Enterprise Risk Management
ERM
Symposium

Where Cutting Edge Theory Meets State of the Art Practice

The 4th Annual Premier Global Event on ERM!

April 23-25, 2006
Sheraton Chicago
Chicago, IL

Society of Actuaries · Casualty Actuarial Society · PRMIA — The Professional Risk Managers' International Association

Presented by the Society of Actuaries, Casualty Actuarial Society and
The Professional Risk Managers' International Association

Enterprise Risk Management

ERM

Symposium

ENTERPRISE RISK MANAGEMENT SYMPOSIUM COMMITTEE:

Valentina Isakina (Chair), *McKinsey & Company*

Mark Abbott, *Guardian Life, PRMIA*

Steven D'Arcy, *University of Illinois*

Kathleen Dean, *Casualty Actuarial Society*

Kevin Dickson, *Allstate*

Doug Brooks, *Sun Life*

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Frank Sabatini, *Ernst & Young*

Chris Suchar, *DFA Capital*

Shaun Wang, *Georgia State University*

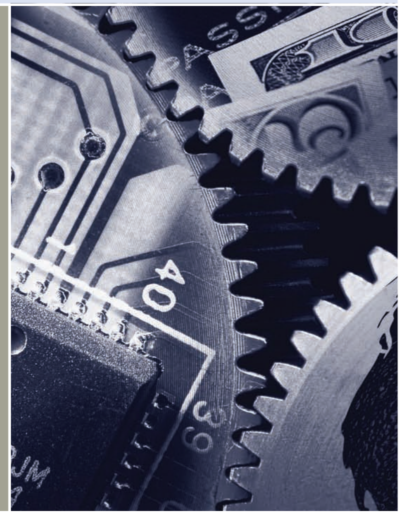
By bringing together the ERM knowledge from a variety of industries, this Symposium aspires to build a solid cross-disciplinary framework for senior management to create systematic value through effective management of risk and capital.

—Valentina Isakina
CHAIR, ERM SYMPOSIUM

WHO SHOULD ATTEND

- Chief Risk Officers
- Chief Financial Officers
- Risk Managers
- Investment Professionals
- ALM practitioners
- Actuaries interested in or practicing in risk management roles

By providing extensive opportunities for interaction with faculty and peers, this symposium is ideal for learning more about current emerging risk management trends and practices, as well as keeping up to speed with the latest ERM developments.



PLATINUM SPONSOR:

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SILVER SPONSOR:

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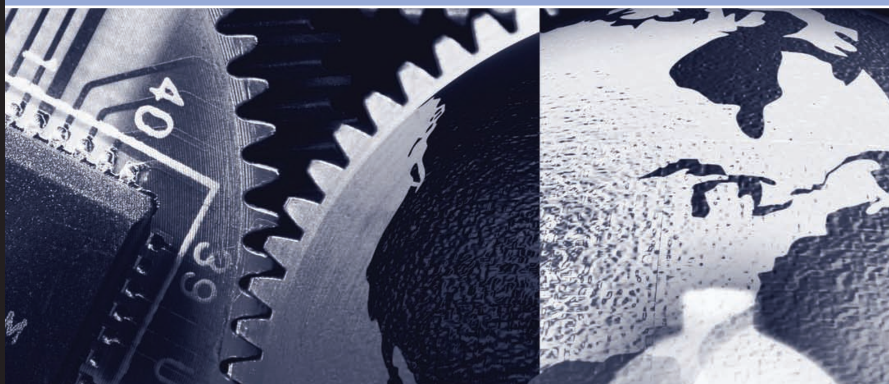
With a unique combination of actuarial and business expertise, Milliman consultants go beyond the numbers to the implications, beyond the reports to the applications. We draw from our enormous knowledge and experience base to bring depth, clarity and context to the issues you're facing. In short, we deliver insight. Insight to your business, your markets, your challenges—and the answers that will help you succeed.

Agenda

Sunday, April 23, 2006

8-9:30 a.m.	Registration & Continental Breakfast
9:30-11 a.m.	Workshops
11-11:30 a.m.	Networking & Refreshment Break
11:30 a.m. -1 p.m.	Workshops
1-2 p.m.	Luncheon
2-3:30 p.m.	Workshops
3:30-4 p.m.	Networking & Refreshment Break
4-5:30 p.m.	Workshop Session
6-8 p.m.	Reception & Exhibits

REGISTER ONLINE AT:
www.ermsymposium.org



Monday, April 24, 2006

7-8 a.m.	Registration & Continental Breakfast
8-8:15 a.m.	Opening Remarks
8:15-9:30 a.m.	General Session
9:30-10 a.m.	Refreshment Break
10-11:15 a.m.	Concurrent Sessions 1
11:15 a.m.-12:30 p.m.	Luncheon & Exhibits
12:30-1:45 p.m.	Concurrent Sessions 2
1:45-2:15 p.m.	Refreshment Break
2:15-3:30 p.m.	Concurrent Sessions 3
3:30-4 p.m.	Refreshment Break
4-5 p.m.	General Session
5-7 p.m.	Reception & Exhibits

Tuesday, April 25, 2006

7-8 a.m.	Registration & Continental Breakfast
8-9:15 a.m.	General Session
9:15-9:45 a.m.	Break
9:45-11 a.m.	Concurrent Sessions 4
11-11:30 a.m.	Break
11:30 a.m.-12:45 p.m.	Concurrent Sessions 5
12:45-2 p.m.	Luncheon & Keynote Speaker
2-3:15 p.m.	Concurrent Sessions 6
3:15-3:30 p.m.	Refreshment Break
3:30-4:30 p.m.	Ask the Experts Forum

8th Bowles Symposium & Second International Longevity Risk and Capital Market Solutions Symposium

April 24, 2006 | Sheraton Hotel | Chicago, Illinois

Actuaries, demographers, financial economists and industry experts will address the topic of longevity risk, who should bear this risk and the means of bearing and allocating this risk in the financial markets at this second international symposium on longevity risk and capital market solutions in Chicago, Illinois on April 24, 2006.

The preliminary program includes one day of groundbreaking presentations with more than 10 speakers from around the world, representing countries including Canada, China, Germany, Japan, Taiwan, the United Kingdom, and the United States.

For a complete list of all participating organizations and to get more information visit: *http://journalofriskandinsurance.org* or *http://www.pensions-institute.org*

PAPERS TO BE INCLUDED:

A Demographer's Perspective of Longevity Risk
Eric Stallard, Duke University

Political Economy of Government-Issued Survivor Bonds
Jeffrey Brown, University of Illinois

The Securitization of Longevity Risk
J. David Cummins, Wharton

Killing the Law of Large Numbers: Is there a Mortality Risk Premium?
Moshe Milevsky, York University

Pricing Life Securitizations and their Place in Optimal ILS Portfolios
Morton Lane, Lane Financial LLC

Exponential Tilting and Pricing Implications for Longevity Risk
Shaun Wang, Georgia State University
Samuel Cox, Georgia State University

Creating Synthetic Survivor Bonds
David Blake, City University
Kevin Dowd, University of Nottingham
Andrew Cairns, Heriot-Watt University
Richard MacMinn, Illinois State University

A Two-Factor Model for Stochastic Mortality with Parameter Uncertainty
Andrew Cairns, Heriot-Watt University

Sponsors include The Actuarial Foundation, American Risk and Insurance Association, Pensions Institute, Society of Actuaries, Bowles Chair of Georgia State University, Edmondson-Miller Chair of Illinois State University.

SOCIETY OF ACTUARIES

Actuaries
The Best-Kept Secret in Business™

ENTERPRISE RISK MANAGEMENT

ERM

Symposium

PROFESSIONAL DEVELOPMENT

The Sunday workshops have been approved for 6 units, and the ERM Symposium has been approved for 12 units of SOA Professional Development Credit.

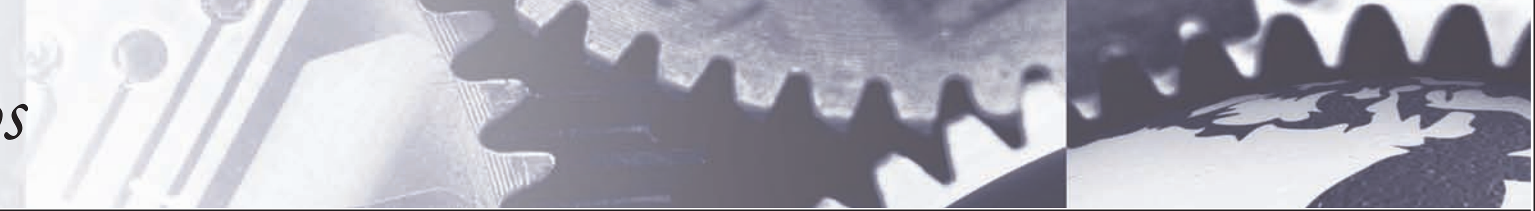
As a participant in the CFA Institute Approved-Provider Program, the Society of Actuaries has determined that this event qualifies for credit under the CFA Institute Professional Development Credit.

CFA INSTITUTE
PROFESSIONAL DEVELOPMENT
QUALIFIED ACTIVITY
13.5 CREDIT HOURS

Eligible for 13.5 credit hours.

Exhibit Opportunities

Showcase your products and services with an exhibit. The SOA is offering 10′ x 10′ exhibit space to provide companies the valuable exposure to key investment professionals. Exhibitors receive two complimentary registrations to the Symposium. For additional information, please contact **Denise Eiring** at ***deiring@soa.org.***



Workshops

Sunday, April 23, 2006

WORKSHOP 1

Applying a Principles-Based Approach to Valuation Requirements: Lessons Learned From C-3 Phase II Implementation

Don't miss this opportunity to get the big picture behind principles-based reserves/capital as well as hear knowledgeable panelists discuss lessons learned from implementation of the 2005 new requirements for the C-3 component of RBC for variable annuities (known as C-3 Phase II in the U.S.). The principles-based approach has become a hot topic in the insurance industry, but visionaries have seen this as the actuarial Holy Grail for many years. Based on a company's own experience, diversification and strategies, coupled with transparency to facilitate review, the principles-based approach will lead to more appropriate reserves and capital. Regulators are concerned about the actuary's willingness and ability to complete this task in a consistent fashion for all companies. Outside peer review has taken on new meaning and may well become a required aspect of financial statement preparation.

Workshop Faculty:
Jim Lamson, Actuarial Resources Corporation
Kerry Krantz
Larry Gorski, Claire Thinking Inc.
Donna Claire, Claire Thinking Inc.
Craig Morrow, Hartford Life

8-9:30 a.m. — **Registration & Continental Breakfast**

9:30-11 a.m. — **Intro To Principles-Based Requirements**

Jump right in and take part in this interesting session as the presenters explore stochastic analysis drivers for a variety of life, annuity and health product lines. Recently there has been a lot of momentum away from rules-based and toward principles-based reserve and RBC requirements. Principles-based requirements result in capital standards and reserves determined using the actuary's own expectation of future experience, the company's diversification of risks, risk mitigation efforts and actual assets held.

11–11:30 a.m — **Networking & Refreshment Break**

11:30 a.m–1 p.m. — **Modeling Issues**

Be sure to participate in this session as expert practitioners discuss how stochastic models are built. Stochastic modeling of insurance blocks of business requires strong equity scenarios and interest-rate scenarios, along with dynamic behavioral assumptions and non-level mortality and morbidity. Experts will cover these topics as well as how to set assumptions and determine appropriate margins.

1–2 p.m. — **Luncheon**

2–3:30 p.m. — **Adding Value Through Principles-Based Approaches**

Do you know how to utilize these methods? If not, be a part of this session as experienced presenters describe how a company can leverage these models between pricing and valuation to improve a company's strategic planning.

3:30–4 p.m. — **Networking & Refreshment Break**

4–5:30 p.m. — **Implementation Results and Issues From C-3 Phase II**

2005 was the first year insurers were required to calculate required capital for variable annuity blocks using C-3 Phase II techniques. Take this opportunity to educate yourself as experienced practitioners discuss what they learned and additional techniques that can be employed as actuaries move forward with this process. Experts will cover how to use CTE measures and the standard scenario. Regulators will also share some initial results from the 2005 NAIC filings of C-3 Phase II results.

6–8 p.m. — **Reception & Exhibits**

WORKSHOP 2

Banks and Insurers: Separate Paths but a Common Destination – Practical Tools Shared Between Financial Service Industries

Gain insights you can utilize as experts from banking as well as life and casualty insurance share tools you can use as each industry moves towards ERM. The Basel Accord has encouraged bankers toward using company-driven ERM models for financial and non-financial risks to determine the minimum required regulatory capital. Insurers are using principles-based valuation models for the same reason. You just might discover that these same models can be used for calculating economic capital, pricing, performance measurement and portfolio management at your company.

Workshop Faculty:

Max Rudolph, Mutual of Omaha
Robert Mark, Black Diamond
Steve D'Arcy, University of Illinois
Michel Crouhy, IXIS Corporate and Investment Bank

8-9:30 a.m. — **Registration & Continental Breakfast**

9:30-11 a.m. — **ERM Basics for Banks and Insurers**

Presenters will define the problem of translation of risk management concepts that exist between the two industries. What are the goals? The discussion will include potential solutions and where more work is needed, as well as:

- Definition and scope of ERM
- Benchmarking ERM from a policy, methodology and infrastructure framework
- Why ERM is important – setting the context for ERM while discussing the drivers of change and development for the ERM discipline
- The impact of ERM on management practices: a discussion of recent ERM trends, including organizational objectives for pursuing ERM
- The role of ERM in value creation
- The role of the Chief Risk Officer

11–11:30 a.m. — **Networking & Refreshment Break**

11:30 a.m.-1 p.m. — **Banking/Insurance Tools and Techniques — Building Blocks of Success**

Get an overview of the techniques and tools used by banks. You'll be introduced to the breadth and depth of technical issues surrounding measuring and managing risks at the enterprise level. In particular, our experts will explore:

- Essentials of financial and operational risk management and the pitfalls of using a "silo" approach to risk management as well as superior risk management approaches in the policy, methodology and infrastructure dimensions
- Key risk-based decisions that need to be made under uncertainty in an environment of sparse and fragmented data sources
- Risk-based business intelligence trends: top-down vs. bottom-up, and risk aggregation and issues in allocating risks back to the business units
- Economic capital as a measure of the combined risk position of an enterprise
- Case studies of failed ERM initiatives
- Best practices and ERM frameworks

1–2 p.m. — **Luncheon**

2-3:30 p.m. — **Banking/Insurance Tools and Techniques — Building Blocks of Success**

Here's your chance to be introduced to the breadth and depth of technical issues surrounding measurement and management of risks at the enterprise level. Our experts will provide an overview of the techniques and tools used by insurers. In particular, they'll discuss:

- Essentials of financial and operational risk management and the pitfalls of using a "silo" approach to risk management as well as superior risk management approaches in the policy, methodology and infrastructure dimensions
- Key risk-based decisions that need to made under uncertainty in an environment of sparse and fragmented data sources
- Risk-based business intelligence trends: top-down vs. bottom-up, and risk aggregation and issues in allocating risks back to the business units
- Economic capital as a measure of the combined risk position of an enterprise
- Case studies of failed ERM initiatives
- Best practices and ERM frameworks

3:30–4 p.m. — **Networking & Refreshment Break**

4–5:30 p.m. — **Roundtable — What Have We Learned and Where Do We Go Now?**

Get your burning questions about ERM processes between banks and insurers answered as a panel of experts from both businesses discuss commonalities of the ERM process between their groups. Questions will be taken from the floor so be prepared!

6–8 p.m. — **Reception & Exhibits**

WORKSHOP 3

ERM Essentials for Decision Makers

Across industries, Enterprise Risk Management (ERM) is evolving into a catalyst for companies to increase transparency, safeguard shareholders' interest, leverage opportunities to strengthen their competitive advantage and comply with government reporting regulations. Corporations are adopting ERM as the new form of corporate governance and a Better Business Practice. This workshop will offer participants comprehensive coverage of drivers, tools, techniques and current issues relating to this emerging discipline.

Workshop Faculty:

David Ingram, Standard & Poor's
Prakash Shimpi, Towers Perrin
Mary Ellen Luning, Ernst & Young
Don Mango, GE Insurance
Valentina Isakina, McKinsey
Gary Venter, Guy Carpenter
Hubert Mueller, Towers Perrin

8-9:30 a.m. Registration & Continental Breakfast

9:30-11 a.m. Lecture: ERM Fundamentals

Join the first lecture session of this intensive workshop to hear industry experts discuss essentials and trends impacting the emerging practices of Enterprise Risk Management. Specifically, experts will explore:

- Definition and scope of ERM
- The important factors that are driving the spread of ERM and how ERM is changing and developing
- The impact of ERM on management practices including organizational objectives for pursuing ERM
- ERM's role in value creation
- Role of the Chief Risk Officer

11–11:30 a.m. Networking & Refreshment Break

11:30 a.m.–1 p.m. Case Study: Critical Factors in ERM Implementation

You have implemented SOX 404 - so why do you need ERM? Beware of rushing into ERM risk analytics unprepared or applying checklists. Even the most sophisticated risk measurement technology will not meet stakeholders' objectives if mechanically adopted without professional judgment. Creating a culture that embraces ERM will result in risk management decisions that increase economic value for a chosen risk appetite and time horizon. In this session you'll learn about critical elements of a successful ERM framework. Experts will discuss:

- Requirements for supportive internal environment
- Up the organizational ladder with ERM
- Critical organizational issues, alignment of incentives and responsibilities
- The difference between Sarbanes-Oxley and ERM
- Controlling and monitoring activities
- Effective execution - the difference between an extra expense and invaluable resource
- Case studies of failed ERM initiatives
- Best practices and ERM frameworks

1–2 p.m. Luncheon

2–3:30 p.m. Lecture: ERM Tools and Techniques—Building Blocks of Success

Increase your knowledge with the techniques and tools involved in the ERM process. You'll be introduced to the wide range of technical issues surrounding measurement and management of risks at the enterprise level. Experts will probe:

- Essentials of market, credit, operational and insurance/hazard risks, and the pitfalls of using a "silo" approach to risk management on the company bottom line
- Decision-making issues under uncertainty with sparse and fragmented data sources, and business intelligence trends
- Top-down vs. bottom-up. Risk aggregation and issues in allocating risks back to the business units
- Economic capital as a measure of the combined risk position of an enterprise
- Case studies of failed ERM initiatives
- Best practices and ERM frameworks

3:30–4 p.m. Networking & Refreshment Break

4–5:30 p.m. Case Studies: ERM Implementation

Take a look at a hands-on example focused on dealing with issues associated with creating a successful ERM framework. Building on the essential concepts addressed earlier in the day, the case study will provide practical answers to issues arising in this process. Expert panelists will cover:

- Differences in ERM awareness across different industries
- Elements of systems and data requirements
- Infrastructure issues
- Sample risk metrics report
- Understanding the behavioral and market drivers of poor decision making regarding risk
- Exploiting risks through diversification

6–8 p.m. Reception & Exhibits

Monday, April 24, 2006

7–8 a.m. Registration & Continental Breakfast

8-8:15 a.m. Opening Remarks from the Chair
Valentina Isakina, McKinsey & Co.

8:15-9:30 a.m. GENERAL SESSION

Convergence in Capital Management: Energy and Financial Services Leaders

Moderator: *Geoff Kates, Lepus UK, PRMIA Chair*
Presenters: *Robert Anderson, Committee of Chief Risk Officers*
Andrew Naughton, The Options Clearing Corp.

Join distinguished presenters as they discuss how risk management is becoming a universal language, and more and more industries are adopting it. Experts will share the latest developments in banking, insurance, energy and exchanges to bring risk management to the same page across the world.

9:30–10 a.m. Refreshment Break

10–11:15 a.m. CONCURRENT SESSIONS 1

What is Enterprise Risk Management? L

Moderator: *William Panning, Willis Re, Inc.*
Presenters: *Marty Przygoda, Allstate*
Richard Goldfarb, Ernst & Young

Join expert panelists as they probe three crucial questions:

1. What are the ultimate objectives of ERM and what benefits do they imply for firms that implement it?
2. In what way are these objectives new, significant and distinct from traditional corporate risk management and from DFA?
3. What are the significant conceptual, technical and political challenges a firm must confront in implementing ERM? The presentations will be widely applicable, but will use financial service firms as examples.

Economic Capital: Company Models vs. Rating Agency and Regulatory Capital Requirements RCM

Moderator/Presenter: *Hubert Mueller, Towers Perrin*
Presenter: *Jeff Mohrenweiser, Fitch Ratings*
Kerry Krantz

Don't miss this session as experienced panelists give an overview of the various approaches for determining an insurance company's capital: economic capital, rating agency capital and regulatory capital as well as their uses and applications. In particular the panelists will analyze the implications of recent and proposed regulatory changes for determining capital and reserves directed at using economic capital methodology, i.e., reflecting a company's proprietary risks.

International Practices and Developments in ERM E

Moderator/Presenter: *Shaun Wang, Georgia State University*
Presenters: *Felix Kloman, Risk Management Reports*
James Stewart, Butterfield Bank of Bermuda

Interested in international and forward thinking about ERM? Be sure to take part in this session. Some international players are taking leadership in establishing innovative ERM thinking and best-in-class ERM practice. With an international scope, the knowledgeable panelists will share some of the latest developments in ERM thinking and the current state of interdisciplinary and cross-profession collaboration while showcasing an ERM study that combines qualitative risk assessment and robust quantification.

Risk Tolerances & Measurements RM

Moderator/Presenter: *John C. Karow, Ernst & Young*
Presenter: *To Be Determined*

Learn all about different approaches to measure risk in this interesting session. The ERM framework requires practitioners to implement risk metrics and to establish risk tolerances for use in the enterprise risk management system. Expert panelists will discuss:

- Unique approaches used to measure risk
- Establishing risk tolerances
- The pros and cons of the different metrics
- Practical considerations required to establish and implement meaningful tolerances.

ERM Research & Education at Leading Universities A

Moderator *Dr. Ron Dembo, ZeroFootprint Inc.*
Presenters: *Prof. Luis Seco, University of Toronto, Risk Lab*
Prof. Krzystof Jajuga, Wroclaw University of Economics, Poland
Dr. Michel Crouhy, IXIS Corporate and Investment Bank

ERM is no longer just about market risk in a bank. It has to do with financial and non-financial risk, that includes operational and environmental risks, and how they are dealt with holistically. The panel will discuss what we are doing in universities to prepare for this and coordinating a multi-disciplinary effort.

11:15 a.m.–12:30 p.m. Luncheon & Exhibits

TRACKS

L Latest Developments in ERM
RCM Risk and Capital Management
E ERM Throughout the Economy and the Globe
RM Risk Measurement Issues
A Advanced Topics in ERM

12:30–1:45 p.m. **CONCURRENT SESSIONS 2**

Value Creation through ERM (L)

Moderator/Presenter: *Stephen Lowe, Towers Perrin*

Get educated on how to use ERM to connect your company's strategic perspective on risk to tactical implementation at the front line of doing business. The ERM process involves several individual steps. In many companies there are disparate approaches for each step that result in difficulty relating one ERM process step to the next. This also inhibits integration of ERM into key business processes. Our expert presenter will discuss how to make that connection.

Exploiting Risk (RCM)

Moderator: *Michael Bond, Allstate Financial*
Presenters: *Michael J. Belfatti, Towers Perrin*
Matthew Peters, Allstate Insurance Company
Betsy Joseph, Allstate Insurance Company

How do you "exploit risk?" A key feature of any risk management system is identifying and effectively managing threats to the organization – playing defense. But, as is often touted about ERM, there should also be an offensive component to the game plan. This session features knowledgeable panelists who will share experiences and provide practical guidance as to how organizations can recognize and take advantage of the risks they face.

ERM in Banking (E)

Moderator: *Robert Mark, Black Diamond Risk Management, PRMIA*
Presenter: *Elizabeth Wilson, Washington Mutual Capital Corporation*

Hone your knowledge of ERM in banking and learn some of the best practices in risk management in this unique session. Although ERM in banking is still in its initial stages, as it is everywhere, banks have made an essential contribution to developing best techniques and practices related to risk management within the financial services industry and beyond. In many countries, the banking risk management regulations influence other economic sectors' requirements for institutionalizing risk management techniques. As a result, various financial and non-financial entities are trying to adopt best practices from banks to their own situations. In this session, you'll learn about some of these banking techniques and expand your knowledge on a number of recent ERM developments in banking. An experienced bank risk management and ALM practitioner will discuss the evolution of the current state of the practice and where it is headed.

ERM Technology: Advanced Risk Measurement and Decision Support (RM)

Moderator/Presenter: *James Lam, James Lam & Associates*
Presenters: *Alexander Korogodsky, Ernst & Young*
Matthew Feldman, Chicago FHLB

Attend this session to learn about the people, process and technology needed for advanced risk measurement monitoring and decision support. Expert presenters explore common challenges that companies face in developing automated solutions, achieving satisfactory run times and reaching organizational alignment between risk measurement and technology disciplines. Presenters will cover techniques for moving risk measurement capabilities into production with appropriate controls while retaining the flexibility needed for ad hoc analysis and decision support. They will also discuss and illustrate how business intelligence solutions can be used to provide risk managers with sophisticated dashboard reporting capabilities for real-time analysis and business decision support.

Correlation of Risks, Integrated Risk Measurement — a.k.a. Risk Aggregation (A)

Moderator: *Geoff Kates, PRMIA Chair, Lepus, UK*
Presenter: *Thomas Ho, Thomas Ho & Company*

Seize this opportunity to gain an understanding of risk correlations. A key development of enterprise risk management over traditional risk management is that risks should be viewed in the aggregate in an integrated manner. Different risks might not behave independently but instead have some relationship or correlation to other risks. Consequently this aggregation might look very different compared to a simple addition of risks in isolation. Given this scenario, then it is very important to understand risk correlations as best as possible in order to take the appropriate risk management actions. In this session you'll learn about these basic issues as an expert presenter speaks to recent developments within the financial services sector.

1:45-2:15 p.m. **Refreshment Break**

2:15-3:30 p.m. **CONCURRENT SESSIONS 3**

Rating Agencies' Views Towards ERM (L)

Moderator: *Frank P. Sabatini, Ernst & Young*
Presenters: *David Ingram, Standard & Poor's*
Herve Geny, Moody's Investors Service

Get a new perspective in this session as rating agency presenters provide their views on ERM. ERM is becoming an increasingly important component of the ratings analysis of insurers and reinsurers and could ultimately have a material impact on the ratings decision they make. The approach that each rating agency is taking appears to be different and the standards for ERM practices are yet undefined. In this exciting session, knowledgeable rating agency presenters will discuss how ERM will integrate into their respective ratings analysis.

Track Legend

Securitization RCM

Moderator: *Jack Gibson, Towers Perrin*
Presenter: *Paul Turner, Scottish Re (U.S.) Inc.*

Gain insights into securitization in this informative session. The securitization wave is sweeping the insurance industry. More and more insurers are starting to implement this great risk management technique. An expert will share practical challenges and insights related to the unique characteristics of the securitization approaches in the insurance industry.

ERM in Energy E

Moderator: *Robert Young, Risk Capital Advisors*
Presenters: *Dan Rodriguez, Morgan Stanley*
Bob Biolsi, New York Mercantile Exchange (NYMEX)
James Duncan, Conoco Phillips

Take a look at a challenging and rewarding economic sector – energy – from an ERM perspective. Increasingly energy firms are being called upon to provide substantiation of current risk practices. From ratings agencies to external regulators, a trend has emerged that compares current ERM practices in the energy sector to those practices in financial services. Expert panelists representing utility, production/supply and banking will:

- Share their assessment of existing and developing energy-related risk models
- Address the evolution of environmental financial products and sustainable development
- Discuss new tools developing to help mitigate energy-related exposures.

You'll be challenged to learn how the traditional risk management tools and techniques are applied in new and unexpected ways in this dynamic sector.

Modeling of Economic Series RM

Moderator: *Mark Abbott, PRMIA, Guardian Life*
Presenter: *Steve D'Arcy, University of Illinois*

Here's your opportunity to get a foundation on the projection of economic and financial scenarios particularly regarding interest rates, inflation, equity, returns, dividend yields, real estate returns and unemployment. At this session, the presenter will review important work in the economic financial and actuarial literature, the identification and development of appropriate data sources and methodologies and the creation of a model for projecting economic scenarios. This work has relevance to any risk management application involving financial scenario modeling including dynamic financial analysis, regulatory and management tests and cash flow testing

Scenario Generation A

Moderator/Presenter: *Bill Pauling, Hartford Investment Management Company*
Presenters: *David Hopewell, Ernst & Young*
Michael White, Sun Life Financial

Join expert panelists as they present their views on the practical considerations in selecting generators in this interesting session. Scenario generation is an integral part of the risk and economic capital measurement process especially as it relates to the generation of interest rate and equity returns for use in measuring interest rate and equity risk exposures. Different generators and different parameterizations produce dramatically different results especially when the tail of the distribution is the primary concern. The problem is complicated further by the need to generate scenarios across different countries. The panelists will address not only considerations, but also developing appropriate assumption sets.

3:30–4 p.m. **Refreshment Break**

4–5 p.m. **GENERAL SESSION**

View from the Top: The Role of the Board in ERM

Moderator: *James Lam, James Lam & Associates*
Presenter: *To Be Determined*

Here's your chance to participate as an expert presenter discusses the role of the board and answers your questions. As clearly established in regulatory and best-practice frameworks, directors have the ultimate responsibility to ensure that an effective ERM program is in place. What is their role in ERM? How can they set the tone from the top and provide meaningful board oversight? What are their expectations for the ERM function? Are their needs being served? For example, do they get good information and reporting with respect to risk management and compliance? The presenter will examine these issues and answer your questions.

5–7 p.m. **Reception & Exhibits**

TRACKS

- L Latest Developments in ERM
- RCM Risk and Capital Management
- E ERM Throughout the Economy and the Globe
- RM Risk Measurement Issues
- A Advanced Topics in ERM

Tuesday, April 25, 2006

7-8 a.m. **Registration & Continental Breakfast**

8–9:15 a.m. **GENERAL SESSION**

How ERM Added Value in my Organization

Moderator: *Prakash Shimpi, Towers Perrin*
Presenters: *Raj Singh, Allianz AG*
Thomas C. Wilson, ING Group

Hear firsthand experiences about ERM value in this informative session!

Even though ERM has been implemented in many firms, some still question its value. Perhaps the value of ERM is clearest when ensuring compliance with certain regulations, i.e., avoiding the direct cost of non-compliance. Quite a lot has also been said and written about the value of ERM in banks.

But beyond compliance and banks, leading firms are now focusing their attention on identifying and realizing the economic value created by the enterprise-wide management of risk through improving the quality of earnings and using capital more efficiently. In this panel, senior executives from a diverse set of firms (financial services) will offer their experience in adding value through ERM.

9:15-9:45 a.m. **Break**

9:45–11 a.m. **CONCURRENT SESSIONS 4**

ERM in Light of Good Corporate Governance L

Moderator: *David Ingram, Standard & Poor's*
Presenters: *Michael Young, Wilkie, Farr & Gallagher*
George Dallas, Standard & Poor's

Learn how governance structures can support ERM. Risk management is more than just a set of algorithms and assumptions for calculating value-at-risk or economic capital. To be effective, risk management must have the proper place within the governance system of an enterprise. Risk management must have a high profile and enough authority to impact on the risks taken by the organization before those risks become losses. Speakers will also discuss the ways breakdowns in good governance can add significant risks to an organization as well as the specific consequences of those breakdowns.

ERM in Asset Management RCM

Moderator: *Erwin Martens, TIAA-CREF*
Presenters: *Leroy Cody, Lazard Asset Management*
Ken Akoundi, Optima Fund Management

An update to the latest developments on the ERM front in asset management in this timely session. ERM in asset management has become quite challenging in an era of high volatility, credit liquidity, operational risk challenges and an increasing importance of compliance oversight. Expert presenters will also explore the issues and challenges faced by the sector as well as how to minimize losses from operational and fat-tail credit risk while seeking out modest out performance of a target benchmark. In addition, they'll discuss the importance of ALM aligning incentives and issues of yield/income vs. total return.

Economic Capital: Trends in Implementation E

Moderator: *Hubert Mueller, Towers Perrin*
Presenters: *Robin Lenna, MetLife*
Raj Singh, Allianz AG
Doug Brooks, Sun Life Financial

Enhance your understanding of the interdisciplinary approach to economic capital issues in this informative session. This session will provide case studies of how leading-edge insurance companies have managed to implement an Economic Capital framework into their business decision-making and performance measurement. Risks covered include financial and non-financial risks. The companies will provide both cross-sector and multinational perspectives.

Operational Risk Measurement RM

Moderator/Presenter *Yakov Lantsman Inc., Willis Re Inc.*
Presenter: *Nikolay Hovhannisyan, Algorithmics/Fitch Risk Management*

Operational risk should be integrated in a framework easily understandable by stakeholders and not just a regulatory compliance check. Operational risk models should produce meaningful output and be a part of an 'end to end' integrated process. What are the key criteria for effective implementation? What insights can be provided? How important are responses in operational risk? How important is operational risk to ERM?

Scientific Papers A

Moderator: *Max J. Rudolph, Mutual of Omaha*
Presenters: *To Be Determined*

The 2006 ERM Symposium highlights scholarly papers that explore and advance risk management topics with a focus on the analysis and practical tools related to:

- Financial risks
- Operational risks

- Interaction between the risks i.e. diversification benefits
- Integrated ERM
- Creating value through ERM

11-11:30 a.m. Refreshment Break

11:30 a.m.–12:45 p.m. **CONCURRENT SESSIONS 5**

Integrating ERM into Corporate Decision Making L

Moderator/Presenter: *Mary Ellen Luning, Ernst & Young*
Presenters: *Douglas Brooks, Sun Life Financial*
Elizabeth Wilson, Washington Mutual Capital

Be a part of this session and learn how companies are successfully integrating emerging ERM processes without unduly slowing down the process.

The ERM process of identifying and quantifying exposures to the enterprise has little value unless it is integrated into the corporate decision-making process. Unfortunately, corporate decision making predates ERM and although risk is never ignored in the corporate decision-making processes, integrating emerging ERM practices into the existing process in a more formal way is one of the challenges that risk managers face today.

As part of the integration process, risk managers must also seek a balance between good decisions that effectively reflect risk management considerations and unduly slowing down the process itself. Knowledgeable panelists will speak on this topic from their own experiences.

Operational Risk Management RCM

Moderator: *Linda Chase-Jenkins, Towers Perrin*
Presenter: *Robert Semke, MetLife*

Don't miss this opportunity to increase your understanding of the best practices and approaches for managing operational risks. Operational risks can wreak havoc on an insurance company whether they are related to a particular event or result from a business decision. However, most insurers have only developed sophisticated techniques for dealing with financial risks and strategies. The expert will explore techniques for assessing operational risks to understand the key risks to be managed and quantified. The presenter will also explore how analysis of existing data and other risk management activities can be leveraged and how managing operational risk can help to optimize both financial and operational strategies.

ERM in Insurance E

Moderator: *Jeanne M. Hollister, Towers Perrin*
Presenters: *Craig Raymond, The Hartford*
Larry Moews, Allstate

Increase your knowledge on a variety of issues related to ERM in insurance as expert panelists cover a wide range of topics. There are several stages of development in ERM ranging from largely compliance-related activities to better decision-making that appropriately considers risk-reward trade-offs and value creation. Although insurance companies are beginning to recognize the potential for creating value through integrated risk and capital management, many still lack the practical methods for doing so. In this session we will compare and contrast the state of the property/casualty insurance industry with the life insurance industry with regard to ERM. Through a moderated discussion, expert panelists will cover a variety of issues including:

- How and if companies are thinking about risk limits
- Where they see themselves on the continuum between compliance and value creation
- How companies are responding to increasing rating analyst interest in ERM
- Challenges they face in operationalizing ERM
- Other timely subjects.

Identification and Measurement of Extreme Events RM

Moderator/Presenter: *Cliff Angstman, Berkshire Life*
Presenters: *Bob Guth, Mennonite Mutual Aid Association*
Tom Edwalds, Munich American Reassurance Company

How will extreme events impact your organization? Participate in a group discussion on the potential impact of tail events that could influence the economy and society in general, with a focus on the financial impacts. Identify ways to reduce the impact of unusual events. Knowledgeable panelists will discuss topical events and could include:

- Avian Flu
- Bioterrorism
- Hyperinflation
- Detonation of a dirty bomb
- Radioactive contamination
- Meteor impact
- Catastrophic earthquake
- A major discontinuity in markets.

Scientific Papers A

Moderator: *Max J. Rudolph, Mutual of Omaha*
Presenters: *To Be Determined*

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- Creating value through ERM

TRACKS

- L Latest Developments in ERM
- RCM Risk and Capital Management
- E ERM Throughout the Economy and the Globe
- RM Risk Measurement Issues
- A Advanced Topics in ERM

12:45–2 p.m. **LUNCHEON & KEYNOTE SPEAKER**

What Can Markets Tell About Rare Events?

Moderator/Presenter: *Andrew Smith, Deloitte & Touche, London*

Don't miss out on this stimulating discussion on market prices vs. statistics. Economic capital seeks to capture all risks to which the company is exposed. Much statistical effort has been expended to quantify rare events. Market prices, however, tell a different story from the statistics. There is a market price to insure against company failure or extreme equity fall, but this price is normally much higher than statistical history would lead us to expect. Which then is the better arbiter of economic capital needs - market prices or statistics? Join this general session for a thought-provoking discussion.

2–3:15 p.m. **CONCURRENT SESSIONS 6**

Technological Innovations – Delivering on the Promise: The ERM Infrastructure L

Moderator: *Evan R. Busman, Towers Perrin*
Presenters: *Dan Rodriguez, Morgan Stanley*
Dr. Stephen Schoess, The Options Clearing Corporation
Mickey Chadha, Morgan Stanley

Join technology and business leaders as they discuss challenges and accomplishments in modernizing risk technology (the CDO & CRO in partnership) to meet changing regulatory and business requirements for ERM.

Implementing Regulatory Capital (C-3 Phase II) RCM

Moderator: *Hubert Mueller, Towers Perrin*
Presenters: *John Hele, ING Group*
Philip Barlow, DC Department of Insurance

Get the latest information on recent developments in implementing regulatory capital in this exciting session. The insurance industry is undergoing significant changes in the determination of risk-based capital and reserves at a worldwide level. Models have been put in place in Canada and the U.S. (for variable annuities) and are in the process of being rolled out for other life and annuity products in the U.S. over the next several years. Expert presenters will explore current developments at the regulatory level and the implications for insurance companies worldwide.

Corporate Risk Management – View from Silicon Valley E

Moderator/Presenter: *Venu Nagali, Hewlett-Packard*
Presenters: *Lloyd Nirenberg, Shannon Bayes Ventures*
Aram Sogomonian, Constellation Power Source
Eric P. Giauque, Intel Corporation
Petere Miner, Future Freight Corp.
Pierre Laurent, Future Freight Corp.

Update your know-how on risk management techniques used by non-financial companies by taking this session. The experienced presenter will explore supply chain and logistics risk management, operations risk management, energy risk management and information risk management. The panelist will present a framework to categorize these risks as risks that are transferable vs. non-transferable and risks that are tactical vs. strategic.

The session will also address the challenges in implementing a risk management program for manufactured goods which lack traded markets for futures and options contracts and the application of real-options methodology in such situations. This session is a great way to explore the similarities and differences in risk management techniques in use across a range of industries.

Risk Measurement Overview RM

Moderator: *Nawal Roy, Moody's Investors Services*
Presenter: *Andrew Smith, Deloitte & Touche, London*
Erwin Martens, TIAA-GREF

There are many moving parts in current frameworks for Risk Measurement—Assumptions, historical data, models, time horizon, assets, liabilities, processes and internal and external drivers. Discussants will review the current state and evolution of the practice of risk measurement.

Also discussed will be "Value at Risk—The Next Generation." Value at risk methodology for the insurance industry is evolving and remains challenging. This session will reveal enhancements to the basic methodology, addressing common criticisms relating to alternative distributions, tall dependencies and non-linear behavior. The presenter will demonstrate ways to communicate these ideas simply and to rank the most likely causes of financial distress.

Scientific Papers A

Moderator: *Max J. Rudolph, Mutual of Omaha*
Presenters: *To Be Determined*

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- Financial risks
- Operational risks
- Interaction between the risks i.e. diversification benefits
- Integrated ERM
- Creating value through ERM.

3:15-3:30 p.m. **Refreshment Break**

3:30-4:30 p.m. **Ask the Experts Forum**

Moderator: *Mark Abbott, PRMIA & Guardian Life*
Presenters: *To Be Determined*

Location & Hotel

SHERATON CHICAGO
301 East North Water
Chicago, IL 60611
Phone: 312/464-1000 (Main)
877/242-2558 (Reservations)

The Sheraton Chicago Hotel & Towers welcomes you to the heart of the city. Overlooking the Chicago River, the hotel puts you within walking distance of Navy Pier, Water Tower Place and North Michigan Avenue. The hotel is located approximately 20 miles from O'Hare International Airport and 12 miles from Midway Airport. Continental Airport Express operates shuttle service from either airport with the costs ranging between $16-$20. Taxi fare from O'Hare is approximately $40 and $25 from Midway.

We have arranged for hotel reservations to be made by telephone or via the Web at: *http://www.starwoodmeeting.com/StarGroupsWeb/res?id=0511143810&key=EAA.*

To reserve the rate quoted in the brochure, the following procedures should be completed:

- Make your reservations by the cutoff date (Friday, March 24, 2006)
- Use the phone numbers quoted in this brochure or visit the Web
- Identify yourself as part of the Society of Actuaries

ROOM RATES	CUTOFF DATE
$199 single or double occupancy (TAXES NOT INCLUDED)	Friday, March 24, 2006

Rooms are available at the rate quoted above as long as there are rooms remaining in the Society of Actuaries' block or until the cutoff date of March 24, 2006. After this date, rooms will be on a space- and rate-available basis.

HOTEL CANCELLATION: A deposit, with a major credit card, equal to one night's stay is required to hold each reservation. This deposit is refundable if notice of cancellation is received 72 hours prior to your scheduled arrival and a cancellation number is obtained. All deposits will be charged at the time the reservation is made. No-show reservations will forfeit the full first night's deposit.

EARLY DEPARTURES: All guests will be asked at check-in to verify their departure date. At that time you may change your departure date without penalty. An early departure fee may be charged to any guest who decides to depart before that verified date.

ATTIRE
Business casual attire is appropriate for this seminar.

Registration

REGISTRATION FEE

The registration fee includes reading materials, continental breakfasts, lunches, reception and refreshment breaks. Take advantage of EARLY BIRD REGISTRATION. Rates increase for registrations received by mail after 03/24/06. Please allow sufficient time for mailing.

WORKSHOP REGISTRATION FEES	Before 03/24/06	After 03/24/06
Attending Symposium	$600	$650
Not Attending Symposium	$750	$800

SYMPOSIUM REGISTRATION FEES	Before 03/24/06	After 03/24/06
Member of SOA, CAS or PRMIA	$895	$1,195
All Others	$1,195	$1,495
Bowles Symposium/ERM Academic Fee	$300	$300
Guest	$150	$150

REGISTRATION PROCEDURES

You may register using three methods:

ONLINE (CREDIT CARD REQUIRED)	MAIL	IN PERSON ON-SITE
At **www.soa.org**, select Meetings & Seminars, Events, and Continuing Education Programs. PAYMENT MUST BE RECEIVED **NO LATER THAN** FRIDAY, APRIL 14, 2006.	Mail your registration form with check payable to: SOCIETY OF ACTUARIES ERM SYMPOSIUM 2006 P.O. BOX 71293 CHICAGO, IL 60694 PAYMENT MUST BE RECEIVED **NO LATER THAN** FRIDAY, MARCH 31, 2006.	You may register at the on-site registration desk located at the Sheraton Chicago beginning Sunday, April 23, 2006 from 5:30-7:30 p.m. and again on Monday, April 24, 2006, beginning at 7 a.m.

FULL PAYMENT IS REQUIRED AT THE TIME OF REGISTRATION.

CANCELLATION POLICY: You may e-mail your cancellation requests to cancel@soa.org. All seminar cancellations and refund requests must be put in writing and received by the Society of Actuaries Customer Service Department no later than April 14, 2006. Society of Actuaries will refund the registration fee minus a processing fee of $100. Refunds will be issued in the same manner in which the original charge was made. Refunds to credit cards will only be issued back to the original credit card charged. Refunds will not be issued for requests received after April 14, 2006. For more information regarding cancellation and transfers, please visit www.soa.org, Meetings & Seminars, and Meetings & Seminars General Information.

PLEASE NOTE: If registering within five business days of the program, you are required to register on-site at the program. Please call the Society of Actuaries, Continuing Education Department at 847-706-3540 to confirm space availability.

REGISTRATION CONFIRMATION:

- Confirmations are e-mailed upon completion of registration.
- Please check your confirmation letter to make sure your information is correct.
- Using your confirmation code, you may make changes to your registration until April 14, 2006.

Registration Form

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ERM
Symposium

April 23-25, 2006
(00-230002-00000-101)

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I require a special lunch: ☐ Kosher ☐ Vegetarian ☐ Fruit Plate

Under the Americans with Disabilities Act, do you require specific aid or services to fully participate in this meeting? ☐ Audio ☐ Visual ☐ Mobile

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Not Attending Symposium	☐ $750	☐ $800
SYMPOSIUM REGISTRATION FEES	**Before 03/24/06**	**After 03/24/06**
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All Others	☐ $1,195	☐ $1,495
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Guest NAME	☐ $150	☐ $150
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Register by March 24th and Save!

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Sunday, April, 23, 2006

☐ WORKSHOP 1—Applying a Principles-Based Approach to Valuation Requirements: Lessons Learned from C-3 Phase II Implementation

☐ WORKSHOP 2—Banks and Insurers: Separate Paths but a Common Destination—Practical Tools Shared Between Financial Service Industries

☐ WORKSHOP 3—ERM Essentials for Decision Makers

Monday, April 24, 2006	LATEST DEVELOPMENTS IN ERM	RISK AND CAPITAL MANAGEMENT	ERM THROUGHOUT THE ECONOMY AND THE GLOBE	RISK MEASUREMENT ISSUES	ADVANCED TOPICS IN ERM
CONCURRENT SESSIONS 1 10-11:15 a.m.	☐ What is Enterprise Risk Management?	☐ Economic Capital Company Models vs. Rating Agency and Regulatory Capital Requirements	☐ International Practices and Developments in ERM	☐ Risk Tolerances & Measurements	☐ ERM Research & Education at Leading Universities
CONCURRENT SESSIONS 2 12:30-1:45 p.m.	☐ Value Creation Through ERM	☐ Exploiting Risk	☐ ERM in Banking	☐ ERM Technology: Advanced Risk Measurement and Decision Support	☐ Correlation of Risks, Integrated Risk Measurement—a.k.a. Risk Aggregation
CONCURRENT SESSIONS 3 2:15-3:30 p.m.	☐ Rating Agencies' Views Towards ERM	☐ Securitization	☐ ERM in Energy	☐ Modeling of Economic Series	☐ Scenario Generation

Tuesday, April 25, 2006	LATEST DEVELOPMENTS IN ERM	RISK AND CAPITAL MANAGEMENT	ERM THROUGHOUT THE ECONOMY AND THE GLOBE	RISK MEASUREMENT ISSUES	ADVANCED TOPICS IN ERM
CONCURRENT SESSIONS 4 9:45-11 a.m.	☐ ERM in Light of Good Corporate Governance	☐ ERM in Asset Management	☐ Economic Capital: Trends in Implementation	☐ Operational Risk Measurement	☐ Scientific Papers
CONCURRENT SESSIONS 5 11:30 a.m. -12:45 p.m.	☐ Integrating ERM into Corporate Decision Making	☐ Operational Risk Management	☐ ERM in Insurance	☐ Identification and Measurement of Extreme Events	☐ Scientific Papers
CONCURRENT SESSIONS 6 2:00-3:15 p.m.	☐ Technological Innovations—Delivering on the Promise: The ERM Infrastructure	☐ Implementing Regulatory Capital (C-3 Phase II)	☐ Corporate Risk Management—View from Silicon Valley	☐ Risk Measurement Overview	☐ Scientific Papers

Where Cutting Edge Theory Meets State of the Art Practice

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ERM

Symposium

April 23-25, 2006
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Chicago, Illinois

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