



Investment  
SYMPOSIUM  
Trading Treacherous Financial Waters

March 30-31, 2009  
Marriott New York Marquis  
New York, NY

PROGRAM  
GUIDE



# Schedule of Events

## SUNDAY, MARCH 29

5:00 p.m. – 7:00 p.m.      *Registration*      7th Floor South Pre-Function Area

## MONDAY, MARCH 30

7:00 a.m. – 5:00 p.m.      *Registration*      7th Floor South Pre-Function Area

7:00 – 8:00 a.m.      *Continental Breakfast*      Soho Complex

8:00 – 9:15 a.m.      *General Session - The Economic Roller Coaster Ride of 2008*      Astor Ballroom

9:15 – 9:30 a.m.      *Refreshment Break*      7th Floor South Pre-Function Area

9:30 – 10:45 a.m.

### CONCURRENT SESSIONS 1

**A1**–*Longevity and Mortality Investing–Managing Both Sides of Life Span Risk*      Duffy/Columbia

**F1**–*Trends in VA Product Development & Hedging Strategy*      Empire Complex

**I1**–*Pension Plan Buyouts–Reality, Risks & Opportunities?*      Astor Ballroom

10:45 – 11:00 a.m.      *Refreshment Break*      7th Floor South Pre-Function Area

11:00 a.m. – 12:15 p.m.

### CONCURRENT SESSIONS 2

**A2**–*Inflation: Old Economic Factor, New Financial Derivative*      Duffy/Columbia

**F2**–*Dynamics of a Volatile Market*      Empire Complex

**I2**–*Quantitative Strategic Asset Allocation in Action*      Astor Ballroom

12:15 – 1:45 p.m.      *Keynote Luncheon–The State of the Street*      Soho Complex

1:45 – 2:00 p.m.      *Break*

2:00 – 3:15 p.m.

### CONCURRENT SESSIONS 3

**A3**–*The \$700 Billion Dollar Question: How Much Are Mortgage Securities Worth?*      Duffy/Columbia

**F3**–*Measuring Risk: Considerations for Stress Testing & Credit Valuation Adjustments*      Empire Complex

**I3**–*The Challenges of Managing an Insurer's Investment Portfolio Program*      Astor Ballroom

3:15 – 3:30 p.m.      *Refreshment Break*      7th Floor South Pre-Function Area

3:30 – 4:45 p.m.

#### CONCURRENT SESSIONS 4

**A4**–Real Estate Derivatives

Duffy/Columbia

**F4**–The Future of Securities Lending

Empire Complex

**I4**–Liability-Driven Investing: From Thought to Implementation

Astor Ballroom

4:45 p.m.

Adjourn

5:00 – 6:30 p.m.

Reception & Exhibits

Herald/Soho/ 7th Floor South Pre-Function Area

### TUESDAY, MARCH 31

7:00 – 8:00 a.m.

Continental Breakfast & Exhibits

Soho Complex

8:00 – 9:15 a.m.

#### CONCURRENT SESSIONS 5

**A5**–Life Settlements–Investing in Physical Assets, Synthetics & Swaps

Duffy/Columbia

**F5**–Modeling Financial Market Risks

Empire Complex

**I5**–Investment Strategies in a World of Uncertainty

Astor Ballroom

9:15 – 9:30 a.m.

Refreshment Break

7th Floor South Pre-Function Area

9:30 – 10:45 a.m.

#### CONCURRENT SESSIONS 6

**A6**–Securitization of Exotic Assets

Duffy/Columbia

**F6**–Accounting Considerations for Insurance Companies

Empire Complex

**I6**–Insurance Company Investing - Where are We Today?

Astor Ballroom

10:45 – 11:00 a.m.

Refreshment Break

7th Floor South Pre-Function Area

11:00 a.m. – 12:15 p.m.

#### CONCURRENT SESSIONS 7

**A7**–Insurance Linked Securities - Cat Bonds & Weather Derivatives

Duffy/Columbia

**F7**–Replicating Portfolios: Applications in Insurance & Investment

Empire Complex

**I7**– The Financial Crisis: Lessons Learned & Future Implications- A Socratic dialogue

Astor Ballroom

12:15 – 2:15 p.m.

Keynote Luncheon–An Investment Strategy for the Future

Soho Complex

2:15 p.m.

Adjourn

# Program Information

## REGISTRATION

The Investment Symposium registration desk is open as follows:

Sunday, March 29	5:00 p.m. to 7:00 p.m.	<i>Duffy/Columbia Foyer, 7th Floor</i>
Monday, March 30	7:00 a.m. to 4:45 p.m.	<i>7th Floor South Pre-Function Area</i>
Tuesday, March 31	7:00 a.m. to 2:15 p.m.	<i>7th Floor South Pre-Function Area</i>

Name badges are issued to all attendees. Please note that only those wearing badges will be admitted to meetings, meals, receptions and exhibits.

## HOTEL INFORMATION

Checkout time is 12 noon. Those checking out before the conclusion of the meeting may check their bags at the bell desk of the hotel. Neither the SOA nor the hotel is responsible for lost or stolen items left unattended in public areas of the hotel. SOA staff is unable to accept any bags or other personal items at the registration desk.

Incoming faxes may be picked up at the business center.

## PRESENTATIONS/HANDOUTS

Presentations/handouts are available on the SOA Web site both before and after the meeting at <http://handouts.soa.org> for attendees to print copies for themselves if they choose.

## EVALUATIONS

There will be no individual session evaluations; however an overall evaluation form is now available via the Internet. The online form assists us in planning future meetings and allows you to comment on areas of the program. More details will be e-mailed to you following the meeting.

## ATTENDEE LIST AND COMPLETE FINAL PROGRAM

The complete final program with session descriptions, presenters lists and other meeting details, as well as the attendee list are available on our Web site by visiting <http://www.soa.org/meetings-and-events/event-detail/invest-symposium/default.aspx>. There will also be one copy available at the registration desk for viewing.

## SPECIAL MEAL REQUESTS

Special meal requests, such as a fruit plate, kosher or vegetarian are available for luncheons only and must be requested in advance. If you require a special meal and did not request one in advance, please do so at the Society of Actuaries' registration desk before 9:00 a.m. on Monday. Although we cannot guarantee a special meal, we will do our best to provide one.

## MESSAGE CENTER

A message board will be located near the registration desk beginning Monday morning. Please check it periodically throughout the meeting for posted messages.



## NO SMOKING POLICY

For the comfort and health of all attendees, smoking is not permitted at any Society of Actuaries' function. This includes all meals, refreshment breaks and receptions.

## SECURITY NOTE

When leaving the meeting room for an extended period of time, please take valuables and personal belongings with you. Neither the SOA nor the hotel can be held responsible for lost or stolen items.

## CONTINUING EDUCATION CREDIT

### CFA CREDIT

The Society of Actuaries is registered with CFA Institute as an Approved Provider of continuing education programs. This program is eligible for 12.5 CE credit hours as granted by the CFA Institute. If you are a CFA Institute member, CE credit for your participation in this program will be automatically recorded in your CE Diary.

### CPD CREDIT

The SOA Continuing Professional Development (CPD) Requirement will take effect on January 1, 2009 and members must report compliance as of December 31, 2010. Members must meet the Basic Requirement provisions of Section B or one of the Alternative Compliance provisions of Section C of the SOA CPD Requirement in order to be deemed compliant.

This seminar may be suitable to meet the Basic Requirement provisions of Section B of the SOA CPD Requirement. This seminar may also be suitable to meet the provisions of an Alternative Compliance standard (please consult the appropriate standard). Ultimately, it is the member's responsibility to make a reasonable, good-faith determination as to whether a continuing education event meets the CPD Requirement.

For further information on this requirement, please visit [www.soa.org](http://www.soa.org) and click on the Continuing Professional Development link.

### US QUALIFICATION STANDARD

The Qualification Standard for Actuaries Issuing Statements of Actuarial Opinion in the United States (U.S. Qualification Standard) took effect January 1, 2008.

The SOA believes that this seminar may be suitable for filling this requirement as continuing education under the U.S. Qualification Standard. Ultimately, it is an actuary's responsibility to make a reasonable, good-faith determination of what CE opportunities will enhance his or her ability to practice in a desired field.

For further information on this requirement, please visit the American Academy of Actuaries Web site at [Actuary.org/qualstandards](http://Actuary.org/qualstandards).



## MONDAY, MARCH 30, 2009

8:00 – 9:15 a.m.

**General Session - The Economic Roller Coaster Ride of 2008**

Moderator: Mark Abbott, Guardian Life  
 Presenter: Jack Malvey, Barclays Capital

This session will focus on the general economy, how the demise of one of the oldest investment banks and the largest global insurance company precipitated unprecedented bankruptcies, acquisitions, mergers, sales, borrowings, market contractions and later expansions, and how the Federal Government tried to help some of stimulate the economy by dropping Treasury rates, moving homeowners into affordable mortgages and eventually cutting the Fed Funds rate down to a 2001 low of 1 percent. The world-wide effects of these U.S. events were stunning, and this session will discuss how Wall Street ended up in this situation, unraveling from the summer of 2006 to the great demise of 2008.

9:30 – 10:45 a.m.

**Longevity and Mortality Investing – Managing Both Sides of Life Span Risk**

Moderator: Jingsu Pu, Swiss Re Financial Markets  
 Presenters: Scott Hawkins, Conning Research & Consulting; Antony Mott, ICAP Capital Markets LLC; Stuart Silverman, Milliman, USA

In today's market, insurance companies not only need to understand and manage the mortality risk for traditional insurance products but also need to do the same to manage longevity risk for annuity and health products. The pension industry also faces the challenge of providing sufficient retirement income, with retiree's living longer than any previous generation. The need to hedge, insure or transfer the longevity and mortality risks has led to the development of a larger and more liquid market that actively trades these risks today. Session topic includes:

- Longevity and mortality market overview and market participants
- Pooled and indexed products
- Executed swaps and derivatives
- Market viability and future
- U.S. vs. U.K. markets

A1

**Trends in VA Product Development & Hedging Strategy**

Moderator: Ross Bowen, Phoenix Life Insurance Company  
 Presenters: Niaz Haider, HSBC; Peter Sun, Milliman

Domestic and international stock markets have experienced record declines as well as record single-day gains. The volatility index, VIX has hit all time highs. Guarantee optionality has come into full view as VA guarantee policyholders have gone substantially into the money. The industry is grappling with suddenly increasing reserve and capital requirements. The full impact of these financial events started to flow through the bottom line during the third quarter of 2008 with the additional challenges being faced today.

What should companies do during 2009? Potential actions to stop the bleeding could include revised pricing and limiting guarantees. Previously efficient hedging programs need to be refined. Some companies may be considering exiting the business entirely.

During the past few years, U.S. variable annuities started to spread around the world as being the individual solution for retirement. What do we see today and where are we? In this challenging environment, a panel of experts will share with you their experience and views going forward on how to manage the existing business and how to create new opportunities for profitable business going forward.

F1

## MONDAY, MARCH 30, 2009

I1

### **Pension Plan Buyouts – Reality, Risks & Opportunities?**

Moderator: Josee Peroy, HSBC Bank USA

Presenters: Paul Kitson, Watson Wyatt; Igor Balevich, Barclays Capital

The environment has been preparing itself for capital markets innovations regarding outstanding defined benefit plan liabilities. This has been a reality in the United Kingdom since January 2007, and some transactions have already been executed. Consequently, an opportunity for banks, insurers, hedge funds and private equity firms is presenting itself for investments, competing with other financial assets. Creativity in reshaping the liabilities will have to weigh in the potential Risks faced by the workers, the U.S. taxpayers and the PBGC.

Washington via the Treasury, IRS and the Congress, has expressed its views early in 2008 and will continue to monitor the developments emerging under severe market conditions like no time in recent U.S. history. A state of the market will be presented with short and medium term views on the success of these innovations.

11:00 a.m. – 12:15 p.m.

A2

### **Inflation: Old Economic Factor, New Financial Derivative**

Moderator: Nicola Barrett, Peachtree Settlement Company

Presenters: Michael Ashton, Natixis; Alberto Brondola, Barclays Capital

Inflation has been around since the beginning of time, but most recently has been actively traded on and off the exchange. Most recently, it has taken the form of derivatives and swaps.

This session will touch on:

- The buyers and sellers of inflation
- Trade-able indexes for inflation
- Executed swaps/derivatives
- Embedded guarantees in insurance products
- The U.K. vs. U.S. markets

F2

### **Dynamics of a Volatile Market**

Moderator: Ross Bowen, Phoenix Life Insurance Company

Presenter: Naveed Choudri, Credit Suisse; David Hopewell, AEGON Insurance Group

As the recent market upheaval has caused equity volatilities to reach new highs, the importance of managing volatility has been elevated to the top of every risk manager's priority list. The focus of the session will be to provide an update on the instruments and strategies used for managing volatility risk in the market by sharing perspectives from both the buy and the sell sides. The session will also address other increasingly relevant topics such as liquidity and counterparty credit risks. Finally, the panel will share their perspectives on future trends that are emerging in this volatile new environment.

I2

### **Quantitative Strategic Asset Allocation in Action**

Moderator: Daniel Hui, AIG

Presenters: John Mulvey, Princeton University; Kurt Winkelmann, Goldman Sachs

A panel of experienced investment managers will share their experiences in asset allocation. Is the traditional mean-variance efficient frontier still state of the art or are there other techniques being used? Speakers will outline the models and techniques they use most often and discuss the various ways they set

A=ASSET CLASS

F=FINANCING &amp; INVESTMENT RISK MANAGEMENT

I=INVESTMENT STRATEGY

## MONDAY, MARCH 30, 2009

12:15 – 1:45 p.m.

**Keynote Luncheon – The State of the Street**

Moderator: Nicola Barrett, Peachtree Settlement Funding  
 Presenters: Aaron Brown, AQR Capital Management

Aaron Brown, chief risk officer of AQR Capital Management and author of *The Poker Face of Wall Street*, will enlighten the audience with his views of the recent events on Wall Street. From an insider's perspective, Brown will describe the opportunities he sees arising from the wrenching changes the financial system (and the world) have experienced.



2:00 - 3:15 p.m.

A3

**The \$700 Billion Dollar Question: How Much Are Mortgage Securities Worth?**

Moderator: Daniel Hui, AIG  
 Presenters: Manoj Singh, Freddie Mac; Tom Ho, Thomas Ho Company; Navin Sharma, Oppenheimer Funds

Mortgage-backed securities and their derivatives (e.g., asset backed securities) have been around for a long time. Unfortunately, some mortgage securities are not currently guaranteed against credit losses. Finding out how much they are worth is a formidable task that has eluded many companies—so far. This helped to trigger the biggest global crisis since the Great Depression. Our panel will share their perspectives and approaches on mortgage securities valuation.

F3

**Measuring Risk: Considerations for Stress Testing & Credit Valuation Adjustments**

Moderator: Bruce Rosner, Ernst & Young  
 Presenters: Gregg Berman, RiskMetrics Group; Qingji Yang, Ernst & Young; Bob Koppasch, The Yield Book Inc.

As the markets become more volatile and undergo fundamental changes, accurately measuring the extent of exposures to market risk and credit risk become a more important and more complex task. This session will inform the audience as to how financial institutions today are stress testing their portfolios and managing counterparty exposures.

This session will focus on:

- Current methods for stress testing
- Counterparty credit valuation adjustments
- Reporting on risk assessments to elicit changes in the investment portfolio

I3

**The Challenges of Managing an Insurer's Investment Portfolio Program**

Moderator/Presenter: Ken Griffin, Conning  
 Presenters: Kurt Karl, Swiss Re; Sundeep Wadhwa, Conning Asset Management

Market volatility, income and performance demands, regulatory scrutiny, accounting impacts and management constraints are among the many issues that must be grappled with as a manager of investment portfolios that support insurance company liabilities.



## MONDAY, MARCH 30, 2009

I3 (Continued)

This session will take you into the daily life of a portfolio manager and will focus on such topics as:

- The portfolio's relationship to the liabilities;
- Portfolio structuring;
- Credit and sector exposure;
- Compliance restrictions;
- Performance;
- Accounting impacts;
- Expenses;
- Rating agencies and regulators;
- Trading; and
- Alternative investments.

3:30 – 4:45 p.m.

A4

### Real Estate Derivatives

Moderator: Matt Halperin, TIAA-CREF  
Presenter: TBD

For more than 20 years, investors have had the ability hedge interest rates and equities. Futures on equities and bonds now trade multiple volumes of underlying stock and bonds. The ability to hedge real estate has been limited. In recent years, various academics and practitioners have devised various

F4

### The Future of Securities Lending

Moderator: Nicola Barrett, Peachtree Settlement Funding  
Presenters: Jeff Kearny, Mercer; Peter Bassler, eSecLending

Insurers, pension funds and hedge funds are financial players paying a price for the contraction of a little-noticed, but huge business, of securities lending. Programs representing trillions of dollars involve lending securities to short-sellers or others and investing the collateral for gains. Recently, many institutional investors have suspended their securities lending programs and other large custodians banks have restricted investors from exiting from the programs, while companies trying to trim their programs have suffered billions of realized—and unrealized—capital gains. This session will analyze what's to become of the securities lending market, who the remaining players will be and what their strategy will be once the market rebounds.

I4

### Liability-Driven Investing: From Thought to Implementation

Moderator: Josee Deroy, HSBC Bank USA  
Presenters: Aaron Meder, UBS Global Asset Management; Eric Palley, BNP Paribas Securities Corp

This session will cover the primary factors that pension plan sponsors should consider prior to investing in bank products, including derivatives and structured products, which require different thinking and analysis from objective setting to implementation and ongoing review. When implementing LDI, sponsors must consider their plan's strategic goals, time horizon and funded status. The combination of these plan-specific factors leads to a wide range of LDI solutions with respect to liability hedging, return generation and overall risk budget.

TUESDAY, MARCH 31, 2009

8:00 – 9:15 a.m.

A5

**Life Settlements – Investing in Structures, Synthetics & Swaps**

Moderator: Nicola Barrett, Peachtree Settlement Funding

Presenters: Brian Tijan, Credit Suisse; David Weinsier, Towers Perrin; Ellen Gardner, Deutsche Bank

Life Settlements have become one of the hottest “non-correlated” assets in recent years. Now that the initial growth phase is over, what are some of the more complex products and risks associated with this asset class? This session will cover the following topics:

- Portfolio development (origination, pricing, sale, trade, manufacture)
- Synthetic structures, funds, indexes
- Derivatives, swaps, securitization
- Mortality risk management

F5

**Modeling Financial Market Risks Trading**

Moderator: Ross Bowen, Phoenix Life Insurance Company

Presenters: Edward Perry, Phoenix Life Insurance Company; Tony Dardis, Barrie &amp; Hibbert Inc; Craig Tumbell, Barrie &amp; Hibbert Inc.

The choice of an economic scenario generator (ESG) is critical to any hedging program. This session will cover two topics—selection of an economic scenario generator and its applications to VA hedging. There are a number of ways to create a scenario generator, but there are certain key features which will be discussed. A generator should reproduce observable option prices. Interest rates must be properly considered. Different options for modeling volatility will be considered.

Economic scenario generators have many applications for variable annuities, such as pricing, financial statements, and hedging. Certain circumstances call for real world scenarios while others need risk neutral scenarios. Other considerations in implementing a VA hedging program besides scenario generator selection will be discussed.

I5

**Investment Strategies in a World of Uncertainty**

Moderator: Bogdan Ianev, Credit Suisse

Presenter: Doug Healy, Credit Suisse; Sanjeev Handa, TIAA/CREEF

In light of the recent financial turbulence across the globe, financial markets have experienced a number of fundamental changes, and their full impact on the economic environment has yet to be fully understood. This session will focus on the effects that these changes are having on the insurance industry by exploring how insurance companies are positioning their asset management strategies in reaction to the new environment. In particular, the session will provide a summary of the recent events and will proceed to cover several issues relevant to the investment decision-making process including asset and liability liquidity, potential for unexpected political developments, availability and use of leverage, changes in the use of structuring technology, evolution of derivatives use.

## TUESDAY, MARCH 31, 2009

9:30 – 10:45 a.m.

A6

### Securitization of Exotic Assets

Moderator: Nicola Barrett, Peachtree Asset Management

Presenters: Jason Sutherland, Peachtree Asset Management; Boris Ziser, Strook & Strook & Lavan

What's an exotic asset these days? At one time, ABS, CDS and CDO dominated the market as the newest inventions. Today, even more unusual assets are being securitized, namely life-contingent structured settlements and shipping receivables. This session will discuss:

- A description of exotic assets
- Why securitizing this type of exotic asset is lucrative
- Modeling, pricing and structure of exotic assets
- Potential sellers (not just structurers) of this type of structured product (who wants to lay off this risk)
- Potential buyers of this type of structured product, including buyers of different tranches
- Requirements for rating agencies to offer ratings

F6

### Accounting Considerations for Insurance Companies

Moderator: Bogdan Ianev, Credit Suisse

Presenters: Tara Hansen, Ernst & Young LLP; Michael Lockerman, PricewaterhouseCoopers LLP

Change has been a recent theme in the world of insurance and finance, and GAAP accounting has not proven immune to it, as several new rules and revision have recently been introduced. This session will provide a summary of the recent U.S. GAAP developments, as well as their impact on the insurance industry. Furthermore, as the international financial reporting standards have been gaining momentum across the globe, it is important to understand their differences with U.S. GAAP and some of the implications that a potential conversion to IFRS may have on the industry. The session will also investigate some of the differences between U.S. GAAP and IFRS and will attempt to address potential future developments.

I6

### Insurance Company Investing - Where are We Today?

Moderator: Ken Griffin, Conning Asset Management

Presenter: Ellen Cooper, Goldman Sachs Asset Management; Greg Smith, Conning Research & Consulting Inc.

We are witnessing unprecedented upheaval in our investment portfolios. From structured security meltdowns and severe downward credit migration to volatile interest rates and dried-up liquidity, the investment climate has changed the way insurers consider business as usual.

This session will look at:

- Impacts on the financial strength of the industry
- Specific credit events and how they have impacted the industry
- Sector allocations within portfolios and their consequences
- Trends in Schedule BA and Preferred Stock investments
- Repercussions to AVR during this credit crisis
- Structured investments within the industry
- Large company vs. small company investment portfolios

TUESDAY, MARCH 31, 2009

11:00 –12:15 p.m.

A7

**Insurance Linked Securities - Cat Bonds & Weather Derivatives**

Moderator/Presenter: Jingsu Pu, Swiss Re Financial Markets

Presenters: Vivek Pawale, Galileo Weather Risk Management; William Dubinsky, Swiss Re Financial Markets

Cat bonds are financial instruments that turn reinsurance contracts into securities or derivatives structures and cover extreme events caused by Mother Nature. Weather derivatives are options, swaps or collars that enable industrial and commercial companies to hedge their exposure to seasonal weather risks which could significantly affect their revenues - for example, mild winters, cool summers, excessive rainfall, etc.

What makes cat bond and weather derivatives attractive to investors is that there is little or no correlation between the performance of the instruments and that of the market. This is a significant advantage in times of weak financial markets. Furthermore, the returns from cat bond and weather derivatives show very little volatility, due to the breadth of the geographical spread which is another distinct advantage in an extremely volatile market. This session will focus on:

- Market trends for both ILS and Weather markets - broader based investors and exchange and OTC traded products
- Who invests and why invests into these markets/instruments
- Typical cat bond structure and trigger types
- Risk underwriting perspective of weather and structured weather derivatives
- Close tie between weather, energy and emission trading and hedging
- Valuation and risk management consideration

F7

**Replicating Portfolios: Applications in Insurance & Investment**

Moderator: Bruce Rosner, Ernst &amp; Young

Presenters: Curt Burmeister, Algorithmics; Scott Underberg, Ernst &amp; Young LLP;

Takeko Uemoto, Ernst &amp; Young LLP

Replicating portfolios are starting to become a critical part of an insurance company's operations. In addition to using replicating portfolios to gain efficiencies in calculating economic capital and regulatory capital, companies are using them as benchmarks for investment managers and ALM, and to provide general risk information to senior management. This session will discuss current optimization methods being used to determine the universe of assets that replicate cash flows for insurance liabilities, and it will show how replicating portfolios are being used in the insurance industry. The presenters will also specifically discuss the use of replicating portfolios in the investment area.

This session will focus on:

- Practical uses of replicating portfolios
- Optimization techniques
- Creating replicating portfolios for assets
- Risk factors and asset choices in replicating portfolios

TUESDAY, MARCH 31, 2009

17

### **The Financial Crisis: Lessons Learned & Future Implications- A Socratic dialogue**

Moderator: Robert Wolf, Society of Actuaries

Presenters: Oakley E. Van Slyke, Oakley E. Van Slyke, Inc.; Louise A. Francis, Francis Analytics & Actuarial Data Mining Inc.; Guy Venter, Guy Carpenter & Co. LLC

The Current Financial Crisis presents a case study of a financial tsunami. This panel will discuss the philosophers and origins of how the crisis began with an emphasis on addressing the following:

- Could the actuarial profession have predicted the dramatic increase in ultimate foreclosure projections between 2004 and 2007, hence detecting problems and could have been known to the mortgage lenders as early as 2005.
- Is new regulation the answer such that it enforces contracts, criminalizes fraud and minimizes bad information? Should credit default swaps, for example, be regulated as insurance?
- Contingency funding fails under a market disruption unless lines of credit are secured in advance, as even collateralized loans may become unavailable. In crisis mode, players follow similar strategies and hence once liquid assets may become illiquid very rapidly. Are improved "modeling tools" needed that emphasize liquidity risk under crisis mode?

The panel will discuss these and many more considerations in a Socratic dialogue with the audience.

12:15 – 2:15 p.m.

### **Keynote Luncheon – An Investment Strategy for the Future**

Moderator: Mark Abbott, Guardian Life

Presenter: Martin Klein, Barclays Capital

No one has a crystal ball regarding the future of Wall Street. In this session, investment strategists on our panel will briefly deconstruct the financial crisis of 2008 and re-construct their opinions of Wall Street of 2009.

The panel will discuss the following questions:

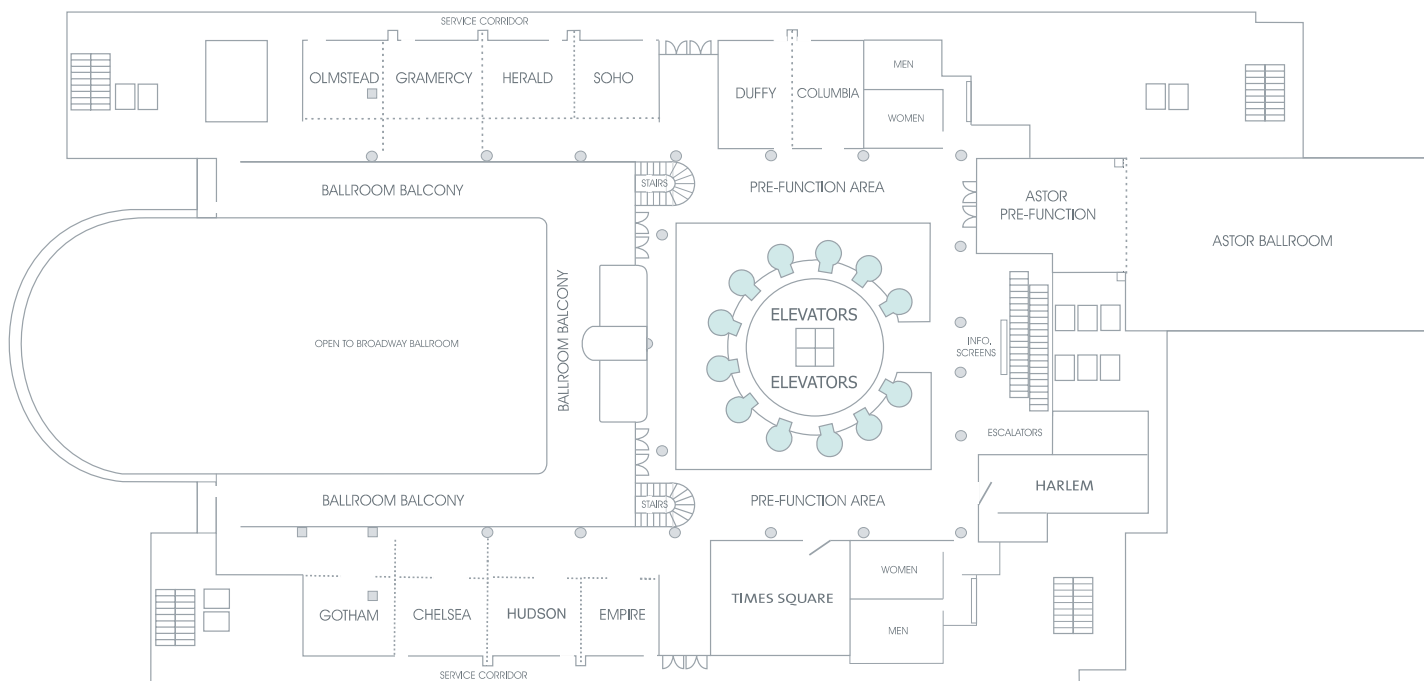
- How long will companies keep posting record losses?
- How long will mergers and acquisitions continue?
- How will some companies be able to assimilate distressed companies and transform themselves into manageable, holistic ones?
- What are industry competitive, accounting, rating agency and regulatory issues?
- What will the ramifications be for the global economy?
- Who will be left standing when all the smoke clears?





# Investment SYMPOSIUM

Trading Treacherous Financial Waters



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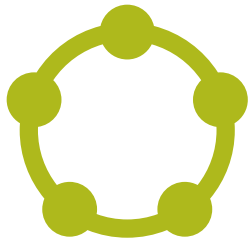
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# Investment SYMPOSIUM

Treading Treacherous Financial Waters



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