

THE INSURANCE INVESTMENT FORUM



MAY 13, 2008
THE HARMONIE CLUB · NEW YORK

**Institutional
Investor**

Managing Capital and Risks While Generating Higher Returns

Institutional Investor's Insurance Investment Forum will gather many of the most prominent insurance companies from across the US to debate and determine the best methods for managing their capital and obtaining the necessary alpha. As with other large institutional investors such as endowments, foundations, and pension funds, new investment techniques are changing the way many insurance companies invest in fixed income and other asset classes. How are investment strategies for insurance companies changing? What factors are driving these changes? And what does that bode for the future?

This event will bring to light new investment strategies for capital protection, diversification, and higher risk-adjusted returns, including the role of alternative investments and specialized fixed income products in insurance portfolios. Speakers will suggest solutions to manager selection and cost control issues while informative debate and discussion will provide attendees with a unique outlook into the fixed income markets and best performing asset classes for 2008.

The program's focus will include an exploration of how insurance companies are increasingly using more sophisticated capital models to obtain a more efficient use of capital. How are models changing and providing a better indication of multiple risk scenarios? How are tax regulations influencing investment strategies?

Recent surveys have shown that asset managers are playing an increasingly important role in managing capital for insurance companies. What are the benefits and considerations for outsourcing? What are insurance companies looking for from an asset manager?

Through panel discussions, an investment roundtable and sponsor-hosted workshops, insurance companies will be provided with the answers they need on how best to manage risks and maximize returns.

Advisory Board (to date)

Kenneth T. Kozlowski, CFP, CLU, ChFC
Portfolio Manager
AXA Allocation Funds
AXA Equitable Funds Management
Group

Kevin O'Donnell
Member, Investments Team
California State Automobile Association

Kenneth B. Beitler
Director, Investments
Northstar Financial Services (Bermuda)
Ltd.

Howard Hiramawa
Vice President, Investment Advisory
Oversight
Pacific Life Insurance Company

Sponsors (to date)

Credit Suisse
Deutsche Insurance Asset Management
Société Générale

Preliminary Program as of April 24, 2008

Tuesday, 13 May

8:00-9:00am Registration and Continental Breakfast
Ballroom Foyer

9:00-10:00am **Panel Session: The US Economy in 2008: How Will Insurers React?**

Chaired by:

Kenneth B. Beitler

Director, Investments

Northstar Financial Services (Bermuda) Ltd.

Panelists:

Stephan Christiansen

Director of Research

Conning Research & Consulting

Dominic Konstam

Managing Director and Global Head of Interest Rate Products

Credit Suisse

Stephen Gallagher

Chief US Economist

Société Générale

Leading economists will provide an outlook for the US economy in 2008. How are the credit markets going to continue to affect growth rates? Will consumer spending be able to drive the economy in 2008? How should investors be reacting to the negative changes in the US property markets? What risks will the housing sector ultimately create for the US economy? How will the BRIC economies affect the fortunes of the US? How is the Fed expected to manage interest rates in the year ahead? How would a downturn in the US economy affect insurance premiums?

10:00-10:30am **Presentation: Using Derivatives to Extract Hidden Asset Classes, Generate Alpha and Diversification**
Ballroom

Speaker:

Marie-Laure Chandumont

Vice President

SG Americas Securities, LLC.

In this session, we will highlight how derivatives can extract volatility, correlation and dispersion to optimize market's parameters and allow investors to benefit from virtually any entry point (high volatility, high correlation, low stock markets). We will demonstrate that convex payoffs, generated by derivatives, improve the efficient frontier of investment portfolios. We will illustrate how insurance companies can generate Alpha and get diversification benefits by investing in commodities, equities and hedge fund-linked notes.

- 10:30-11:00am Coffee Break
Ballroom Foyer
- 11:00-11:30am Presentation: Topic to be determined
Ballroom
- Presented by:*
Credit Suisse
- 11:30-12:00pm Presentation: Topic to be determined
Ballroom
- Presented by:*
Deutsche Insurance Asset Management
- 12:00-1:30pm Lunch
Harmonie Room
- 1:30-3:30pm Concurrent Investment Roundtables: **Senior Investors Posing
Questions and Sharing Expertise on Key Investment Issues**

Institutional Investor will select the investment professionals who will co-facilitate discussions during two concurrent, 120-minute roundtables. Divided into two topical focuses – Property & Casualty and Life – each discussion roundtable will offer the most senior investors a unique forum in which to explore some of the most pressing investment issues suggested by delegates, including: How are funds looking at their portfolios: Who is doing what with their allocations, in which asset classes, and with which managers? Which factors would cause insurance investors to change their funds’ asset allocations, for instance by reducing their allocation to fixed income? What factors most influence funds’ buy-sell decisions? What are delegates’ interest in and use of specific strategies, such as risk-liability matching and principal protection investments? Additional discussion topics to be suggested by participants

Roundtable A: Property & Casualty
Gallery

Facilitators:
Duncan McColl
Senior Financial Analyst
Property Casualty Ratings
A.M. Best Company

Harvey Shapiro
Senior Advisor
Institutional Investor Inc.

Participants:

Credit Suisse, Société Générale, Deutsche Insurance Asset Management, American Transit Insurance Company, California State Automobile Association (CSAA), Greater New York Mutual Insurance Company, Harleysville Group Inc., Northstar Financial Services Group, Ltd., West Bend Mutual Insurance Company, and Zurich American Insurance Company

The global economic and political environment insurers now operate in has changed many risk parameters. New technologies are constantly reevaluating the way insurance companies are able to view risk. What are the risk parameters for today's insurance companies? Insurance companies are increasingly using more sophisticated capital models to ensure a more efficient use of capital. How are models changing and providing a better indication of multiple risk scenarios? How can insurers capitalize?

Roundtable B: Life Insurance

Ballroom

Facilitator:

Grace Osborne

Managing Director

North American Insurance Ratings Practice Leader

Standard and Poor's

Participants:

Credit Suisse, Société Générale, Deutsche Insurance Asset Management, NAIC, Lincoln Financial, AEGON USA Inc., AXA Equitable Life Insurance Company, Empire Life Insurance Company, New York Life Insurance Company, Pacific Life Insurance Company, Trustmark Insurance Company, Everest Re Group, Ltd., Munich New York Corp, Odyssey Re Holdings Corp., and PartnerRe Ltd.

Many life insurance companies have recently increased the amount of capital allocated to alternative investments and specialized fixed income products. Speakers will discuss how current market conditions are affecting the decisions made by investment officers of life insurance companies. How can insurers achieve higher returns from the float without increasing risks? Should insurance companies be looking to use more derivatives when managing their float? Do insurers need to outsource in order to enhance investment strategies and alpha? Participants will also discuss manager selection for the variable account and how compliance, investment oversight, distribution and retail brand awareness affect the decision making process. The responsibilities of sub advisers and the role of structured investments within a portfolio will be debated. The growth potential of private placement life insurance will also be brought to light.

3:30-4:00pm

Coffee Break

Ballroom Foyer

4:00-4:30pm

Presentation: Reassessing Investment Strategies in Today's Environment

Ballroom

Matthew Stroud

Investment Consulting Practice Leader

Watson Wyatt

How can investment firms develop a sensible risk profile in today's environment of uncertainty? What changes in investment strategies does this necessitate? This speaker will offer his advice on how investment firms should be adjusting their risk positions within the current regulatory and economic environment.

4:30-5:30pm

Panel Session: Changing Investment Strategies: Role of Commodities, Infrastructure, Emerging Markets, and Other Higher-Return Investments
Ballroom

Panelists:

Sarjeev Sidhu
Global Head of Emerging Markets
Aegon USA

Kevin O'Donnell
Member, Investments Team
California State Automobile Association

Deborah Frame
Chief Investment Officer
Empire Life Investment Management

Hedge funds, emerging markets, commodities (in some cases), infrastructure, and alternative investments in general are playing an evermore important role in the investment strategies of many insurers. As one example, BRIC countries provide some of the best opportunities for investors. To what extent are insurance companies seeking opportunities in these markets? What are the benefits and risks associated with hedge funds and alternative investments? Which of these alpha-generating strategies can they take advantage of and still remain within their investment parameters? Given all this, how can insurers capitalize on these evolving opportunities?

5:30-7:00pm Cocktail Reception
Game Room

7:00pm Forum Concludes

Evening Free for Private Functions