

2020 Seminar on Reinsurance

Virtual Program

June 1-2, 2020

State of the Reinsurance Market

Level 1: No prior knowledge of the subject

General Session, Monday, June 1, 11:00 a.m. - 12:30 p.m.

The general session for the virtual Reinsurance Seminar will bring together industry leaders to discuss the state of the industry during a unique and challenging time. With a pandemic and social inflation following on the heels of a series of active loss years for property lines of business, the reinsurance market place is working its way through the challenges and opportunities of an uncertain marketplace. For this panel, discussion topics will include:

- How is the reinsurance industry handling the ongoing pandemic from an operational and financial perspective?
- What might the pricing environment look like in the upcoming year?
- How might initiatives to bring new technology or innovation to the reinsurance sector be impacted by the current market situation?
- Five years from now, how do you expect the reinsurance industry to look different from today?

Speakers: Amy Stern, Managing Director, Global Insurance Services, FTI Consulting
Jean-Paul Conoscente, CEO, SCOR Global P&C.
John Bender, Chief Executive Officer, Allied World Reinsurance Company
Keith Wolfe, President US P&C - Regional & National, Swiss Re

Reputation Risk in Reinsurance Transactions

Level 1: No prior knowledge of the subject

Concurrent Session 1, Monday, June 1, 1:30 p.m. - 2:45 p.m.

The US Department of the Treasury published guidance in 2007 on Complex Structured Financial Transactions. Reinsurance could well have triggered some of those principles with transactions that betrayed public trust. In a time of substantial growth targets in our industry the pressure to write deals that could damage individual company's and the reinsurance industry's reputation is high.

In this session, we will review and talk about how reinsurance could run afoul of the CSFT guidance. There will be both actual and hypothetical examples within our industry and in the economy at large.

Moderator: Brian Mullen, Reinsurance Pricing & Analytics Director, American Family Insurance Group

Speaker: Todd Hess, Head Risk Management P&C Reinsurance Americas, Swiss Re

Drivers of Social Inflation and the Impact on Casualty Results

Level 1: No prior knowledge of the subject

Concurrent Session 1, Monday, June 1, 1:30 p.m. - 2:45 p.m.

The topic of this session is the drivers of social inflation and the impact on casualty results. Panelists will approach this issue from several different perspectives. The first panelist will review evidence of increased social inflation and the socio-economic drivers. It will include a review of the trends in court statistics and in jury verdicts. He will then discuss drivers including increased legal advertising, developments in litigation financing, and income inequality. The second panelist is an attorney and reinsurance claims department leader. Based on her experience working on large cases, she will discuss the increased effectiveness of the plaintiff's bar and some of the tactics they have been employing to drive their success; thereby, causing strong challenges to the insurance industry. Finally, both panelists expect to offer their perspective on how the novel coronavirus pandemic will affect, temporarily or permanently, trends in social inflation.

Moderator/Speaker: William Wilt, President, Assured Research, LLC

Speaker: Dana Franzetti, Claims Manager Regional 2, VP, Swiss Re

Wheels: Commercial Auto, Another Dip in the Road

Level 2: General knowledge of the subject

Concurrent Session 1, Monday, June 1, 1:30 p.m. - 2:45 p.m.

This session provides a year-end 2019 holistic update to the Commercial Auto industry experience and trends, most recently presented at the May CAS On-line Webinar ("as part of the 4-year Wheels series"). In addition to reviewing items such as lengthening LDFs and large loss pressures on ILFs, a comparison between commercial and personal auto trends will be presented.

A company actuary/underwriting managers perspective will be given on the state of the market, including the expected impact of various societal and jury impacts. Impacts on the portfolio and potential underwriting responses, as well as discussion of the significant issues and pausing impacts from Covid-19, will be given.

To also help frame potential scenarios, this session will include a historical look to prior shock events including the Great Recession on premium level dips, troughs and recovery shapes, and a framework for measuring similar impacts under various Covid-19 emerging scenarios.

Moderator/Speaker: John Buchanan, Principal, Excess & Reinsurance, ISO/Verisk

Speaker: Terry Knull, Vice President, Swiss Re

Public Entities

Level 3: Working knowledge of the subject

Concurrent Session 2, Monday, June 1, 3:45 p.m. - 5:00 p.m.

There are more than 90,000 public entities in the United States with risks comparable to commercial insurance (e.g. work comp and property) but also other risks that are unique (e.g., police officer liability). Three panelists (1-pool administrator, 2-underwriter, 3-actuary) with different roles regarding reinsurance of public entities will share their perspectives on exposures unique to public entities.

Speakers: Christopher Krepcho, Director of Insurance Services, Florida Municipal Insurance Trust
Peter Wildman, Guy Carpenter & Co. LLC
Heather Burgess, Underwriter, NLC Mutual

Med Mal: Pre Covid-19 State of the Market and Post Covid-19 possible impact

Level 2: General knowledge of the subject

Concurrent Session 2, Monday, June 1, 3:45 p.m. - 5:00 p.m.

In this discussion we will hear from Industry experts on the current state of Medical Malpractice insurance. This session will cover coverage trends, recent large losses, price movements as well as possible scenarios post Covid-19.

Speakers: Erik Johnson, Director & Actuary, Aon
Tracy Valentine, The Hartford
Patricia Marzella-Graubart, Vice President, Swiss Re America

Workers Compensation - Market Update

Level 2: General knowledge of the subject

Concurrent Session 2, Monday, June 1, 3:45 p.m. - 5:00 p.m.

This session will provide a current view of the US workers compensation market from three perspectives - a primary writer, a reinsurer, and a rating bureau – and will include discussion of recent reactions to COVID-19.

Moderator: Derek Jones, Principal and Consulting Actuary, Milliman

Speakers: Bryan Ware, Amtrust Financial
Brett King, AVP & Director of Actuarial Research, New York Compensation Insurance Rating Board
Jeff Wittlich, Treaty Underwriting Leader, Senior Vice President, Swiss Re

Environmental Liability

Level 3: Working knowledge of the subject

Concurrent Session 3, Tuesday, June 2, 11:00 a.m. - 12:15 p.m

We will discuss trends and issues in the environmental liability market. We will provide an overview of different products offered in this market, with a specific focus on current exposures (excluding legacy asbestos and environmental). We will break down the latest frequency and severity trends, rate changes, pricing considerations, and coverage issues including COVID-19.

Speakers: Daniel Greer, Senior Managing Director, Aon
Mark Vuono, President - Environmental Division, Great American Insurance Group
Gregory Heidemann, Underwriting Officer Environmental Division, The Hartford

Professionalism Trivia

Level 1: No prior knowledge of the subject

Concurrent Session 3, Tuesday, June 2, 11:00 a.m. - 12:15 p.m

During this session by the Committee on Professionalism Education, participants will use their cell phones to participate in a real-time Trivia game! This session will qualify for Continuing Education in the area of Professionalism, as many questions will relate to Actuarial Standards of Practice, the US Qualification Standards, and/or the Code of Conduct.

Moderator/Speaker: Peter Royek, Senior Vice President & Actuary, Toa Reinsurance Company of America

Speaker: John Gleba, Secretary / Treasurer, Madison Consulting Group

The Japanese Market – Navigating the Storms and Post Loss Challenges

Level 1: No prior knowledge of the subject

Concurrent Session 3, Tuesday, June 2, 11:00 a.m. - 12:15 p.m

Significant loss activity in two consecutive years turned a highly profitable major International market into deficit for reinsurers. We explore the impact of recent loss activity on primary insurance business, how insurers have adjusted their purchasing behavior and how some reinsurers' views of Japan have evolved.

Moderator: Heidi Wang, Munich Re

Speakers: William Thompson, Regional Director, Willis Re
Karthi Indran, Munich Re

Mortgage CRT During a Pandemic

Level 1: No prior knowledge of the subject

Concurrent Session 4, Tuesday, June 2, 1:15 p.m. - 2:30 p.m

Mortgage credit risk transfer (“CRT”) is an important component of the U.S. housing finance system.

Under conservatorship of the Federal Housing Finance Agency (“FHFA”), Fannie Mae and Freddie Mac (together, the Government Sponsored Enterprises or “GSE”s) have come to market with various structures to transfer mortgage credit risk to both investors, via securities offerings (“Capital Markets execution”), and reinsurers, via insurance offerings (“Reinsurance execution”). Reinsurance of the monoline mortgage guaranty insurers has also become an important part of the CRT landscape.

The COVID-19 pandemic is shifting all facets of the economic landscape including CRT. This panel will explore the implications of the evolving pandemic on mortgage CRT by addressing the following questions:

- Economic conditions have changed drastically during the unfolding pandemic. What will mortgage performance look like in light of these shifting economic conditions and why should this differ from perf

Speakers: Michael Schmitz, Principal and Consulting Actuary, Milliman, Inc.
Jonathan Berenbom, Managing Director, Guy Carpenter & Co. LLC
Seamus Fearon, Executive Vice President, Arch Capital Group Ltd.

Risk Transfer Testing

Level 1: No prior knowledge of the subject

Concurrent Session 4, Tuesday, June 2, 1:15 p.m. - 2:30 p.m

This session will describe risk transfer testing requirements, methods, and considerations. Risk transfer from different perspectives from ceding company, assuming reinsurer, and auditor will be examined. The discussion will cover technical aspects of risk transfer analysis and calculation of a contract's expected reinsurer deficit(ERD). Focus will be given to the creation of loss and cash flow models, parametrization, and actuarial considerations in performing an analysis.

Moderator: John Ferrara, Senior Manager, EY

Speakers: Robert Downs, Senior Actuarial Manager, Pricing & Analytics, American Agricultural Insurance Company
William Miller, KPMG Bermuda

Pandemics

Level 1: No prior knowledge of the subject

Concurrent Session 4, Tuesday, June 2, 1:15 p.m. - 2:30 p.m

COVID-19 has become the dominant story of 2020, presenting health and economic challenges that have transformed the way we live and work. The insurance and reinsurance industries have been no

exception, as they have had to deal with not only operational challenges in conducting business, but also loss impacts across many lines of business that could range from moderate to massive.

This panel of industry experts will discuss the latest developments in the ongoing pandemic, including pandemic modeling takeaways and thoughts, updates on potential policy coverage concerns and determinations, and perspectives on COVID's likely impacts to the industry as a whole.

Speakers: Franklin Nutter, Reinsurance Association of America
Ernesto Palomo, Partner, Locke Lord
Doug Fullam, Risk Analyst, AIR Worldwide

Going Along for the Ride

Level 1: No prior knowledge of the subject

Concurrent Session 5, Tuesday, June 2, 3:30 p.m. - 4:45 p.m

This session will review the history of shared vehicle coverage and how the insurance industry has reacted, including details regarding the policy and coverage. We will discuss current market conditions, address challenges and the future. This will include the quantification of the exposure and how to make better use of the data.

Speakers: Aran Paik, Associate Actuary, Farmers Insurance Group
Blanca Qin, Senior Casualty Treaty Underwriter, Swiss Re America
Max Feldman, Head Actuary, Lyft

D&O BC/AC : Before Coronavirus / After Coronavirus

Level 1: No prior knowledge of the subject

Concurrent Session 5, Tuesday, June 2, 3:30 p.m. - 4:45 p.m

The D&O market was shifting even before the coronavirus. Join us for a discussion on the state of the D&O market. We will cover rate, claims, and marketplace dynamics affecting the D&O market before the coronavirus, as well as viewpoints on how the coronavirus will impact D&O going forward.

Moderator/Speaker: Ricardo Ramotar, VP, Sr. Actuary, Casualty Underwriting, Swiss Re

Speakers: Brian Sabia, EVP Professional Lines, Partner Re
Brian Finlay, Senior Vice President, TransRe

Reinsurance from the Ceded Re Perspective

Level 2: General knowledge of the subject

Concurrent Session 5, Tuesday, June 2, 3:30 p.m. - 4:45 p.m

This session will include insight from senior professionals on the (re)insurance market, issues and lessons learned from designing an effective reinsurance strategy including the placement process.

Moderator/Speaker: Christopher Rabley, SwissRe

Speakers: Christopher Coelho, Senior Vice President - Global Ceded Re, Chubb
Jeffrey Preston, Reinsurance Vice President, American Family Insurance
Andrew Matczak, VP, Reinsurance, Global Indemnity Group, Inc.