Programme

9.00-9.30   Registration

9.30-9.40   Welcome address

9.40-11.10  Session 1: New Frontiers in Insurance-linked Securities (ILS)
            Chair: Robert Kosowski, Imperial College London

            Securitization of Life Settlement Cash Flows
            Michael Fasano, Fasano Associates

            Investment and Hedging Opportunities in Mortality Risk Transfers
            Guy Coughlan, JP Morgan

            ILS Investments and Portfolio Diversification
            Karsten Bromann, Solidum Partners

11.10-11.30  Tea/Coffee
            Forum Café

11.30-13.00  Session 2: Catastrophe Risk Modelling and Indexation
              Chair: Enrico Biffis, Imperial College London

              Catastrophe Risk Models, Bonds and Derivatives
              John Stroughair, Risk Management Solutions

              Investment Perspectives on Insurance Linked Securities
              Jan Willing and Marius Müller, Munich Re
Using IFEX Event Linked Futures
Robert Miller, Insurance Futures Exchange Services (IFEX)

13.00-14.00  Lunch
Forum Café

14.00-15.30  Session 3: Mortality Risk Modelling and Mortality Risk Transfer
Chair: David McCarthy, Imperial College London

Returns from Pension Buy-outs
Jonathan Bloomer, Lucida

Backtesting of Stochastic Mortality Models
Andrew Cairns, Heriot-Watt University

Securitizing and Tranching Longevity Exposures
Enrico Biffis, Imperial College London

15.30-15.45  Tea/Coffee
Forum Café

15.45-17.15  Session 4: Investment Opportunities in Insurance Markets as a Result of
Regulatory and Accounting Changes (Solvency II)
Chair: William Perraudin, Imperial College London

ILS as a Strategic Capital Management Tool
Michael Eakins, Goldman Sachs

ILS - an Investor’s View
Christian Bruns, Clariden Leu

Panel Discussion: ‘Scope for Growth and Remaining Obstacles in the ILS Market’
Panellists: Karsten Bromann, Christian Bruns, Guy Coughlan, Michael Fasano, Andrew Martin (Paterson Martin), Jonathan Spry (GC Securities), John Stroughair and Jan Willing

17.15-18.00  Drinks Reception
Forum Café

Organizers: Robert Kosowski and Enrico Biffis
Local Arrangements: Beatrix Vegh (b.vegh@imperial.ac.uk)
Topics

"Securitization of Life Settlement Cash Flows" Michael Fasano
- Characteristics of life settlement cash flows
- Potential for securitizations
- Market impediments
- Steps to rationalize market

"Investment and Hedging Opportunities associated with Mortality and Longevity Risk Transfers" Guy Coughlan
- Hedging longevity and mortality exposures
- Investing in longevity and mortality
- Customized pools of lives vs. standardized indices
- Recent deals
- Impediments to market development

“ILS Investments and Portfolio Diversification” Karsten Bromann
- Characteristics of the ILS asset class
- ILS allocation as a diversifier in a general investment portfolio
- Intra-asset class diversification and ILS portfolio optimisation

“Catastrophe Risk Models, Bonds and Derivatives” John Stroughair
- Overview of most common Catastrophe risk models and their strengths and weaknesses
- Which methodological innovations underlie the best Catastrophe risk models
- Catastrophe Risk Derivatives Market: What are the latest products? What are the key challenges to growth in the market?
- How can investors use superior Catastrophe Risk Models to generate superior returns from catastrophe bonds and derivatives

“Investment perspectives on Insurance Linked Securities” Jan Willing
- Trends in ILS issuance in this year
- Opportunities from a (re-)insurer's view
- Rewards for peak risks versus fringe risks
- Some considerations on LIBOR/EURIBOR as basis of ILS spreads

“Using IFEX Event Linked Futures” Robert Miller
- What are IFEX Event Linked Futures
- Trading in IFEX ELFs
- IFEX - Platform for a New Asset Class
- Hedging and Trading with IFEX ELFs
- The Subsequent Year Hedge

“Returns from Pension Buy-outs” Jonathan Bloomer
- Capital requirements
- Asset strategies
- Risks and volatility
- Return sensitivities.

“Backtesting of Stochastic Mortality Models” Andrew Cairns
- Review of statistical models for forecasting mortality
- Review of within-sample goodness of fit
- Framework for backtesting
- Out-of-sample performance of model forecasts
“Securitizing and Tranching Longevity Exposures” Enrico Biffis
- Longevity risk, information asymmetries and regulatory costs
- Securitizing longevity exposures
- Designing longevity-linked securities
- Information advantages and aggregation of exposures

“ILS as a strategic capital management tool” Michael Eakins
- Catalysts required for Euro Insurers to adopt ILS to the same degree as US insurers
- Key differentials between life and non-life securitisation
- Impact of Solvency II on the application of ILS
- Implications of solving for both issuer and investor requirements
- Next generation of ILS transactions

“ILS - An Investor's View” Christian Bruns
- State of the (ILS) Nation
- Will Solvency II change the game?
- Insurance-linked Investment Wish List
Speaker Biographies

**Michael Fasano** is President and CEO of Fasano Associates, a leading U.S. underwriting consulting firm providing life expectancy estimates to the life settlement industry. Fasano’s life expectancies are the most accurate in the business, with an Actual to Expected Ratio of 96%. Before starting Fasano Associates, Mr. Fasano served as President of Trans-General Life Insurance Company; and before that, he worked at the White House Office of Management and Budget.

Mr. Fasano received his B.A. from Northwestern University and his M.A. from the University of Wisconsin, Madison. He currently serves on the Board of Visitors for Northwestern University’s College of Arts & Sciences. He also serves on the Board of the Life Insurance Settlement Association and is a member of the Life Settlement Institute. He is a frequent industry speaker and has published articles in Best’s Review, Pensions and Investments, and the National Underwriter.

**Guy Coughlan** is a Managing Director and the Global Head of ALM and LifeMetrics within JPMorgan’s Pension Advisory Group. Since joining JPMorgan in 1994, he has been involved in advising corporations, pension funds and insurers on strategic risk management, asset-liability management and capital structure. He led the development of JPMorgan’s LifeMetrics longevity index and longevity risk management platform. Guy holds a D.Phil. in Theoretical Physics from Oxford and an MBA.

**Karsten Bromann**, Ph.D. (physics) and qualified actuary DAV, is responsible for the investment portfolio and risk management of the accounts and funds managed by Solidum Partners. From 1998 to 2005 he worked with the Zurich Insurance Company in various, later leading actuarial roles, finally responsible for Zurich Corporate Solutions' alternative risk transfer portfolio in Europe. In 2005 he joined as Chief Risk Officer Solidum Partners' predecessor ISP ARA, which after a management buyout in December 2006 was newly branded Solidum Partners AG.

Dr. Bromann lives in Zurich with his wife and a little daughter. What time the ladies leave to him, he likes spending rowing on Lake Zurich.

**John Stroughair** is the VP of RMS’ Risk Markets group, in that capacity he is responsible for: ILS analysis, the development of RMS’ parametric index products, Paradex and also for Miu, the RMS ILS portfolio management tool. Before joining RMS, John was a Managing Director with Oliver, Wyman's Corporate Risk Practice with a focus on Energy Risk issues. John holds a PhD in Theoretical Physics and an MBA from Wharton.

**Jan Willing** has worked for eight years at Munich Re on the field between reinsurance and capital markets. He is responsible for structuring ART transactions on behalf of Munich Re and its clients. Prior to Munich Re Jan worked for several years in risk management and treasury functions for Deutsche Bank.

**Robert Miller** is graduate of the Universities of Dublin and Edinburgh and has been a Director of IFEX since 2006. IFEX is a subsidiary of Climate Exchange PLC. Until 2006 he had been a consultant to the Association of Lloyd's Members and he has been a consultant to a number of City institutions including LIFFE and the IUA.

**Jonathan Bloomer** is a partner of Cerberus European Capital Advisors, the UK arm of Cerberus Capital, a New York based investment manager. He is also Executive Chairman of Lucida plc, a new company formed to take on the assets and liabilities of corporate defined pension schemes. He was previously Group Chief Executive of Prudential from March 2000 until May 2005, and Group Finance Director from January 1995. Prior to this he was a senior partner in Arthur Andersen’s financial markets division based in London and the managing partner of their European Insurance Practice.

Jonathan was Chairman of the Financial Services Practitioner Panel of the Financial Services Authority from 2003 to 2005 and Vice Chairman until October 2006. He was a Member of the Board of the Geneva Association from 2001 to 2005 and a member of the board of the Association of British Insurers from 2000 to 2005. He was also a member of the Urgent Issues Task Force of the Accounting Standards Board from 1995 to 1999.
Born in March 1954, Jonathan studied physics at Imperial College, London before joining Arthur Andersen in 1974. He is married with three children. Outside work, other interests are sailing, rugby and music. He is also a member of the Finance Committee of the NSPCC.

Andrew Cairns is Professor of Financial Mathematics at Heriot-Watt University, Edinburgh.

He is well known both in the UK and internationally for his research in financial risk management for pension plans and life insurers. These interests in the assessment of financial risk have led to further research in the field of financial mathematics. Within this field he has developed a new model for bond-price dynamics for use in the measurement and management of long-term interest-rate risks in pensions and life insurance. More recently he has been working on the modelling of longevity risk: how this can be modelled, measured and priced, and how it can be transferred to the financial markets. Amongst his work in this field, he has developed a number of new and innovative stochastic mortality models.

He is an active member of the UK and international actuarial profession in both research and education: he qualified as a Fellow of the Faculty of Actuaries in 1993; since 1996 he has been editor of the leading international actuarial journal ASTIN Bulletin; and in 2005 he was elected as a corresponding member of the Swiss Association of Actuaries.

Enrico Biffis is Lecturer/Assistant Professor in Actuarial Finance. His main research interests are in insurance finance, with emphasis on valuation of insurance liabilities, hedging of options embedded in insurance contracts, and optimal investment for life and non-life business. Prior to joining Imperial College in October 2007, Enrico held positions at Bocconi University, Association of British Insurers and Cass Business School. Enrico holds a BSc & MSc in Statistics (Trieste), an MSc in Actuarial Management (Cass), and a PhD in Applied Mathematics (Trieste).

Michael Eakins is an Executive Director in the Insurance Financing Group of Goldman Sachs and a Fellow of the Institute of Actuaries.

Michael has executed a number of Insurance related financing transactions, including the first ever sidecar by a Lloyds of London insurer - Panther Re for Hiscox plc, a $1bn Cat Bond Shelf Program for Glacier Re, and a €400m Embedded Value Securitisation for Bank of Ireland. Michael is also involved in Asset Liability Management transactions for European Life Insurers - particularly in the context of risk management and asset optimisation.

Michael has previously spoken at industry conferences on the subject of Insurance Securitisation.

Christian Bruns is responsible for portfolio management and business development of Clariden Leu Insurance-Linked Investments since April 2007. Prior to joining Clariden Leu, Christian was with The Boston Consulting Group as a management consultant working on M&A, Private Equity, business strategy and restructuring projects in the banking, insurance, industrial goods and pharmaceutical industry.

Christian holds a MSc. in Electrical Engineering from the University of Karlsruhe (Germany) and M.I.T. in Cambridge (USA), a PhD in Electrical Engineering and a Master in Business and Enterprise Science both from ETH Zurich (Switzerland).

Andrew Martin has worked in the international reinsurance market for over 30 years including 20 years with the Sedgwick Group, which, until acquired by Marsh & McLennan, was Europe’s largest insurance intermediary. At Sedgwick, he created INSTRAT – a specialist quantitative and transactional reinsurance unit which is now a global franchise within Marsh & McLennan. A former board member of both Guy Carpenter UK (Marsh & McLennan’s reinsurance subsidiary) and Managing Director and European head of Marsh & McLennan Securities, Andrew was active in the early securitisations of insurance risk through Sedgwick Lane Financial, and acted as an advisor to the Chicago Board of Trade in the development of Catastrophe option contracts.