COVID-19 and ERM for Life Insurers

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SOCIETY OF ACTUARIES
Antitrust Compliance Guidelines

Active participation in the Society of Actuaries is an important aspect of membership. While the positive contributions of professional societies and associations are well-recognized and encouraged, association activities are vulnerable to close antitrust scrutiny. By their very nature, associations bring together industry competitors and other market participants.

The United States antitrust laws aim to protect consumers by preserving the free economy and prohibiting anti-competitive business practices; they promote competition. There are both state and federal antitrust laws, although state antitrust laws closely follow federal law. The Sherman Act, is the primary U.S. antitrust law pertaining to association activities. The Sherman Act prohibits every contract, combination or conspiracy that places an unreasonable restraint on trade. There are, however, some activities that are illegal under all circumstances, such as price fixing, market allocation and collusive bidding.

There is no safe harbor under the antitrust law for professional association activities. Therefore, association meeting participants should refrain from discussing any activity that could potentially be construed as having an anti-competitive effect. Discussions relating to product or service pricing, market allocations, membership restrictions, product standardization or other conditions on trade could arguably be perceived as a restraint on trade and may expose the SOA and its members to antitrust enforcement procedures.

While participating in all SOA in person meetings, webinars, teleconferences or side discussions, you should avoid discussing competitively sensitive information with competitors and follow these guidelines:

- **Do not** discuss prices for services or products or anything else that might affect prices
- **Do not** discuss what you or other entities plan to do in a particular geographic or product markets or with particular customers.
- **Do not** speak on behalf of the SOA or any of its committees unless specifically authorized to do so.
- **Do** leave a meeting where any anticompetitive pricing or market allocation discussion occurs.
- **Do** alert SOA staff and/or legal counsel to any concerning discussions
- **Do** consult with legal counsel before raising any matter or making a statement that may involve competitively sensitive information.

Adherence to these guidelines involves not only avoidance of antitrust violations, but avoidance of behavior which might be so construed. These guidelines only provide an overview of prohibited activities. SOA legal counsel reviews meeting agenda and materials as deemed appropriate and any discussion that departs from the formal agenda should be scrutinized carefully. Antitrust compliance is everyone’s responsibility; however, please seek legal counsel if you have any questions or concerns.
Presentation Disclaimer

Presentations are intended for educational purposes only and do not replace independent professional judgment. Statements of fact and opinions expressed are those of the participants individually and, unless expressly stated to the contrary, are not the opinion or position of the Society of Actuaries, its cosponsors or its committees. The Society of Actuaries does not endorse or approve, and assumes no responsibility for, the content, accuracy or completeness of the information presented. Attendees should note that the sessions are audio-recorded and may be published in various media, including print, audio and video formats without further notice.
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Introductions
In what area of the industry do you work?

A. Consulting
B. Direct carrier
C. Reinsurance
D. Software
E. Other
What type of role do you currently hold?

A. Risk
B. Pricing
C. Valuation
D. Upper management
E. Consulting
F. Software
G. Other
Surprises and lessons learned
Which company do you think has had the best stock performance since April 1st?

A. Amazon.com
B. Boston Beer Company (Sam Adams)
C. Chewy
D. Gilead Sciences
E. Peloton Interactive
Which company do you think has had the best stock performance since April 1st?

**Answer: Peloton Interactive**

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<th>Company</th>
<th>% Return (From 4/1 - 10/14)</th>
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<tr>
<td>Peloton Interactive</td>
<td>364%</td>
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<tr>
<td>Boston Beer Company (Sam Adams)</td>
<td>167%</td>
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<tr>
<td>Chewy</td>
<td>78%</td>
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<tr>
<td>Amazon.com</td>
<td>76%</td>
</tr>
<tr>
<td>Gilead Sciences</td>
<td>-12%</td>
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What COVID-related impact has taken you most by surprise?

(Select all that apply)

A. Mortality experience
B. Financial markets impact
C. Remote work
D. Social unrest
E. Other
F. All of the above
Current state – Uncertainty and change
When do you expect to go back to the office?

A. Already back, or plan to return by year end
B. 2021 H1
C. 2021 H2
D. 2022 or later
E. Staying remote permanently (was not remote before COVID)
F. NA (was remote before COVID)
Going forward
For which of the following categories do you think the tail risk has increased (i.e., increased likelihood of more extreme negative outcomes)?

A. Mortality
B. Lapse
C. Economic
D. Morbidity
E. Unsure
F. None / NA
Do you think we will experience negative interest rates resulting from the pandemic/Fed action?

A. Yes
B. No
What percentage of the actuarial workforce do you expect to remain remote following the pandemic?

A. 0 – 10%
B. 11 – 20%
C. 21 – 30%
D. 31 – 50%
E. Greater than 50%
Which of the following do you view as your top risks over the next 1-2 years?

(Select all that apply)
A. Mortality
B. Economic
C. Distribution
D. Cyber
E. Other
How often are you running COVID-19 scenario tests?

A. Never / NA
B. Weekly
C. Monthly
D. Every few months
E. Have performed once
F. Unsure
Q&A
2020 VIRTUAL ANNUAL MEETING & EXHIBIT