

Creating Value in the Life Insurance Industry
Wharton Financial Institutions Center / Mercer Oliver Wyman Institute
Risk Roundtable 2004

June 3-4, 2004

Thursday, June 3, 2004

University Museum, Lower Egyptian Gallery, 33rd and Spruce Streets, Philadelphia

- 6:00 p.m. Cocktail Reception
- 7:00 p.m. Keynote Address
Olivia S. Mitchell, The Wharton School
International Foundation of Employee Benefit Plans Professor
Professor of Insurance and Risk Management and Business and Public Policy
Executive Director, Pension Research Council
Director, Boettner Center for Pensions and Retirement Research
- 7:30 p.m. Dinner

Friday, June 4, 2004

Lauder-Fischer Auditorium, 256 South 37th Street, Philadelphia

- 8:00 – 8:30 a.m. Continental Breakfast

8:30 – 10:15 Roundtable I:

HOW DO LIFE INSURANCE COMPANIES CREATE VALUE?

(Drivers of value; measurement of value creation; M&A activity and the evolution of the life industry; demutualization in principle and in practice; finding new risks overpriced by the market; new and specific niches in which life companies have comparative advantage; value creation via risk intermediation)

Speakers:

- Neil Doherty, Frederick H. Ecker Professor of Insurance and Risk Management,
The Wharton School
- Derek Kirkland, Co-Head, Financial Institutions Group,
Morgan Stanley
- Craig Raymond, Chief Actuary,
The Hartford Financial Services Group, Inc.
- Edward Spehar, First Vice President, Global Fundamental Equity Research,
Merrill Lynch & Company
- Anthony Stevens, Director,
Mercer Oliver Wyman

10:15 – 10:45 Coffee Break

10:45 – 1:00 Roundtable II:

MANAGING RISK AND RETURN DYNAMICS

(Pricing and product design; lessons learned from variable annuities; asset and liability management; balance sheet issues associated with variable vs. fixed annuities; A&L securitization; hedging risks in the annuity business; retail issues; investment's role in product)

Speakers:

David Cummins, Harry J. Loman Professor of Insurance and Risk Management,
Executive Director, S.S. Huebner Foundation, The Wharton School

Jay Glacy, Head of Asset and Liability Management,
All State Insurance Company

Keith Gubbay, Chief Actuary, and Executive Vice President for Corporate Development,
ING North America Insurance Corporation

Hugh McHaffie, Senior Vice President for Annuity Product Development,
Metropolitan Life Insurance Company

Ramy Tadros, Director,
Mercer Oliver Wyman

1:00 – 2:00 Lunch

2:00 – 3:45 Roundtable III:

**GLOBAL LIFE INSURANCE TRENDS AND THEIR IMPLICATIONS
FOR THE NORTH AMERICAN LIFE INSURANCE INDUSTRY**

(Impact of European competition on the North American life market; factors in global competitiveness of North American life companies; convergence of U.S. and European markets and long-run expected returns; evolution of (il)liquidity in Asia and elsewhere; ratings agencies' key factors in bond pricing; views on models; risk capital and prudential regulation; links between capital management and strategy; role of corporate governance)

Speakers:

Andrew Crossley, Director, Group Finance and Risk,
The Prudential Assurance Company Limited

Scott Harrington, W. Frank Hipp Professor of Insurance, and Professor of
Finance, Moore School of Business, University of South Carolina

Carl Hiralal, Senior Director, Conglomerate Group,
Office of the Superintendent of Financial Institutions, Canada (OSFI)

Mark Puccia, Managing Director, Insurance Ratings,
Standard and Poor's

3:50 Adjourn