where do you begin to create such an inclusive workforce or, if it already exists, what do you need to do to maintain it? This session addresses the value of diversity and inclusion in the workplace and offers methodologies to create and enhance such an environment. This session also offers the opportunity to get to know many of your actuarial colleagues who come from all different walks of life.

Attendees will:

- Identify the advantages that come with a diverse workforce
- Learn ways to create or enhance an inclusive environment
- Be made aware of potential problems that can be avoided
- Network with friends and colleagues
- Have fun

This reception is open to all meeting attendees. There is a nonrefundable fee of \$20 per person. If you are interested in attending, stop by the SOA registration desk before 5:00 p.m. on Sunday to check availability. Tickets will be collected.

Value Ladder: Employer/Client

Coordinator: Michael M. Braunstein, ASA, MAAA

Monday, June 16
7:00 – 8:15 a.m.

Session 3

Session Sponsors: Entrepreneurial Actuaries, Management & Personal Development, Actuary of the Future

Breakfast for Entrepreneurial Actuaries: A Mentor's Guide on How to Hit the Ground Running for New Entrepreneurs

Moderator: Michael M. Braunstein, ASA, MAAA

Presenters: Michael M. Braunstein, ASA, MAAA; John West Hadley*

Actuaries often ask "What will it take for me to be successful in running my own business?" This session answers that question by offering the early do's and don'ts of getting started in a new venture. A panel of successful actuarial entrepreneurs share their experiences on what has worked for them and what hasn't. They share their thoughts on their mentors, on the value of mentors in general, and on the attributes that one might seek in a mentor. The panel also suggests some traditional and nontraditional entrepreneurial roles that actuaries might want to consider for the future.

Attendees will:

- Recognize the do's and don'ts when starting up a business
- Learn what has proven successful and what has not
- Develop an understanding of mentor value
- Know what to look for in a mentor

This continental breakfast and session is open to all meeting attendees free of charge. If you are interested in attending, stop by the SOA registration desk before 7:00 p.m. on Sunday to check availability. Tickets will be collected.

Value Ladder: Process

Coordinator: Michael Lawrence Frank, ASA, MAAA, FCA

Monday, June 16
8:30 – 10:00 a.m.

Session 5

Opening General Session



SOA President Bruce Schobel welcomes actuaries at all stages of their careers to the 2008 Life Spring Meeting.

President
Bruce D. Schobel, FSA, MAAA, FCA



SOA Executive Director Greg Heidrich will give an operational overview of the Society of Actuaries.

Executive Director
Greg W. Heidrich



Keynote Speaker:
Jim Carroll
Futurist, Author, and Innovation Expert

When the Walt Disney Corporation went looking for an expert on the topic of innovation and creativity, they went to Jim Carroll!

Carroll is a strategic thinker and “thought leader” with deep insight into trends, the future, creativity, and innovation. For the last 15 years, he has provided high energy keynotes for audiences of up to 3,000 people, and intimate, detailed, customized strategic planning insight for CEO/board/senior management meetings. He was recently named by *BusinessWeek* as one of the four leading sources for insight on innovation and creativity, and was a featured expert on the primetime CNBC series *The Business of Innovation*, hosted by Maria Bartiromo.

His client base includes Nestle, Motorola, the American Society for Quality, Caterpillar, Verizon, the British Broadcasting Corporation, the Sport Good Manufacturers Association, Blue Cross Blue Shield, the Property and Casual Insurance Association of America, and the Swiss Innovation Forum, to name a few.

Monday, June 16
10:30 a.m. – Noon

Session 6

Session Sponsors: Financial Reporting, American Academy of Actuaries (AAA)

U.S. Movement to Principles-Based Capital

Moderator: Todd H. Erkis, FSA, MAAA

Presenters: Peter M. Boyko, FSA, FCIA, MAAA; Robert A. DiRico, ASA, MAAA; Todd H. Erkis, FSA, MAAA

In recent years there has been a movement towards a principles-based approach for determining statutory capital requirements in the United States. Experts will discuss the recent changes for RBC C-3 phase 1 and 2 for annuities as well as recent developments in the calculation of C3 capital for life and annuity products, including the C3 Phase 3 and C3 Phase 4 requirements for products whose reserves are calculated using principles-based methods. Attendees will also be provided with an update on recent changes to the AAA's economic generator, available for use in the calculation of reserves and capital. You will learn about best practices for the existing requirements for annuities. You will also learn what your company should be doing now in order to implement the proposals for life insurance. Considerations discussed will include specific requirements as well as modeling challenges.

Value Ladder: Process

Coordinator: Susan T. Deakins, FSA, MAAA; Peter M. Boyko, FSA, FCIA, MAAA

Monday, June 16
10:30 a.m. – Noon

Session 7 - CANCELED

Session Sponsor: Investment

Accounting and Regulatory Perspectives on Investments for Life Insurers and Pension Plans

This session will explore the regulatory, accounting and tax frameworks that pertain to investments for life insurers and pension plans.

Attendees will benefit from:

- Learning how ERISA 404(c) applies to pension plan fiduciaries
- Gaining a better understanding of prohibited transactions for pension plans
- Exploring how one balances the often conflicting accounting and regulatory perspectives when performing strategic asset allocation studies for pension plans
- Examining how these various perspectives fit into an insurance company's financial risk management or ERM frameworks
- Understanding how the regulatory, accounting and tax perspectives complement or conflict with an Economic Capital perspective

Speakers will include at least one recognized expert in both the pension and life insurance fields.

Value Ladder: Process

Coordinator: Andrew H. Dalton, FSA, MAAA

Monday, June 16
10:30 a.m. – Noon

Session 8

Session Sponsor: Joint Risk Management

Emerging Risk – Will You Be Ready?

Moderator: John O. Nigh, FSA, MAAA

Presenters: Charles-Antoine Laplante, FSA, MAAA; Maria Lomelo*; John O. Nigh, FSA, MAAA

You've heard the old saying that "You can't manage what you can't measure." Well, you certainly can't manage things you haven't even thought about. The changing business landscape will present a potential for new risks that may not be part of our client's or companies' ERM frameworks.

In this session, attendees will:

- Hear about and discuss potential risks that may not currently be contemplated
- Learn about processes to build emerging risk assessment into their ERM framework
- Be exposed to methods and measures used to evaluate emerging risk

Value Ladder: Market

Coordinator: David T. (Todd) Henderson, FSA, MAAA, CERA

Monday, June 16
10:30 a.m. – Noon

Session 9

Session Sponsor: Product Development

Embedded Options in Life Insurance and Annuity Products: Stochastic Pricing Best Practices

Moderator: Susan J. Sell, FSA, MAAA

Presenters: Timothy E. Hill, FSA, MAAA; Cheryl Ann Reese, FSA, MAAA

As the number of embedded options in life insurance and annuity products has grown, stochastic pricing methods and practices have become increasingly important and efficient stochastic analysis is imperative. When is stochastic analysis appropriate and how do companies determine stochastic parameters? How does the nature of the embedded option impact the nature of the stochastic analysis required? Do your stochastic pricing methods and practices measure up to best practices in the industry?

In this session researchers will present findings of recent research sponsored by the Product Development Section regarding Stochastic Pricing for Embedded Options in Life Insurance and Annuity Products. Panelists will relate such finding to practical applications of stochastic pricing methods and practices in the industry.

Attendees will gain a better understanding of efficient stochastic pricing analysis, as well as practical solutions for implementing such analysis.

Value Ladder: Task/Technical

Coordinator: Susan J. Sell, FSA, MAAA

Monday, June 16
10:30 a.m. – Noon

Session 10

Session Sponsor: Reinsurance

Captive Reinsurers – Their Uses, Setting Them Up and Managing Them

Moderator: Patrick Stafford, FSA

Presenters: Roberto Baron, FSA, MAAA; Michael Molony*; William White*

Captive reinsurance companies have many uses and can play many different roles, including capital management, insurance securitization, managing mortgage and credit insurance and self-insuring company benefits. When setting up a captive, whether onshore or offshore, there are many different tax and regulatory capital issues to consider. A captive reinsurance company in the appropriate jurisdiction can provide actuaries with valuable tools to help position their companies strategically in today's market. The presenters will discuss the roles captive reinsurers can play, tax and capital issues to consider, the captive application process and managing a captive once it is established.

Actuaries attending this session will gain a better understanding of the benefits and considerations in setting up and maintaining a captive.

Value Ladder: Industry

Coordinator: Patrick Stafford, FSA

Monday, June 16
10:30 a.m. – Noon

Session 11

Session Sponsor: Technology

Actuarial Systems Roundtable

Moderator: Van Beach, FSA, MAAA

The objective of this session is to allow participants to share their experience(s) with the various actuarial systems they use and learn from other participants.

The following are suggested topics for discussion at the Actuarial Systems Roundtable.

- How do you plan to ramp up for principles-based reserving?
- Experience analysis capabilities
- Computing and understanding earnings by source
- Reserving and analysis of reserves
- ALM software issues
- Stochastic pricing issues

Value Ladder: Process, Employer/Client

Coordinator: Robert J. LaLonde, FSA

Monday, June 16
10:30 a.m. – Noon

Session 12

Session Sponsor: Entrepreneurial Actuaries

Relationship Mastery: Secrets to Becoming More Influential - Part I

Presenter: David C. Miller*

The single biggest factor in determining your professional success is mastery of your people skills. Consultants who possess these skills typically sell more engagements, achieve a higher level of client satisfaction, bring in more revenue and earn more income.

Professionals working for employers typically earn more income, make a greater impact on their organization, and have a higher level of job satisfaction and career advancement.

To be an influential force in your organization, you need be able to:

- Build immediate rapport with prospects, clients, and co-workers,
- Communicate your message clearly and effectively,
- Convince, influence, lead and guide clients,
- Work or cooperate effectively with people who are different from you.

Successful professionals understand themselves and how their behavior affects others. They understand their reactions to other people. They know how to maximize what they do well and how to adapt their behavior as the situation demands.

In Part I of this two-part fast-paced interactive session, you'll:

- Discover the four primary behavioral styles that have been identified for over 2,600 years, (yet no one told us about them),
- Get a sense of your own style of relating,
- Understand the motivations, goals and fears of each style
- Begin learning how to determine the styles of others (through the use of entertaining video vignettes),
- Appreciate the diversity of personal styles of relating

This session is for you if you are any of the following:

- 1) a consultant who desires to be more effective with clients and prospects in a way that will increase your revenue
- 2) an executive who aspires to increase your level of influence and leadership ability
- 3) a professional that desires to increase your level of emotional intelligence and ability to sell your ideas and impact your organization.

Value Ladder: Process

Coordinator: Michael Lawrence Frank, ASA, MAAA, FCA

Follow up: 27

Monday, June 16
10:30 a.m. – Noon

Session 13

Session Sponsors: Product Development, Futurism, IAA Life Section

Mortality Improvement – Will It Continue in the Future or Will Trends Reverse?

Moderator: Allen M. Klein, FSA, MAAA

Presenters: Shu Na Chen, ASA; Allen M. Klein, FSA, MAAA

It has been documented that mortality rates for life insurance and annuity business have been improving at a steady pace for the last 10 to 15 years. Will this trend continue or will mortality rates worsen? Experts disagree. What does the future hold? You will get to participate in formulating the answer.

In this workshop, participants will get the opportunity to learn new techniques for predicting future mortality that can be taken back to the office to be refined and used. Additionally, experts will describe and demonstrate the latest in advanced modeling techniques for understanding mortality trends and potential drivers of mortality changes in the future. Note that the first portion of this session will be interactive.

Value Ladder: Process

Coordinator: Michael L. Kaster, FSA, MAAA

Monday, June 16
10:30 a.m. – Noon

Session 14

Session Sponsors: International, IAA Life Section

Key Issues Arising from Solvency II

Moderator: Marc Slutzky, FSA, MAAA

Presenters: Mark Chaplin, FIA; Matthew P. Clark, FSA, MAAA; Henk van Broekhoven, AAG

After more than 30 years of operating under simplistic, volume-based capital requirements and asset-allocation limits, Europe is changing its reserving and capital requirements to greatly reduce the widening gap between regulatory capital and economic capital. The new three pillar system will significantly alter the methodology for determining capital requirements in EU countries.

The European Commission adopted a new framework for Solvency II requirements in July of 2007 with implementation now expected in 2012. This session covers the three-pillar approach derived from the Basel model—with Pillar One as the calculation of technical reserves and capital requirements, Pillar Two as supervisory review and Pillar Three as public and supervisory disclosures. Attendees will learn about the key issues surrounding its methodologies and introduction which will bring a risk-based approach to insurer capital requirements. In addition, our panelists will discuss practical aspects of implementation and the implications to companies preparing for it.

Attendees will better understand how Solvency II might impact their companies, as well as gain insights into international practices in the assessment of capital adequacy.

Value Ladder: Global

Coordinator: Marc Slutzky, FSA, MAAA

Monday, June 16
12:15 – 1:45 p.m.

Session 16

General Luncheon



Keynote Speaker:
Greg Schwem
Corporate Comedian and Emcee

Let's face it...business can be funny. Technology used in business can be downright hilarious. Nobody knows this better than Greg Schwem. He presents "Comedy with a Byte," his wholesome brand of stand-up comedy and humorous motivational speaking at business functions coast to coast.

By the end of Schwem's show, you'll see how "efficient" tools are actually rendering us inefficient. More importantly, your employees will leave feeling motivated and willing to chuckle when technology rears its ugly head in the workplace!

The luncheon is included in your registration fee. If you would like to register your guest for the luncheon, stop by the SOA registration desk before 7:00 p.m. on Sunday to check availability. The fee is \$50 per person. Refunds will not be given.

Monday, June 16
2:00 – 3:30 p.m.

Session 18

Session Sponsors: Actuary of the Future, Investment

Stock Option Valuation: Actuaries Needed

Moderator: Joanna Kam-leng Chu, FSA, MAAA

Presenters: Frank B. Gallagher, FSA, EA, MAAA, FCA, Ph.D.; Michael Joseph Petruskas, FSA

Employee stock options have been receiving a great deal of attention in the U.S. financial press. Despite keen competition from other finance professionals, a small but growing number of actuaries are successfully leveraging their actuarial skills to claim a stake in this rapidly evolving area. Speakers will share their experiences with the audience and further emphasize on the following items:

- How do actuaries fit in?
- Where do actuaries add the most value in the process?
- What preparation do actuaries need to work in this area?
- What is the biggest challenge for actuaries entering this field?

As a result of attending this session, attendees are able to identify and develop the skills needed to fit in this new role. If you are interested in learning more about this growing opportunity, this is the session you can't miss.

Value Ladder: Industry

Coordinator: Joanna Kam-leng Chu, FSA, MAAA

Monday, June 16
2:00 – 3:30 p.m.

Session 19

Session Sponsors: Education & Research, Joint Risk Management, IAA Life Section

Estimating Mortality Risk Using Predictive Modeling

Moderator: Steven Lane Craighead, ASA, MAAA, MS

Presenters: Philip Adams*; Steven Lane Craighead, ASA, MAAA, MS

For a life reinsurer, understanding mortality risk is mission critical. Superior models of mortality risk lead to more competitive pricing in profitable market segments and more efficient use of capital. Surprisingly, modern statistical tools such as predictive modeling have not previously been used to model mortality data to gain this edge. In this paper, we present the use of a predictive modeling technique called projection pursuit regression (PPR) to model mortality data. We first describe the process of creating a PPR model using intercompany mortality data collected by the Individual Life Experience Committee of the Society of Actuaries, and present the resulting model. We then discuss the process of using this model as a starting point for creating a more detailed PPR model of internal company mortality data.

As a result of attending this session, attendees can identify the primary components contributing to differences in life insurance mortality. Also, the attendees will be able to understand the use of projection pursuit regression.

Value Ladder: Task/Technical

Coordinator: Charles S. Fuhrer, FSA, MAAA

Monday, June 16
2:00 – 3:30 p.m.

Session 20

Session Sponsor: Financial Reporting

Credibility and Assumption-setting for Principles-Based Valuations

Moderator: Arnold A. Dicke, FSA, MAAA, EA, FCA

Presenters: Arnold A. Dicke, FSA, MAAA, EA, FCA; Stuart Klugman, FSA

There are many technical challenges to implementing a life principles-based approach. This session provides two mini-teaching sessions to help actuaries address important technical challenges: applications of credibility theory and setting the mortality assumptions. Attendees will gain understanding and comfort with some of the techniques of credibility theory and learn when and how they can be applied in the principles-based approach. They will gain understanding of the complex process of setting the mortality assumptions under principles-based reserves. They will also learn where to find additional information. No prior experience is necessary.

Value Ladder: Task/Technical

Coordinator: Jerry F. Enoch, FSA, MAAA

Monday, June 16
2:00 – 3:30 p.m.

Session 21

Session Sponsor: Investment

An Actuarial Perspective on Structured Investment Products

Moderator: Allan Mark Levin, FSA, FIA, MAAA

Presenters: Jose D. Siberon, FSA; Kamilla Svajgl, FSA, MAAA

Structured investment products have widespread applications in insurance and financial services, ranging from alternative investments to traditional fixed income products to tailored products that meet a specific need, hedge a unique liability or cash flow match a non-traded liability. These are all applications that lie within the core competencies of actuaries, yet many actuaries have not fully explored the possibilities within the structured investment product area.

Attendees of this session will benefit by:

- Having a general introduction to structured investment products
- Learning about the various applications of the products
- Gaining a better sense for the potential consumers of structured investment products
- Exploring how traditional actuarial techniques can be applied to this market and what opportunities exist for actuaries in this space

Value Ladder: Process

Coordinator: Allan Mark Levin, FSA, FIA, MAAA

Monday, June 16
2:00 – 3:30 p.m.

Session 22

Session Sponsor: Joint Risk Management

Correlation of Risk Exposures

Moderator:

Presenters: George E. Christopher, FSA, MAAA; Matthew P. Clark, FSA, MAAA; B. John Manistre, FSA, FCIA, MAAA

In an ever-connected world, events are rarely independent. Political events can sway financial markets. Financial stress can expose operational deficiencies. Understanding the correlation among individual risk exposures and incorporating correlation into risk models is essential to managing enterprise risk.

In this session, attendees will:

- Hear about the relative correlations among major categories of risk
- Learn how to incorporate a correlation matrix into risk models
- Be exposed to the intricacies of building and populating a correlation matrix

Value Ladder: Employer/Client

Coordinator: David T. (Todd) Henderson, FSA, MAAA, CERA

Monday, June 16
2:00 – 3:30 p.m.

Session 23

Session Sponsor: Product Development

Predicting Annuity Policyholder Behavior – Are We Out of the Dark Yet?

Moderator: Christine E. Dugan, FSA, MAAA

Presenters: Kendrick D. Lombardo, FSA, MAAA; Deep M. Patel, FSA, MAAA; Stephen Ryan Turer, FSA, MAAA

Experience is slowly emerging on the utilization of the myriad of options embedded in annuity contracts. Given the lack of credible data regarding the utilization of these options (including GMIBs and GLWBs on variable annuities and indexed annuities), how do we know we're appropriately reflecting such behavior in product pricing? Also, given the importance of capital and proposed reserving structures going forward, what are our expectations of rational/efficient policyholder behavior and/or producer behavior?

This session will address best practices in incorporating policyholder behavior assumptions in the pricing of fixed and variable annuities.

Attendees will gain:

- Exposure to what available experience data tells us regarding behavior on these products
- An understanding of the various approaches currently used to model annuity policyholder behavior
- Knowledge of the challenges of setting dynamic assumptions

At the end of the session, you'll be more familiar with the complexities involved in modeling policyholder behavior, and with current approaches used.

Value Ladder: Market

Coordinator: Christine E. Dugan, FSA, MAAA

Monday, June 16
2:00 – 3:30 p.m.

Session 24

Session Sponsor: Reinsurance

International Financial Reporting Standards for Reinsurance

Moderator: Michael J. Lockerman, FSA, MAAA

Presenters: Sufang Cui, FSA; Michael J. Lockerman, FSA, MAAA; Darin G. Zimmerman, FSA, MAAA

Work continues on International Financial Reporting Standards for the insurance and reinsurance industry currently scheduled for completion in 2010 with an exposure draft expected to be released by the end of 2008. Through their contribution to this effort and a better understanding of how this will affect the industry, actuaries are provided with a unique opportunity. This session will focus on the impact and issues surrounding IFRS as it applies to reinsurance.

By attending this session actuaries will obtain a better understanding of where the reinsurance industry is headed with regards to IFRS and be exposed to developing issues surrounding these standards.

Value Ladder: Process

Coordinator: Patrick Stafford, FSA

Monday, June 16
2:00 – 3:30 p.m.

Session 25

Session Sponsors: International, IAA Life Section

Takaful Insurance

Moderator: Marie-Luc Robert, ASA

Presenters: Zainal Kassim, FIA; Richard Letarte, FSA, FCIA; Marie-Luc Robert, ASA

Takaful is a form of insurance based on Islamic law. Numerous countries have enacted legislation for Takaful insurance in the last few years. With an estimated 1.5 billion Muslims worldwide, the potential market for Takaful insurance is huge. The market for all forms of Islamic finance (including Takaful) is currently estimated at US\$500 billion.

You will come away from this session with a better understanding of how the traditional principles of Islam meld with the modern insurance industry to develop Takaful insurance, including the role the actuary plays in this development.

Value Ladder: Market

Coordinator: Carl I. Hansen, FSA, MAAA, EA, FCA

Monday, June 16
2:00 – 3:30 p.m.

Session 26

Session Sponsors: Financial Reporting, IAA Life Section

Economic Capital: How to Do It and How to Use It

Moderator: Marc Slutzky, FSA, MAAA

Presenters: Mark Chaplin, FIA; Patricia E. Matson, FSA, MAAA; Marc Slutzky, FSA, MAAA

Odds are good that if your company is not already performing economic capital analysis, it soon will be. Insurers are increasingly using economic capital to measure and manage risk, manage capital allocations, report risk-adjusted embedded value or return on risk adjusted capital, and work with rating agencies. In some countries, economic capital models are even directly or indirectly impacting the amount of regulatory required capital. In this session, our panel will discuss how economic capital is used by insurers today, as well as discussing what rating agencies look for when they review economic capital models. In addition, they will discuss the process of identifying and quantifying the risks that should be reflected in economic capital models, with particular focus on strategic and operational risks or other risks that are not typically captured by actuarial models.

Value Ladder: Process

Coordinator: Craig W. Reynolds, FSA, MAAA

Monday, June 16
2:00 – 3:30 p.m.

Session 27

Session Sponsor: Entrepreneurial Actuaries

Relationship Mastery: Secrets to Becoming More Influential - Part II

Presenter: David C. Miller*

The single biggest factor in determining your professional success is mastery of your people skills. Consultants who possess these skills typically sell more engagements, achieve a higher level of client satisfaction, bring in more revenue and earn more income.

Professionals working for employers typically earn more income, make a greater impact on their organization and have a higher level of job satisfaction and career advancement.

To be an influential force in your organization, you need be able to build immediate rapport with prospects, clients and co-workers; communicate your message clearly and effectively; convince, influence, lead and guide clients and work or cooperate effectively with people who are different from you.

Successful professionals understand themselves and how their behavior affects others. They understand their reactions to other people. They know how to maximize what they do well and how to adapt their behavior as the situation demands.

In Part II of this two-part fast-paced interactive session, you'll:

- Understand the basic principles of people reading
- Learn how to master identifying the styles of other people based on their behavioral cues
- Be able to recognize elements of ineffective or unproductive communication
- Discover how to be more influential with people whose styles are different from your own (through the use of entertaining video vignettes).

This session is for you if you are:

- 1) a consultant who desires to be more effective with clients and prospects in a way that will increase your revenue, or
- 2) an executive who aspires to increase your level of influence and leadership ability, or
- 3) a professional that desires to increase your level of emotional intelligence and ability to sell your ideas and impact your organization.

Value Ladder: Process

Coordinator: Michael Lawrence Frank, ASA, MAAA, FCA

Follow up to: 12

Monday, June 16
4:00 – 5:30 p.m.

Session 29

Session Sponsor: Society of Actuaries Board of Directors

Help Shape the Future! A Town Hall Meeting on the SOA's Draft 2008 Strategic Plan

Moderator: Van Beach, FSA, MAAA

Presenters: Van Beach, FSA, MAAA; Kara L. Clark, FSA, MAAA; Christopher J. Fievoli, FSA, FCIA

The SOA's 2004-2007 strategic plan has now run its course and your Board of Directors has embarked on crafting the 2008 strategic plan - the framework that will set the course for the association over the next several years. By the time of the Spring meetings, considerable input will have been gathered and issues discussed and prioritized, resulting in a draft strategic plan available for member exposure and comment.

Plan to be a part of this important "town hall" meeting where we share the draft strategic plan and you have the opportunity to provide your feedback on it. Let your voice be heard and help shape the future of your professional association!

Coordinator: Kara L. Clark, FSA, MAAA

Monday, June 16
5:00 – 7:30 p.m.

Session 31

Session Sponsor: Product Development

Product Development Section Reception at The Quebec Aquarium

Located only 10 minutes by bus from the Quebec City Convention Centre and just beside the world renowned Quebec Bridge, overlooking the St-Laurence River, The Quebec Aquarium is a fantastic venue. The evening begins with a "jaw dropping moment" as you enter through the tunnel under the Aquarium's great ocean. As you enter the tunnel, a voice welcomes you to the Aquarium and to that special reception for the *Product Development Section*. That voice will be the one of the aquarium's professional scuba divers who will be in the ocean tank.

As they exit the tunnel, they will enter the main multi-level hall of the Aquarium, where you'll enjoy the reception and networking with your peers. From this room, you'll enjoy full access to tour the aquarium at your leisure. You'll be given a tremendous view from the glass wall at the end of the room is actually totally made of glass and providing an impressive view of the Quebec Bridge.

Buses will shuttle between the Quebec Hilton Hotel and the Aquarium beginning at 5:00 p.m. until 8:00 p.m. Transportation to and from the aquarium is included.

This reception is open to Product Development Section Members only and their guests. There will be a non-refundable charge of \$10 per person. If you are interested in attending, stop by the SOA registration desk before 7:00 p.m. on Sunday to check availability. Tickets will be collected.

Tuesday, June 17

7:00 – 8:15 a.m.

Session 33

Session Sponsor: Management & Personal Development

Management & Personal Development Section Continental Breakfast: Review of Recent Executive Books

Chairperson: Faisal Siddiqi, FSA, FCIA

Presenters: Mary Pat Campbell, FSA, MAAA; Faisal Siddiqi, FSA, FCIA

It's the dilemma of the age: information overload. With all of your professional reading burdens, you probably find it impossible to keep up with the new business books on management and personal development.

To help you develop and/or narrow your "must read" list, we will provide a brief synopsis and review of some of the recent executive books.

This session is open to all meeting attendees free of charge. If you are interested in attending, stop by the SOA registration desk before 5:00 p.m. on Monday to check availability. Tickets will be collected.

Coordinator: Michael M. Braunstein, ASA, MAAA

Tuesday, June 17

7:00 – 8:15 a.m.

Session 34

Session Sponsor: Taxation

Taxation Section Hot Breakfast

Chairperson: Christian J. DesRochers, FSA, MAAA

Presenters: John T. Adney, JD*; Philip Friedlan*

This session is designed to be a great networking and learning opportunity. The Tax Section is sponsoring a hot breakfast that will feature several short presentations on current tax topics followed by time to discuss these issues (or others) with the experts and network with fellow tax practitioners.

This session is open to all meeting attendees. There will be a nonrefundable charge of \$15 for Taxation Section members and \$25 for all others. If you are interested in attending, stop by the SOA registration desk before 5:00 p.m. on Monday to check availability. Tickets will be collected.

Coordinator: Steven C. Chamberlin, FSA, MAAA

Tuesday, June 17
7:00 – 8:15 a.m.

Session 35

Session Sponsor: Education & Research

Education & Research Section Continental Breakfast: Review of Section Activities

Chairperson: Steven Lane Craighead, ASA, MAAA, MS

Join us as we discuss current interest issues of the Education & Research Section Council and enjoy this networking opportunity.

This breakfast is open to all meeting attendees. If you are interested in attending, stop by the SOA registration desk before 5:00 p.m. on Monday to check availability. Tickets will be collected.

Coordinator: Charles S. Fuhrer, FSA, MAAA

Tuesday, June 17
7:00 – 8:15 a.m.

Session 36

Session Sponsor: Reinsurance

Reinsurance Section Continental Breakfast

Chairperson: Gaetano Geretto, FSA, FCIA
Presenter: A. David Pelletier, FSA, FCIA

Join members of the Reinsurance Section as we network over breakfast, and hear about lessons learned from the Canadian experience with principles-based reserving (PBR). If a PBR train is heading to the United States, it must have come from Canada, since PBR has been a way of life for our northern neighbors for a number of years. What can we learn from their experience? How has the reinsurance community been affected? What were the challenges, how were they met, and what have been the benefits of implementing PBR?

This breakfast is open to all meeting attendees free of charge. If you are interested in attending, stop by the SOA registration desk before 5:00 p.m. on Monday to check availability. Tickets will be collected.

Coordinator: Timothy J. Ruark, FSA, MAAA

Tuesday, June 17
7:00 – 8:15 a.m.

Session 37

Session Sponsor: IAA Life Section

IAA Life Section Hot Breakfast

Chairperson: Kurt Wolfsdorf

Join us to conduct IAA Life Section business and enjoy this networking opportunity.

This breakfast is open to IAA Life Section members only and is free of charge. If you are interested in attending, stop by the SOA registration desk before 5:00 p.m. on Monday to check availability. Tickets will be collected.

Coordinators: Kurt Wolfsdorf, Stuart F Wason FSA, FCIA, MAAA, HONFIA

Tuesday, June 17
8:30 – 10:00 a.m.

Session 39

Session Sponsors: Actuary of the Future, Management & Personal Development

Skills Needed to Climb the Corporate Ladder

Moderator: Mark M. Yu, FSA, MAAA

Presenters: Barclay Burns*; Anthony Galimoto*; Sim Segal, FSA, MAAA, CERA

This session targets early-career actuaries who aspire to move up the corporate ladder. Whether you are currently pursuing your fellowship or have been an FSA for a number of years, there are certain skills beyond technical excellence that are crucial to your career advancement.

Actuarial competence, education, designations, commitment, personality, relationships, leadership, communication, etc. are all key components of a successful career. However, are any more important than others?

In this session, panelists share their perspectives of the must-have skills for actuaries to advance their careers and offer specific suggestions on how to develop these skills. In addition, panelists share their views on the role of the actuary as members of senior management teams.

Value Ladder: Employer/Client

Coordinator: Mark M. Yu, FSA, MAAA

Tuesday, June 17
8:30 – 10:00 a.m.

Session 40

Session Sponsor: Financial Reporting

GAAP Update / FAS 157

Moderator: Patricia E. Matson, FSA, MAAA

Presenters: Eric L. Clapprood, FSA; Matthew P. Clark, FSA, MAAA; Patricia E. Matson, FSA, MAAA

Learn all about emerging U.S. GAAP issues, specifically FAS 157 in this open forum in which experts will focus on implementation issues encountered by affected companies. Experts will discuss:

- FAS 157
- Emerging guidance on other GAAP issues, including IFRS

You will gain an understanding of the new accounting standards and guidance and learn how life insurance companies are interpreting and applying these standards.

Value Ladder: Process

Coordinator: Rod L. Bubke, FSA, MAAA

Follow up: 55

Tuesday, June 17
8:30 – 10:00 a.m.

Session 41

Session Sponsors: Investment, Financial Reporting, Joint Risk Management

Introduction to Modeling Efficiency and Scenario Reduction Techniques – Part 1

Moderator: Anthony Dardis, FSA, FIA, MAAA

Presenters: Chin-Mei Yvonne Chueh, ASA, MAAA; Anthony Dardis, FSA, FIA, MAAA; Trevor C. Howes, FSA, FCIA, MAAA

This four-part seminar will examine tools and techniques to help ease the burden of the increasingly onerous processing demands being made of actuarial models. The seminar will be of interest to both life and pensions actuaries and will discuss modeling techniques in the following contexts:

- PBA for life statutory reserves and capital
- Economic capital
- Asset allocation/ALM studies

Part one will provide an overview and introduction and begin with covering Scenario Design. Attendees will learn about scenario design techniques and which techniques genuinely hold promise for our practical actuarial requirements today.

Value Ladder: Process

Coordinator: Anthony Dardis, FSA, FIA, MAAA

Follow up: 51, 62, 72

Tuesday, June 17
8:30 – 10:00 a.m.

Session 42

Session Sponsor: Joint Risk Management

Building and Maintaining Effective Risk Dashboards

Moderator: Karen J. DeToro, FSA, MAAA

Presenters: Karen J. DeToro, FSA, MAAA; Michel Rochette, FSA

Risk dashboards can be an effective way for companies to measure and manage their risk exposures. Ideally, dashboards allow management to identify potential problem areas before an adverse event is realized.

In this session, attendees will:

- Hear about the measures or “indicators” that companies are incorporating into their risk dashboards
- Be exposed to best practice presentation formats
- Understand the challenges companies have faced in building and maintaining risk dashboards

Value Ladder: Employer/Client

Coordinator: David T. (Todd) Henderson, FSA, MAAA, CERA

Tuesday, June 17
8:30 – 10:00 a.m.

Session 43

Session Sponsor: Product Development

Cracking the Code: Insurer Solutions to Baby Boomer Retirement Income Needs

Moderator: Brian T. Woolfolk, FSA, MAAA

Presenters: John M. Fenton, FSA, MAAA; Francois Gadenne, CFA*; Jeyaraj Vadiveloo, FSA, MAAA

Everyone is scrambling to find the panacea that will satisfy the incredible demand for reliable retirement income created as baby boomers begin to retire. Insurance carriers look to refresh traditional SPIA products, create new deferred immediate annuities, longevity insurance, and guaranteed lifetime income options on annuity chassis. At the same time, investment houses are developing their own insured and non-insured income solutions. Which of these products will ultimately command the market? Is there a "better" chassis for lifetime withdrawal benefits? Will SPIAs be a solution? Or will the insurance industry lose out to the investment banks?

This session will feature presentations from industry experts discussing current solutions, where product development is headed in this space, and how consumers are responding (or not) to the myriad of choices. The pros and cons of various solutions will be discussed - which will aid you in making the right choice of product offering for your firm and customers.

Attendees will be able to:

- discuss the different retirement income solutions available
- describe the pros and cons of the solutions presented
- recommend the product solutions that best fit their organizations capabilities

Value Ladder: Market

Coordinator: John David Currier, FSA, MAAA

Tuesday, June 17
8:30 – 10:00 a.m.

Session 44

Session Sponsor: Product Development

What's New with Underwriting?

Moderator: Calvin Y. K. Yeung, FSA, MAAA

Presenters: James Jacobson, MD*; Bob Nommensen, MBA*

When pricing traditional life insurance, there is no way to ignore the impact of mortality. How a policy is underwritten obviously has a big impact on said mortality. Therefore, it is important for us to know about new underwriting techniques and tools that may have an impact on pricing mortality

This session will attempt to enlighten attendees on some of the emerging trends including techniques for underwriting older ages and for bridging the gap between guarantee issue and full underwriting.

Attendees will learn:

- new ways to test their parent's level of alertness and fitness
- what information about them is out there and readily accessible to underwriters

Value Ladder: Market

Coordinator: Catherine J. Bierschbach, FSA, MAAA

Tuesday, June 17
8:30 – 10:00 a.m.

Session 45

Session Sponsor: Reinsurance

Stochastic Mortality – A Look at Risk Management, Required Capital and Reinsurance

Moderator: J.J. Lane Carroll, FSA, MAAA

Presenters: Daniel Mayost, FSA; Chad R. Runchey, FSA, MAAA

Stochastic mortality and lapse analysis has emerged as a valuable tool in measuring exposure and uncertainty around mortality risk. Properly understanding the tail risk and mortality volatility can help companies determine reinsurance needs, economic capital levels and effectively manage mortality risk. This type of measurement is being looked at as the basis for a principles-based approach to risk-based capital in Canada, is currently applied by rating agencies in life insurance securitizations and in internal economic capital models. Industry experts will provide insights into the uses, methodology and relevance of this tool available to actuaries.

Attendees will achieve a better understanding of why stochastic mortality and lapse analysis can help drive decision making internally and better manage these risks.

Value Ladder: Process

Coordinator: Patrick Stafford, FSA

Tuesday, June 17
8:30 – 10:00 a.m.

Session 46

Session Sponsor: Smaller Insurance Company

Hot Topics in Smaller Insurance Companies

Facilitators: Michael Joe Brown, FSA, MAAA; Keith A. Dall, FSA, MAAA; Paul R. Retzlaff, FSA, MAAA

Actuaries in smaller insurance companies, or companies with smaller actuarial staffs, are finding it more difficult to keep up with current developments. Attendees will have the opportunity to learn about current topics, to contribute to the discussion and to network with actuaries in similar positions.

The session will consist of four or more groups at different tables discussing one of the following topics. Attendees will have the opportunity to change tables midway through the session.

- Principles-based approach to reserves and RBC
- Survival of smaller life insurance companies
- Enterprise risk management in the smaller company environment
- Implementation of 2001 CSO
- Pricing in a PBA environment
- Stochastic modeling

Other topics, such as product issues, management issues and professionalism, new qualification standards, reinsurance issues, and simplified issue/guaranteed issue/pre-need underwriting and products may be discussed depending on the interests of the attendees.

Value Ladder: Employer/Client

Coordinator: Terry M. Long, FSA, MAAA

Tuesday, June 17
8:30 – 10:00 a.m.

Session 47

Session Sponsor: Long-Term Care

The Future of LTC: Part 1 – Actuarial Issues

Moderator: James C. Berger, FSA, MAAA

Presenters: James C. Berger, FSA, MAAA; Peggy L. Hauser, FSA, MAAA

In this session, the speakers will cover current and potential future LTC-related developments with respect to the following topics:

- The future of LTC pricing:
 - morbidity trends (including results from the InterCompany Study and how they compare to past results);
 - underwriting/risk assessment (including wellness benefits and disease management); and,
 - post-issue rate adjustments.
- The future of LTC reporting and valuation:
 - principles-based reserving update and
 - adapting to the changing environment.

As a result of attending this session, you will gain a better understanding of the future direction of LTC pricing and financial reporting.

Value Ladder: Industry

Coordinators: Ronald L. (Jake) Lucas, FSA, MAAA, Karl G. Volkmar, FSA, MAAA, FCA

Follow up: 56

Tuesday, June 17
8:30 – 10:00 a.m.

Session 48

Session Sponsor: IAA Life Section

IFRS 4 Phase II Valuation of Insurance Obligations – Current Estimates

Moderator: David J. Congram, ASA, FIA, FCIA

Presenters: David J. Congram, ASA, FIA, FCIA; Sam Gutterman, FSA, MAAA, FCAS, FCA, HONFIA

During this session the audience will be introduced to the major assumptions in a life insurer valuation and their method of selection in a post International Financial Reporting Standards (IFRS) world. This session will assist the audience in understanding the nature of changes to their valuation processes.

Value Ladder: Process

Coordinator: Stuart F. Wason, FSA, FCIA, MAAA, HONFIA

Tuesday, June 17
10:30 a.m. – Noon

Session 50

Session Sponsor: Education & Research

Equity Indexed Annuities – Pricing and Hedging

Moderator: Claire Bilodeau, ASA, PhD

Presenters: Patrice Gaillardetz, PhD*; Sebastian Jaimungal, PhD*

Equity Indexed Annuities represent a significant share of the fixed annuity market with sales in excess of \$25 billion in 2006. Companies must price these products adequately and consider sound risk management addressing the various risks of these products.

Attendees will gain an understanding of the methods and techniques for pricing equity indexed annuity products and potential hedging strategies that can be used to manage the risk of those products.

Value Ladder: Process

Coordinator: Gary Parker, ASA

Tuesday, June 17
10:30 a.m. – Noon

Session 51

Session Sponsors: Investment, Financial Reporting, Joint Risk Management

Introduction to Modeling Efficiency and Scenario Reduction Techniques – Part 2

Moderator: Anthony Dardis, FSA, FIA, MAAA

Presenters: Steven Lane Craighead, ASA, MAAA, MS; David Maloof*; B. John Manistre, FSA, FCIA, MAAA

This four-part seminar will examine tools and techniques to help ease the burden of the increasingly onerous processing demands being made of actuarial models. The seminar will be of interest to both life and pensions actuaries and will discuss modeling techniques in the following contexts:

- PBA for life statutory reserves and capital
- Economic capital
- Asset allocation/ALM studies

Part two of this seminar covers model design. A model can be designed to reduce calculations and/or time to perform the calculations. Some techniques include the use of a replicating asset portfolio to represent a liability profile or using a closed form solution instead of Monte Carlo simulation. This session examines some of the possibilities.

Value Ladder: Process

Coordinator: Anthony Dardis, FSA, FIA, MAAA

Follow up to: 41

Follow up: 62, 72

Tuesday, June 17
10:30 a.m. – Noon

Session 52

Session Sponsor: Joint Risk Management

Rating Agency Perspective on Internal Economic Capital Models

Moderator: Mark Chaplin, FIA

Presenters: Stephanie McElroy*; Christopher Myers, CFA, FRM*

Capital adequacy has long been a key component to rating agency evaluations. The presence of sufficient economic capital is essential to a company's ability to weather potential adverse events. Historically, rating agencies have used their own models to assess a company's capital position. With the emergence of internal, company-specific economic capital models, how will the process of assessing capital adequacy change?

In this session, attendees will hear from both rating agency and company representatives on the emergence of internal economic capital models and their potential use in the ratings process.

Value Ladder: Market

Coordinator: David T. (Todd) Henderson, FSA, MAAA, CERA

Tuesday, June 17
10:30 a.m. – Noon

Session 53

Session Sponsor: Product Development

Sticking to Grass Roots: the Market for Protection Products

Moderator: Donna Christin Megregian, FSA, MAAA

Presenters: Donna Christin Megregian, FSA, MAAA; Kenneth Duane Thieme, FSA, MAAA

The basic need for life insurance protection is an underlying constant in the insurance industry. In this session, industry experts will provide updates on the term and ULSG markets. Attendees will hear discussions on the competitive marketplace, how to distinguish yourself from the competition, ways to measure all of the risks and the future of term and ULSG products.

Value Ladder: Market

Coordinator: Robert P. Stone, FSA, MAAA

Tuesday, June 17
10:30 a.m. – Noon

Session 54

Session Sponsor: Technology

The Actuary's High-Performance Computing Challenge

Moderator: Kevin J. Pledge, FSA, FIA

Presenters: David Dorfman*; Martin Harris*; Shawn Findlan*

The insurance industry is under increasing regulatory and rating agency scrutiny. It also faces growing competition from non-traditional competitors and must satisfy an investing public, increasingly aware of the ever-expanding number of investment options. In step with these pressures, the industry has evolved to develop products that are more complex and offer more aggressive returns.

This shift is putting new computational demands on existing tools. Multiple scenario ALM testing, new stochastic principles-based reserving, and stochastic pricing analysis is challenging actuarial computing capacity in a way never experienced before. Computational requirements are expected to increase more than 100-fold, far exceeding the capabilities of desktop computers and many existing enterprise computing resources. To meet this challenge, leading insurers have turned to high-performance computing. Our presenters will discuss their high speed technologies to meet our computing needs.

Value Ladder: Process

Coordinator: Robert J. LaLonde, FSA

Tuesday, June 17
10:30 a.m. – Noon

Session 55

Session Sponsor: Financial Reporting

GAAP Update / FAS 157 Workshop

Facilitators: Matthew P. Clark, FSA, MAAA; Patricia E. Matson, FSA, MAAA

This workshop is a follow-up to the open forum held on the same topic. The workshop focuses on emerging U.S. GAAP issues, with emphasis placed upon implementation issues encountered by affected companies. Participants will discuss GAAP guidance on current GAAP issues, with particular emphasis on FAS 157.

Participants will discuss personal experiences related to the implementation of these accounting standards and how issues are resolved. Additionally, the group will share insights into how the standards may affect the reporting of different product designs, features and transactions. You'll take away practical solutions for implementing these standards.

Value Ladder: Process

Coordinator: Rod L. Bubke, FSA, MAAA

Follow up to: 40

Tuesday, June 17
10:30 a.m. – Noon

Session 56

Session Sponsor: Long-Term Care

The Future of LTC – Part 2

Moderator: Larry J. Pfannerstill, FSA, MAAA
Presenters: Mark Daley*; Marie Roche*; Kevin Sypniewski*

Attendees of this session will gain knowledge of current and potential future LTC-related developments with respect to the following topics:

- The future of the LTC political and legal/regulatory environment
- The future of LTC sales:
 - combination products;
 - partnership products; and,
 - true Group vs. Multi-Life vs. Individual Products.
- The future of LTC administration:
 - business intelligence rules engines and the integration of third party electronic data sources; and,
 - claims management and care delivery.

As a result of attending this session, you will gain an understanding of the evolving political and regulatory environment and the current and future outlook of LTC sales and administration.

Value Ladder: Industry

Coordinator: Ronald L. (Jake) Lucas, FSA, MAAA, Karl G. Volkmar, FSA, MAAA, FCA

Follow up to: 47

Tuesday, June 17
10:30 a.m. – Noon

Session 57

Session Sponsor: Taxation

Update – Recent Tax Guidance for Life and Annuity Insurers and Products

Moderator: Edward L. Robbins, FSA, MAAA, FCA
Presenters: Edward L. Robbins, FSA, MAAA, FCA; Arthur C. Schneider, CPA*; Gregory L. Stephenson*

U.S. Federal tax law is a complex and constantly changing set of requirements that is of particular interest to actuaries and the companies/firms that employ them. Policyholder income tax, company income tax (insurance company and/or corporate client), estate tax and gift tax all have an impact on product development, product pricing, valuation of liabilities, financial modeling and other disciplines. This session is designed to provide an update on significant developments in the area of tax practice related to life insurance companies, products and services over the last six to 12 months.

This session is meant as an update on recent tax guidance for practitioners whose area of expertise is other than tax e.g., pricing and product development actuaries, or chief actuaries. Attendees will be better positioned to reflect the latest guidance on tax matters into their work product.

Value Ladder: Process

Coordinator: Steven C. Chamberlin, FSA, MAAA

Tuesday, June 17
10:30 a.m. – Noon

Session 58

Session Sponsors: SOA Research, American Academy of Actuaries (AAA)

Preferred Mortality

Moderator: Mary J. Bahna-Nolan, FSA, MAAA

Presenters: Mary J. Bahna-Nolan, FSA, MAAA; Timothy F. Harris, FSA, MAAA; Allen M. Klein, FSA, MAAA

The Preferred Mortality Study is jointly sponsored by Society of Actuaries and the American Academy of Actuaries. This study is a significant analysis of individual life experience split by the nonsmoking underwriting categories standard, select, and super-select. The study will create select mortality valuation tables, which could allow companies to reduce statutory reserves and provide value to life insurance consumers. Results and implications of the study will be discussed during this session.

Value Ladder: Task/Technical

Coordinator: Donna R. Claire, FSA, MAAA

Tuesday, June 17
10:30 a.m. – Noon

Session 59

Session Sponsor: IAA Life Section

Internal Models for Insurer Risk and Capital Management

Moderator: Allan Brender, FSA, FCIA, CERA

Presenters: Allan Brender, FSA, FCIA, CERA; Andrew Candland, FIA; Andy Cope*

During this session the audience will be introduced to practical examples of companies who are using internal models for risk and capital management purposes. The session will discuss how they are assembled and used, their key features and relevant supervisory and professional guidance. The focus of this session will be on large sophisticated internal models.

Value Ladder: Task/Technical

Coordinator: Stuart F. Wason, FSA, FCIA, MAAA, HONFIA

Tuesday, June 17
2:00 – 3:15 p.m.

Session 61

Session Sponsor: Financial Reporting

Technology Aspects of a Principles-Based Valuation Approach

Moderator: Jason A. Morton, FSA, MAAA

Presenters: Bob Hirsch*; Brian S. Reid, FSA, MAAA

Valuation is evolving toward a principles-based approach. As part of this evolution, many issues arise with respect to adapting systems and processes to conform to the requirements of a principles-based approach. In particular, system run-times are too long to facilitate a reporting-period close in the timeframe acceptable to management. While controls have improved on deterministic valuation systems and processes many companies have not yet tackled control improvements on their actuarial modeling platforms, which are used to support many of the aspects of principles-based valuation.

In this discussion, panelists will address some of the practical issues that arise with a principles-based valuation approach, including:

- Key differences between rules-based and principles-based valuation from a systems standpoint
- Systems infrastructure
- Grid computing
- Control environment for modeling software
- Ways to meet close process deadlines
- Internal and external auditor considerations

As a result of attending this session, attendees should be able to better understand the practical issues facing companies in a principles-based valuation, attain an understanding of the state of Industry practice with respect to systems and process approaches for principles-based valuation, and better understand expectations of internal and external auditors in the principles-based world.

Value Ladder: Process

Coordinator: Jason A. Morton, FSA, MAAA

Tuesday, June 17
2:00 – 3:15 p.m.

Session 62

Session Sponsors: Investment, Financial Reporting, Joint Risk Management

Introduction to Modeling Efficiency and Scenario Reduction Techniques – Part 3

Moderator: Anthony Dardis, FSA, FIA, MAAA

Presenters: Joshua P. Liu, FSA, MAAA; John O. Nigh, FSA, MAAA; Craig A. Roberts, FSA, MAAA

This four-part seminar will examine tools and techniques to help ease the burden of the increasingly onerous processing demands being made of actuarial models. The seminar will be of interest to both life and pensions actuaries, and will discuss modeling techniques in the following contexts:

- PBA for life statutory reserves and capital
- Economic capital
- Asset allocation/ALM studies

Part three of the seminar covers Model Data Design. As processing requirements become increasingly onerous, it may be time to revisit how we create liability model points from in-force records, as well as review how we deal with asset models, especially investment. This session addresses the model building process with presentations from known experts in the area.

Value Ladder: Process

Coordinator: Anthony Dardis, FSA, FIA, MAAA

Follow up to: 41, 51

Follow up: 72

Tuesday, June 17
2:00 – 3:15 p.m.

Session 63

Session Sponsor: Joint Risk Management

Getting the Most from Your Economic Capital Model

Moderator: Novian E. Junus, FSA, MAAA

Presenters: George E. Christopher, FSA, MAAA; Russell A. Osborn, FSA, MAAA; Karen Tan, FIA

Economic capital is an emerging tool for companies to use in managing their businesses. But the complexity of these models and sheer volume of output can potentially limit their realized usefulness.

In this session, attendees will:

- Hear how companies are using economic capital in the management of their companies
- Learn about the emerging best practices in structuring the model output to align with desired uses
- Understand the alternatives for presenting Economic Model results to management.

Value Ladder: Employer/Client

Coordinator: David T. (Todd) Henderson, FSA, MAAA, CERA

Tuesday, June 17
2:00 – 3:15 p.m.

Session 64

Session Sponsor: Product Development

PBA and Product Development: How to March to the Beat of a New Drum

Moderator: Keith A. Dall, FSA, MAAA
Presenters: Keith A. Dall, FSA, MAAA; Luc L. Farmer, FSA, FCIA, MAAA

Principles-based approaches to reserving continue to meander toward applicability to all product lines. Where do current proposals stand? What does it all mean for product development? This session will provide attendees with the latest updates to these and other questions.

Value Ladder: Task/Technical

Coordinator: Robert P. Stone, FSA, MAAA

Tuesday, June 17
2:00 – 3:15 p.m.

Session 65

Session Sponsors: Management & Personal Development, Joint Risk Management, Actuary of the Future

Enterprise Risk Mis-management or Looking for Trouble—Real-Life Examples of What Went Wrong

Moderator: Michael M. Braunstein, ASA, MAAA
Presenters: Bill Stewart*; Rostislav Zilber, FSA, MAAA

This session reviews several examples of mismanagement that have occurred in the corporate world. Presenters provide an analysis of each situation to shed light on what went wrong, what mistakes were made, what individual leadership skills may have been lacking, and what the future actuary will need to know to avoid similar problems.

Attendees will:

- Recognize potential problems that may be lurking
- Be better equipped to anticipate what could go wrong
- Understand what missing skills led to the problem
- Be able to identify what is required to successfully manage an enterprise

Value Ladder: Process

Coordinator: Michael M. Braunstein, ASA, MAAA

Tuesday, June 17
2:00 – 3:15 p.m.

Session 66

Session Sponsors: Product Development, Taxation, Long-Term Care

Long Term Care Combination Products: Design and Implementation

Moderator: Paul N. Smalley, ASA, MAAA

Presenters: John T. Adney, JD*; Peggy L. Hauser, FSA, MAAA; Paul N. Smalley, ASA, MAAA

With the expanded definition of qualified long term care contracts under the Pension Protection Act in August 2006, new opportunities are arising for life insurance and annuity providers to offer valuable products to their clients. The design, pricing, development and implementation of these products require solid understanding of the long term care market, the tax treatment of policy benefits, and how the products need to be administered. Presenters will describe how the environment for these products has evolved over the past years and ways companies are developing them for the future.

Participants will leave the sessions with an improved understanding of the current and future opportunities for developing combination products, and how actuaries design and implement these benefits.

Value Ladder: Market

Coordinator: R. Dale Hall, FSA, MAAA

Tuesday, June 17
2:00 – 3:15 p.m.

Session 67

Session Sponsor: IAA Life Section

IFRS 4 Phase II Valuation of Insurance Obligations – Risk Margins

Moderator: Francis A. M. Ruijgt, AAG

Presenters: Stefan Engeland*; Francis A. M. Ruijgt, AAG

During this session the audience will receive practical guidance and examples on the determination of risk margins within the valuation of insurance contracts in a post IFRS world. This session will assist the audience in understanding the nature of changes to their valuation processes. The panelists are experienced in the authoring the IAA Guidance Paper on risk margins and in their practical calculation.

Value Ladder: Process

Coordinator: Stuart F. Wason, FSA, FCIA, MAAA, HONFIA

Tuesday, June 17
2:00 – 3:15 p.m.

Session 68

Session Sponsor: American Academy of Actuaries (AAA)

Credibility Theory

Moderator: Robert A. DiRico, ASA, MAAA

Presenters: Robert A. DiRico, ASA, MAAA; Thomas Herzog, ASA; Stuart Klugman, FSA

The American Academy of Actuaries (AAA) is nearing completion of a new practice note on credibility theory. This is a common concept in property and casualty insurance, but until recently has not been common for life and annuity valuation work. That is changing, with recent explicit reference to credibility theory in the AAAs' Variable Annuity Working Group report on C-3 Phase 2, the AAAs' Life Reserve Work Group and Annuity Reserve Work Group recommendations for a Principles-Based Approach for Life and Annuity Reserves and as found in ASOP 25. Participate in this session to get an introduction to the practice note and the theoretical basis for credibility theory as well as examples of related models that can be used in practical applications, including assumption selection for actuarial forecast or valuation models and rate setting for health or group portfolios.

At the end of this session, you'll have an increased understanding of the practice note and various credibility theory models along with ideas of how to apply them.

Value Ladder: Task/Technical

Coordinator: Robert A. DiRico, ASA, MAAA

Tuesday, June 17
3:45 – 5:00 p.m.

Session 70

Session Sponsors: Actuary of the Future, Futurism

Views of the Future for the General Labor Market and the Next Frontier for Actuaries

Moderator: Meg Weber*

Presenters: Mark Warshawsky, PhD*; Meg Weber*

The Actuary of the Future section has undertaken an environmental scanning initiative in order to identify new opportunities for actuaries and the skills needed to be successful in these new roles. What are the emerging markets for actuaries? What new job opportunities will we see in the future? This session will feature discussion on how these future employment opportunities will impact actuaries and what can be done now to prepare. This session also features a prominent economist discussing recent trends in the general labor market -- labor force participation rates by age and gender, and growth of compensation, both salary and benefits, and its distribution -- and projections for the next ten years, especially focusing on the key factors that will influence the pace of retirement of the baby boom generation.

Value Ladder: Industry

Coordinators: Randall M. Koss, FSA, MAAA; Allen M. Klein, FSA, MAAA

Tuesday, June 17
3:45 – 5:00 p.m.

Session 71

Session Sponsor: Financial Reporting

Modeling Universal Life Secondary Guarantees

Moderator: Mike Y. Leung, FSA, MAAA

Presenters: Mike Y. Leung, FSA, MAAA; Roger W. Smith, FSA, MAAA; Robert P. Stone, FSA, MAAA

Secondary guarantees have been a major product feature for universal life (including variable and equity index universal life) products in recent years. The modeling of secondary guarantees has been quite a challenge due to the multitude of parameters involved: product design, capital market inputs and policyholder behavior etc.

This session will address the modeling issues and considerations under the following financial reporting framework:

- Current U.S. statutory (AG38 or AXXX)
- Current U.S. GAAP
- Proposed Principles-Based Approach
- Proposed International Accounting Standards (IFRS)

Both deterministic and stochastic modeling will be discussed.

As a result of attending this session, attendees can develop a better understanding of modeling secondary guarantees for statutory and GAAP reporting, both for the present and for the future.

Value Ladder: Task/Technical

Coordinator: Mike Y. Leung, FSA, MAAA

Tuesday, June 17
3:45 – 5:00 p.m.

Session 72

Session Sponsors: Investment, Financial Reporting, Joint Risk Management

Introduction to Modeling Efficiency and Scenario Reduction Techniques – Part 4

Moderator: Anthony Dardis, FSA, FIA, MAAA

Presenters: Van Beach, FSA, MAAA; Trevor C. Howes, FSA, FCIA, MAAA

This four-part seminar will examine tools and techniques to help ease the burden of the increasingly onerous processing demands being made of actuarial models. The seminar will be of interest to both life and pensions actuaries, and will discuss modeling techniques in the following contexts:

- PBA for life statutory reserves and capital
- Economic capital
- Asset allocation/ALM studies

Part four covers the Technology Solution. This session looks at what is being done in practice and how the market looks to be moving.

Value Ladder: Process

Coordinator: Anthony Dardis, FSA, FIA, MAAA

Follow up to: 41, 51, 62

Tuesday, June 17
3:45 – 5:00 p.m.

Session 73

Session Sponsor: Joint Risk Management

Scenario Generation for Economic Capital Models

Moderator: Simon W. Stronkhorst, MAAA

Presenters: Jonathan A. Mossman, FSA, FCIA, EA, MAAA; Andrew Ching Ng, FSA

The results of an economic capital model are contingent upon the underlying scenario set. Does your scenario set represent an appropriate depiction of the potential futures? How do you know if the prevalence of a given event is over-weighted or under-weighted?

In this session, attendees will:

- Hear about the considerations in developing economic scenarios for use in economic capital modeling
- Learn how to incorporate a correlation matrix into the scenario generation
- Understand how to validate scenario sets and identify potential biases.

Value Ladder: Process

Coordinator: David T. (Todd) Henderson, FSA, MAAA, CERA

Tuesday, June 17
3:45 – 5:00 p.m.

Session 74

Session Sponsor: Product Development

Financial Markets Capital Solutions

Moderator: Michael L. Kaster, FSA, MAAA

Presenters: Michael L. Kaster, FSA, MAAA; Otto Lowe*; A. Micheal McMahon, FSA, MAAA

Life insurance company transactions where the insurer goes to the financial markets for a solution to capital requirements are becoming more commonplace. These are falling into two general types:

1. Letter of credit transactions
2. Securitizations

This session would present an overview of the types of transactions, describe the advantages and disadvantages of the types, and present recent history with respect to the timing and size of transactions. In addition, the session would have representatives of the regulatory, rating agency, and/or banking industry to present their perspectives on transactions.

Attendees can:

- Distinguish the types of transactions and the applicability in certain situations
- Determine whether such transactions might be useful in their own situation
- Understand the perspective of rating agencies, regulators, and/or bankers in viewing these transactions

Value Ladder: Process

Coordinator: Thomas A. Phillips, FSA, MAAA

Tuesday, June 17
3:45 – 5:00 p.m.

Session 75

Session Sponsor: Marketing & Distribution

Selling Annuities through IMOs

Moderator: Ghalid Bagus, FSA, FIA, MAAA

Presenters: Ghalid Bagus, FSA, FIA, MAAA; Christopher L. Conklin, FSA, MAAA; Yan Fridman, FSA, MAAA

The peculiarities of this particular distribution system are explored by actuaries and marketers. The current types of products being sold is discussed, with some historical perspective added. Implications for sales, risk, pricing, and profitability are investigated, with some stress on pitfalls to avoid.

Value Ladder: Market

Coordinator: James A. Wiseman, FSA, MAAA, Ph.D.

Tuesday, June 17
3:45 – 5:00 p.m.

Session 76

Session Sponsor: Product Development

Lapse Supported Products – Have we Learned our Lesson?

Moderator: George J. Hrischenko, FSA, MAAA

Presenters: Robert Allen Brown, FSA, FCIA, MAAA; George J. Hrischenko, FSA, MAAA; Brian G. Traxler, ASA

Lapse-supported products became quite popular in the Canadian marketplace. There still exist many products that are lapse supported. Many companies have moved to protect themselves against adverse experience. What lessons have been learned from the experience with Level COI UL and products with Return of Premium features?

This session will address the pricing risks and considerations to protect a company from experiencing losses on lapse supported products. Attendees can identify what specific products or product features that have a propensity to being lapse supported.

Value Ladder: Process

Coordinator: James C. Christou, ASA, MAAA

Tuesday, June 17
3:45 – 5:00 p.m.

Session 77

Session Sponsor: IAA Life Section

Standard and Simplified Internal Model Approaches for Insurer Risk and Capital Management

Moderator: Stuart F. Wason, FSA, FCIA, MAAA, HONFIA

Presenters: Philipp Keller, PhD*; Stuart F. Wason, FSA, FCIA, MAAA, HONFIA

During this session the audience will be introduced to the challenges of developing standard approaches to capital requirements as well as discussing the promising area of simplified internal models to facilitate the development of improved company risk management. Practical examples of standard approach frameworks around the globe will be compared. Specific examples of the use of simplified internal models will be examined. Increasingly, many insurers around the globe will be adopting similar methods for target and minimum capital requirements (e.g. Europe, Canada etc).

Value Ladder: Process

Coordinator: Stuart F. Wason, FSA, FCIA, MAAA, HONFIA

Tuesday, June 17
6:00 – 7:30 p.m.

SOA, CIA, CAS & IAA Joint Reception

Join us for a joint Society of Actuaries, Canadian Institute of Actuaries, Casualty Actuarial Society and International Actuarial Association reception. Take advantage of this unique opportunity to network and mingle with professionals from the various partner organizations.

Wednesday, June 18
7:00 – 8:15 a.m.

Session 80

Session Sponsor: Technology

Technology Section Hot Breakfast: The Latest in Technology

Chairperson: Kevin J. Pledge, FSA, FIA

This session will be a review of the latest developments in new technology and how the different gadgets can be used by actuaries. Attendees will have the opportunity to try out some of the recent products and to discuss their uses with their peers over breakfast. In attending this session, participants will gain a greater understanding of emerging trends in technology as well as gain confidence in using technology everyday.

This breakfast is open to all meeting attendees. It is free of charge to Technology Section members and \$20 for all others. If you are interested in attending, stop by the SOA registration desk before 5:00 p.m. on Tuesday to check availability. Tickets will be collected.

Coordinator: Robert J. LaLonde, FSA

Wednesday, June 18
8:30 – 10:00 a.m.

Session 82

Opening General Session:
Sustainability Risk Management

Presenters:

Dr. Dan R. Anderson
Professor – Actuarial Science, Risk Management and Insurance
University of Wisconsin

John F. Vargo
Director, Risk Management
Johnson Controls, Inc.

Kenneth W. Ayers
Managing Director
Environmental Services Group, a Division of Aon Risk Services Inc. of Illinois

In his book, *Corporate Survival: The Critical Importance of Sustainability Risk Management*, Dr. Dan R. Anderson, professor of actuarial science, risk management and insurance at the University of Wisconsin, has coined the term “sustainability risk management.” Sustainability risk management deals with risks emanating from the environmental and social justice areas. Examples include:

- global warming/climate change
- boycotts against major corporations by non-governmental organizations (NGOs)
- water contamination by chemicals
- pressures brought by socially responsible investors
- directors’ and officers’ failure to disclose environmental liabilities
- gender discrimination class-action suits
- damages to natural ecosystems
- impacts on multinational corporations by international regulations

While these sustainability risks are not necessarily new, it is only recently that their impacts are being felt by businesses. Environmental and social risk costs, which for years were externalized, are increasingly internalized to the firm. Sustainability risks are evolving into one of the critical risk areas of the 21st century.

Corporate risk managers, brokers and insurance officials, including actuaries, will need to develop risk mitigation and financing strategies for dealing with these new and emerging sustainability risks. While producing significant challenges, managing sustainability risks will also create enormous business opportunities for corporations, including insurance companies, brokers and consultants.

This presentation will discuss sustainability – what it is and what it means for your company. It will include some of the benefits and challenges associated with becoming sustainable, and show that sustainability is a key part of who we are and what we do for our customers. Sustainability influences the products and services that we offer as well as the way we manage our operations. In addition, attendees will learn how sustainability impacts the risk management programs at a company.

*The actuarial societies wish to thank ARIA (American Risk and Insurance Association) for this presentation. **It was presented at ARIA's annual meeting in Quebec in 2007.***

Wednesday, June 18
10:30 a.m. – Noon

Session 84

Session Sponsor: Casualty Actuarial Society (CAS)

Predictive Modeling

Moderator: Gaetan R. Veilleux, FCAS, MAAA

Presenters: Jean-Felix Huet, ASA; Ronald D. Littler, FSA, MAAA, EA, CFA; Gaetan R. Veilleux, FCAS, MAAA

GLMs, CART, MARS, PCA... There is a plethora of predictive modeling techniques, the use of which is growing by leaps and bounds in the actuarial world. This session will survey the applications of predictive modelling across the disciplines of the actuarial profession.

As a result of attending this session attendees can differentiate the applications of predictive modelling across the disciplines of the actuarial profession.

Value Ladder: Task/Technical

Coordinator: Camille Minogue, FCAS

Wednesday, June 18
10:30 a.m. – Noon

Session 85

Session Sponsor: Casualty Actuarial Society (CAS)

Health Care Cost (Medical Trend) Inflation

Moderator: Michael J. Toth, MAAA, FCAS

Presenters: Robert Bachler, FSA, MAAA, FCAS; W. Robert Hinrichs, FSA, FCIA, MAAA; Barry C. Lipton, MAAA, FCAS; Michael J. Toth, MAAA, FCAS

The session will compare and contrast how a health care insurance writer measures and estimates health care inflation when pricing health care insurance products compared to a workers compensation writer. The panelist will discuss sources of health care inflation such as general cost inflation, changes in provider contracts and utilization. In addition, the panelists will discuss sources for medical inflation information and how each uses that information to estimate future health care costs and the potential impact of adverse health care inflation on their respective insurance products.

The panelists will share their perspective on the topic and give the audience the opportunity to ask questions and share their perspectives.

As a result of attending this session attendees can explain the differences and nuances with regard to how a health care insurance writer measures and estimates health care inflation when pricing health care insurance products compared to a workers compensation writer.

Value Ladder: Process

Coordinator: James W. Larkin, MAAA, FCAS

Wednesday, June 18
10:30 a.m. – Noon

Session 86

Session Sponsor: Casualty Actuarial Society (CAS)

Linkage of Risk, Capital & Financial Management—The Real World

Moderator: Aaron Halpert, MAAA, ACAS

Presenters: Aaron Halpert, MAAA, ACAS; Leslie R. Marlo, MAAA, FCAS

Companies are facing increased pressures from regulators, rating agencies and other interested parties to implement cohesive approaches to managing all organizational risks and understanding their impacts on the organization. Under the umbrella of enterprise risk management, a key objective is the proactive linking of risk management, capital management and financial management. This panel presents the results of recently completed research conducted for the Joint Risk Management Section with respect to this linkage in addition to addressing the practical perspectives of companies that have already begun to implement this process.

As a result of attending this session attendees can articulate cohesive approaches to managing all organizational risks and understanding their impacts on the organization.

Value Ladder: Industry

Coordinator: Robert F. Wolf, MAAA, FCAS

Wednesday, June 18
10:30 a.m. – Noon

Session 87

Session Sponsor: Canadian Institute of Actuaries (CIA)

The International Actuarial Association, Ten Years Later

Moderator: Morris W. Chambers, FSA, FCIA, MAAA, HONFIA

Presenters: Cecil D. Bykerk, FSA, MAAA, FCA; Morris W. Chambers, FSA, FCIA, MAAA, HONFIA; David G. Hartman, FCAS, MAAA, FCIA

2008 marks the 10th anniversary of the International Actuarial Association's restructuring. Over the last decade the Association has gone through some dramatic changes. It is expected that the growth and influence of the IAA will continue well into the future.

A panel will discuss several topics of interest including:

- New IAA accreditation requirements
- New IAA minimum education requirements
- Third world initiatives
- The IAA Strategic Planning Task Force

Value Ladder: Global

Coordinator: C. Dean Chambers, FSA, FCIA

Wednesday, June 18
10:30 a.m. – Noon

Session 88

Session Sponsor: Canadian Institute of Actuaries (CIA)

The Jumbo Case

Moderator: Bernard Richard Naumann, FSA, FCIA

Presenters: Ronald C. Atkinson, FSA, FCIA; Richard K. Hampton, FSA, FCIA; Linda Wislesky, FALU, FLMI, ACS*

The market of individuals interested in purchasing tens of millions in coverage or more continues to grow. A panel of experts will discuss the issues relating to the continuing growth of the very large case. Insight will be provided from the perspectives of direct writers, reinsurers and their retrocessionaires.

Topics will include:

- Capacity in North America and worldwide
- Insurable interest
- Financial underwriting
- Pricing & valuation challenges

Value Ladder: Market

Coordinator: C. Dean Chambers, FSA, FCIA

Wednesday, June 18
10:30 a.m. – Noon

Session 89

Session Sponsor: Financial Reporting

Principles-Based Approach – The Canadian Experience

Moderator: Mike Lombardi, FSA, FCIA, MAAA

Presenters: Allan Brender, FSA, FCIA, CERA; Mike Lombardi, FSA, FCIA, MAAA

As principles-based reserving and capital are being adopted in the United States, we can look toward our colleagues in Canada for a glimpse of the experiences that lay ahead. Two Canadian actuaries will provide their perspective on topics such as the following:

- Key elements of the Canadian system
- Practical problems of implementation
- Dealing with the regulators

This knowledge sharing will hopefully ease our way into the new challenge before us.

As a result of attending this session, attendees can describe the principles-based approach practices in Canada. As a result of attending this session, attendees can develop a practical approach to implementing principles-based reserving and capital.

Value Ladder: Process

Coordinator: Basha H. Zharnest, FSA, MAAA

Wednesday, June 18
10:30 a.m. – Noon

Session 90

Session Sponsor: Joint Risk Management

CERA – The New Actuarial Opportunity

Moderator: Robert F. Wolf, MAAA, FCAS

Presenters: Stuart Klugman, FSA; Robert F. Wolf, MAAA, FCAS; Kathleen R. Wong, FSA, MAAA

The emerging discipline of Enterprise Risk Management is being shaped as you read this. For actuaries to participate, we need to augment our broad, long-standing risk management skills with new skills, focused on this new discipline. The SOA has responded with the introduction of the Chartered Enterprise Risk Analyst Designation.

In this session, attendees will:

- Understand the need for actuarial talent in the ERM arena
- Understand the skills beyond traditional actuarial training needed to play in this arena
- Hear about the SOA's goals and desires in establishing the CERA
- Learn how to obtain the CERA designation

Value Ladder: Market

Coordinator: David T. (Todd) Henderson, FSA, MAAA, CERA

Wednesday, June 18
10:30 a.m. – Noon

Session 91

Session Sponsor: Management & Personal Development

For All the Marbles: Effective Negotiation Skills – Part 1

Instructor: Michael M. Braunstein, ASA, MAAA

Part 1 covers the basics of negotiation and includes a negotiation role play. Attendees should plan on attending both sessions since the two are not independent.

Negotiating is a part of our daily lives. Kids want later bedtimes, husbands want extra minutes to watch the end of the game, car buyers push for that last option. We all make deals, and the workplace where you are is no different.

Some individuals negotiate internally with supervisors or a sales force, while others may negotiate externally with customers and those outside their place of employment.

But negotiation isn't just about time or money; it's about getting what you want in a world where others' wants must also be considered.

"For All the Marbles" includes a Role Play for attendees and will teach, through first-hand experience, the elements that impact a negotiation.

This session:

- Teaches 7 basic tools of negotiation
- Identifies dozens of common errors often made during a negotiation
- Offers the opportunity to participate in a mock negotiation
- Explains 14 advanced negotiation techniques
- Provides additional sources for information on negotiation

Attendees will:

- Be able to negotiate a better deal for themselves and their companies
- Learn how to avoid major pitfalls in a negotiation
- Better understand and appreciate what works and what doesn't
- Know how and when to optimally strategize
- Have fun at this session and whenever they negotiate in the future

Value Ladder: Process

Coordinator: Michael M. Braunstein, ASA, MAAA

Follow up: 103

Wednesday, June 18
10:30 a.m. – Noon

Session 92

Session Sponsor: Product Development

Hot Products in the U.S. and Canada – Would they Sell Well on the Other Side of the Border?

Moderator: Dominique Lebel, FSA, MAAA, FCIA

Presenters: Dominique Lebel, FSA, MAAA, FCIA; Karen Terry*; Albert Y. P. Tiw, FSA, FCIA

Why are there products that sell well in Canada, but that don't sell well in the United States and vice versa? In many cases, this is due to regulatory, tax or other issues. Still, it seems that there may be opportunities to "import" products from one market to the other. Presenters will describe the hot products in the United States and Canada and debate whether the products would sell well in the other country. Examples of products that may be discussed include critical illness, equity indexed annuities, guarantees on variable annuities/segregated funds, substandard annuities, universal life/variable universal life and return of premium term. Audience participation will be strongly encouraged.

As a result of attending this session, attendees will understand which products sell well in each country and whether these products can be imported into their country. Attendees may also leave the session with ideas for new product designs...

Value Ladder: Industry

Coordinator: Dominique Lebel, FSA, MAAA, FCIA

Wednesday, June 18
10:30 a.m. – Noon

Session 93

Session Sponsor: Taxation

Insurance Taxation in the United States and Canada – Similarities and Differences

Moderator: Christian J. DesRochers, FSA, MAAA

Presenters: John T. Adney, JD*; Philip Friedlan*

This session will provide a comparison of the income tax treatment of life insurance and annuities in the United States and Canada. The discussion will focus on the policyholder level, including differences in the treatment of separate account products and basis in insurance contracts, but it also will cover selected company tax rules, reflecting on the Canadian experience with principles-based reserves and the tax on investment income. Differences in the tax definitions of life insurance and the treatment of death benefit accelerations will be considered as well. This discussion will provide valuable context for U.S. tax practitioners by examining similar and contrasting features of U.S. and Canadian law.

Value Ladder: Task/Technical

Coordinator: Steven C. Chamberlin, FSA, MAAA

Wednesday, June 18
10:30 a.m. – Noon

Session 94

Session Sponsor: IAA Life Section

Impact of IFRS Insurance Accounting

Moderator: Simon R. Curtis, FSA, FCIA, MAAA

Presenters: Simon R. Curtis, FSA, FCIA, MAAA; Laurel A. Kastrup; FSA, MAAA; Carol F. Salomone, FSA, MAAA

This session will transport the audience into the post Internal Financial Reporting Standards (IFRS) insurance accounting world and provide a practical picture of the operation of an insurer as it reports its earnings, discloses changes in its balance sheet and prices its products starting in 2012. The audience should take away an appreciation of the key features of the IFRS and their implications for financial reporting and product development.

Value Ladder: Global

Coordinator: Stuart F. Wason, FSA, FCIA, MAAA, HONFIA

Wednesday, June 18
12:15 – 1:45 p.m.

Session 96

Joint General Luncheon: The Presidents Panel



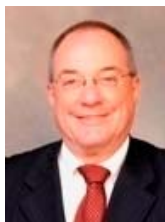
Moderator:
David G. Hartman, FCAS, MAAA, FCIA
IAA President



Panelists:
Bruce D. Schobel, FSA, MAAA, FCA
SOA President



Christopher S. Carlson, FCAS, MAAA
CAS President



Michael A. Hale, FSA, FCIA
CIA President-elect

In today's variable world, no actuarial society is an island. The SOA, CAS, and CIA all address many of the same obstacles and opportunities, as well as their own unique concerns. The presidents of these societies will share the stage to discuss a range of topics including the growth of the profession into new roles in nontraditional areas like enterprise risk management. The panelists will also delve into recent changes to the continuing professional development requirements of their respective societies and various emerging technical issues, such as the shift from developing models to interpreting models.

The luncheon is included in your registration fee. If you would like to register your guest for the luncheon, stop by the SOA registration desk before 7:00 p.m. on Sunday to check availability. The fee is \$50 per person. Refunds will not be given.

Wednesday, June 18
2:00 – 3:30 p.m.

Session 98

Session Sponsor: Casualty Actuarial Society (CAS)

ARIA Prize Paper: Solvency, Capital Allocation and Fair Rate of Return in Insurance

Moderator: Louise A. Francis, MAAA, FCAS
Presenter: Michael Sherris, FSA, FIAA, FIA

Michael Sherris will present his ARIA prize winning paper. In this paper, the author considers the links between solvency, capital allocation, and fair rate of return in insurance. A method to allocate capital in insurance to lines of business is developed based on an economic definition of solvency and the market value of the insurer balance sheet. Solvency, and its financial impact, is determined by the value of the insolvency exchange option. The allocation of capital is determined using a complete markets' arbitrage-free model and, as a result, has desirable properties, such as the allocated capital "adds up" and is consistent with the economic value of the balance sheet assets and liabilities.

As a result of attending this session attendees can demonstrate a method to allocate capital in insurance to lines of business based on an economic definition of solvency and the market value of the insurer balance sheet. They will examine links between solvency, capital allocation and rates of return.

Value Ladder: Process

Coordinator: Chester J. (Chet) Szczepanski, MAAA, FCAS

Wednesday, June 18
2:00 – 3:30 p.m.

Session 99

Session Sponsor: Casualty Actuarial Society (CAS)

Do the Right Thing

Moderator: Chester J. (Chet) Szczepanski, MAAA, FCAS
Presenters: Charles F. Cook, FCAS, MAAA, FCA; Michael L. Toothman, FCAS, MAAA, FCA

Actuaries frequently render public statements of actuarial opinion and often provide estimates of key financial values. Financial performance measures are critically sensitive to these opinions and estimates. The pressures to provide 'the right answer' can be severe. This session will discuss ethical principles, guidelines and practical procedures that actuaries can and should rely on to navigate such difficult scenarios. Case studies will be used.

As a result of attending this session attendees will be able to articulate ethical principles, guidelines and practical procedures that actuaries should rely on to navigate difficult scenarios.

Value Ladder: Professionalism

Coordinator: Chester J. (Chet) Szczepanski, MAAA, FCAS

Wednesday, June 18
2:00 – 3:30 p.m.

Session 100

Session Sponsor: Casualty Actuarial Society (CAS)

P&C Loss Reserve Discounting

Moderator: Marn Rivelle, MAAA, ACAS, FCA

Presenters: Claudette Cantin, FCAS, FCIA, MAAA; Ann M. Conway, MAAA, FCAS; Marn Rivelle, MAAA, ACAS, FCA

Some practical applications of loss reserve discounting for property/casualty actuaries will be shared for three areas of P&C actuarial work where discounting is common practice: captives, self-insurers, and Canadian insurance companies.

- **Self-insurers and Captives:** Reserve discounting remains relatively common in some business segments, such as medical malpractice mutuals. Our panelists will discuss some of the more common issues that self-insurers and captives consider when deciding whether or not to discount their loss reserves. They will then present the regulatory, practical, and technical considerations that are commonly encountered by self-insurers and captives.
- **Canadian Accounting:** Beginning in 2003, Canadian insurance companies are discounting loss reserves as standard practice. We will discuss the reasoning for this policy change, as well as implementation issues that have surfaced.

Following their presentations, the panel will encourage attendees to join in a general discussion of the current issues/challenges in discounting property/casualty loss reserves and draw parallels to life and pension loss reserving practices.

Value Ladder: Task/Technical

Coordinator: Martin T. King, ACAS, MAAA

Wednesday, June 18
2:00 – 3:30 p.m.

Session 101

Session Sponsor: Canadian Institute of Actuaries (CIA)

Actuaries Without Borders – An International Experience in Microinsurance

Moderator: Firozali Kassamali Hirji, FSA, FIA, FCIA

Presenters: Denis M. J. Garand, FSA, FCIA; Firozali Kassamali Hirji, FSA, FIA, FCIA

Over 2 billion of the world's population lives on less than \$2 U.S. per day. Populations living in these conditions have limited access to any financial services. This session will explore how new business models in micro insurance assist in helping more people protect their livelihoods and their dignity by offering affordable insurance solutions.

Value Ladder: Global

Coordinator: C. Dean Chambers, FSA, FCIA

Wednesday, June 18
2:00 – 3:30 p.m.

Session 102

Session Sponsor: Canadian Institute of Actuaries (CIA)

IAIS, Recent Developments

Moderator: Morris W. Chambers, FSA, FCIA, MAAA, HONFIA

Presenters: Allan Brender, FSA, FCIA, CERA; Kris D. DeFrain, MAAA, FCAS; Alf Guldberg*

The International Association of Insurance Supervisors represents regulators and supervisors in nearly 140 countries. Recent developments could have important implications for the international, Canadian and American industries.

Value Ladder: Global

Coordinator: C. Dean Chambers, FSA, FCIA

Wednesday, June 18
2:00 – 3:30 p.m.

Session 103

Session Sponsor: Management & Personal Development

For All the Marbles: Effective Negotiation Skills – Part 2

Instructor: Michael M. Braunstein, ASA, MAAA

Part 2 highlights the differences that result when negotiation techniques vary and will address several advanced negotiation techniques. Attendees should plan on attending both sessions since the two are not independent.

Negotiating is a part of our daily lives. Kids want later bedtimes, husbands want extra minutes to watch the end of the game, car buyers push for that last option. We all make deals, and the workplace where you are is no different.

Some individuals negotiate internally with supervisors or a sales force, while others may negotiate externally with customers and those outside their place of employment.

But negotiation isn't just about time or money; it's about getting what you want in a world where others' wants must also be considered.

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This session:

- Teaches 7 basic tools of negotiation
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Attendees will:

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- Learn how to avoid major pitfalls in a negotiation
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- Know how and when to optimally strategize
- Have fun at this session and whenever they negotiate in the future

Value Ladder: Process

Coordinator: Michael M. Braunstein, ASA, MAAA

Follow up to: 91

Wednesday, June 18
2:00 – 3:30 p.m.

Session 104

Session Sponsor: Joint Risk Management

An Actuarial Perspective on Measuring Operational Risk

Moderator: Steven Lane Craighead, ASA, MAAA, MS
Presenter: Ali Samad-Khan*

Historically, operational risk has not tended to fall within the domain of many actuaries. With the evolution of enterprise risk management, actuaries are finding the need to bring operational risk into their field of view.

In this session, attendees will:

- Hear about and discuss the major categories of operational risk facing companies today
- Be exposed to techniques used to identify, measure and mitigate operational risk
- Learn how companies are incorporating operational risk into their enterprise risk frameworks.

Value Ladder: Employer/Client

Coordinator: David T. (Todd) Henderson, FSA, MAAA, CERA

Wednesday, June 18
2:00 – 3:30 p.m.

Session 105

Session Sponsors: Marketing & Distribution, Technology

Online Insurance: Internet Marketing

Moderator: Juliet R. Sandrowicz, FSA, MAAA
Presenters: Chad Hersh*; Brian Schlessinger*

What role does the Internet play in today's market? Is the Internet part of your marketing strategy? Should you be using the Web to market? In this session, the industry's experts from both Property/Casualty and Life, will share their insights, success stories, pitfalls, and best practices of today's Internet market.

Join us to hear how consumers can find *your* company on the Web, learn what works and what doesn't, and what is the cost of advertising.

Value Ladder: Employer/Client

Coordinator: Juliet R. Sandrowicz, FSA, MAAA

Wednesday, June 18
2:00 – 3:30 p.m.

Session 106

Session Sponsor: Reinsurance

Non-Traditional Reinsurance – From Variable Annuity Reinsurance to P&C Natural Catastrophe Bonds

Moderator: David Addison, FSA, MAAA

Presenters: Lawrence S. Carson, FSA, MAAA; William Dubinsky*; Jean-Francois Poulin, FSA, FCIA

Reinsurance for non-life products are available in many forms and can provide risk management and capital solutions to many of your products other than just term and whole life. New types of reinsurance are being developed to address a broad range of needs, risks and product types. Reinsurers will discuss the latest developments in variable annuity reinsurance, asset-based traditional annuity reinsurance, long-term care reinsurance and P&C natural catastrophe bonds and reinsurance. Understanding what is available in the market to help manage these risks can greatly improve a direct company's market position and better prepare them for the uncertainties that lie ahead.

Attendees will achieve a better understanding of new and emerging reinsurance solutions available to manage risk and capital.

Value Ladder: Market

Coordinator: Patrick Stafford, FSA

Wednesday, June 18
2:00 – 3:30 p.m.

Session 107

Session Sponsor: IAA Life Section

CRO Roundtable: Risk and Capital Management Key Issues

Moderator: Stuart F. Wason, FSA, FCIA, MAAA, HONFIA

Presenters: Simon R. Curtis, FSA, FCIA, MAAA; Francis A. M. Ruijgt, AAG; Mark Snyder*

CROs from Canada the United States and Europe will discuss the key issues they are facing in risk and capital management including a contrast of economic and regulatory capital.

Value Ladder: Industry

Coordinator: Stuart F. Wason, FSA, FCIA, MAAA, HONFIA