

*25th  
Anniversary*

---

**RISK MANAGEMENT**

**September 16-17, 2008 The Metropolitan Club New York**

---

**Institutional  
Investor**

Co-Hosted by

**American International Group, Inc.  
Aon Corporation**

**Advisory Board**  
*(to date)*

Debbie Gramer  
*Director, Risk Management*  
**Arrow Electronics, Inc.**

Pamela Britt Schneider  
*Senior Manager, Global Risk  
Management and Insurance*  
**Avon Products, Inc.**

Richard Broderick  
*Director, Risk Management*  
**Harris Corporation**

Holly Daley  
*Director, Global Risk Management*  
**Hitachi Data Systems**

Audrey Rampinelli  
*Vice President, Risk Management*  
**Loews Corporation**

Rebecca McQuade  
*Director of Risk Management*  
**PACCAR Inc.**

Patrick W. McCarthy  
*Director, Risk Management*  
**Panasonic Corporation of North  
America**

Mike McDonald  
*Vice President, Risk Management*  
**Quality Distribution, Inc.**

Diane Askwyth  
*Senior Director, Risk Management  
and Insurance*  
**Schering-Plough Corporation**

Sheila Small  
*Assistant Treasurer, Risk  
Management  
and Insurance*  
**Verizon Communications**

Julie K. Long  
*Senior Director, Risk Management*  
**Wal-Mart Stores, Inc.**

# 25 Years of Helping Risk Managers Identify Solutions

## Tuesday, September 16

7:40-8:15am      Registration and Continental Breakfast  
*Presidents' Hall (Third Floor)*

8:15-8:20am      Welcoming Remarks and Introductions  
*Main Lounge (Third Floor)*

Gary G. Mueller  
*Chairman and Chief Executive Officer*  
**Institutional Investor, Inc.**

8:20-8:30am      **Benchmarking Survey of Executives' Priorities and Expectations**  
*Main Lounge (Third Floor)*

*Conference Moderator:*  
Jack Miller  
*Former Senior Advisor*  
**General Motors Asset Management**

During today's sessions, an electronic audience response system will be used to instantaneously and anonymously poll participants about their risk management concerns and priorities. The results will be displayed on-screen and can be used by participants to benchmark themselves against their peers and to further inform the discussions in the sessions. Later in the day, the results will be made available in hard copy form for participants' reference.

8:30-9:30am      Panel Session: **Globalization – Linkages Between the World Economies**  
*Main Lounge (Third Floor)*

*Panelists:*  
Pauline H. Baker  
*President*  
**The Fund for Peace**

Michael G. Mangino  
*Risk and Insurance Manager*  
**BP Corp North America, Inc.**

Corina Monaghan  
*Vice President of Political Risk and Trade Credit Group*  
**Aon Global Risk Consulting**

Harry Palumbo  
*Political Risk Operation*  
**American International Group, Inc.**

Brad W. Setser  
*Fellow, Geoeconomics*  
**Council on Foreign Relations**

Recent events have proved yet again that US businesses are inextricably – and increasingly – linked with their global counterparts. And these linkages extend beyond the financial markets. Note, for instance, how geopolitics affects everything from large macro issues like commodity prices, trade patterns, and exchange rates to more micro issues like your executives' security, out-sourcing decisions, and supply chains. This opening panel will lay the groundwork for much of the discussion in later panels by exploring the new and different risks that globalization is presenting to US firms, including: trade patterns; outsourcing and supply chains; energy dependency; intellectual property; and the influence of sovereign wealth funds.

9:30-10:30am      Panel Session: **Going Green/Climate Change**  
*Main Lounge (Third Floor)*

*Panelists:*  
Matt Kistler  
*Senior Vice President, Sustainability*  
**Wal-Mart Stores, Inc.**

Ralph W. Mucerino  
*President, AIG Global Marine and Energy*  
**American International Group, Inc.**

Rodney Taylor  
*Managing Director, Environmental Services Group*  
**Aon Risk Services**

US firms have to respond to the uncompromising movement toward "green", both in their products and services and also in the ways their operations. But this increasingly green world presents enormous risks for firms as they adapt to the reality – just as it presents great opportunities. This forward-looking panel will examine both sides of the risk and reward equation as corporate America both willingly and unwillingly climbs on the movement toward green.

10:30-11:00am      Coffee Break

*Presidents' Hall (Third Floor)*

11:00-11:45am Workshop Series I

**Workshop A: Exploring Claim Trends, Emerging Risks and Tort Reform**

*Sturgis Room (Third Floor)*

Andrew J. Barberis, J.D.

*Executive Vice President, Property and Casualty Severity Claims  
**American International Group, Inc.***

Patrick Carroll

*Assistant Director, Aon Global Risk Consulting  
**Aon Risk Services***

The landscape of workers' compensation and casualty claims is constantly impacted by changing trends, emerging risks, and tort reform. What factors are driving these trends? What new risks are on the horizon? This session will examine these areas as well as discuss the latest developments in tort reform and what may lie ahead for risk managers to consider when it comes to potential tort liabilities.

**Workshop B: Employment Practices Exposure in an Uncertain World**

*Morton Room (Third Floor)*

*Workshop Leaders:*

Trudy A. Hardin

*Vice President, EPLI Product Manager  
**Aon Financial Services Group***

Leslie Ann Lamb

*Global Risk Manager*

**Cisco Systems, Inc.**

Christopher J. McNulty

*Complex Claims Director*

**AIG Domestic Claims, Inc.**

The employment practices liability environment shifts almost constantly, probably more so than just about any other area of risk. With that in mind, this session will help you navigate through the challenge of understanding the critical issues, such as recent trends in employment claim frequency and severity, the impact of recent Supreme Court decisions on future claims trends, and the impact on the workplace of proposed changes to State and Federal Employment Law. Participants will also examine how the claims process works at their carrier and what risk managers should be reporting to their carriers.

Workshop C: D&O  
*Morgan Room (Third Floor)*

*Workshop Leaders:*  
Jennifer J. (McElroy) Fahey  
*Managing Director*  
**Aon Financial Services Group**

Heather Fox  
*Senior Vice President & Chief Underwriting Officer, AIG  
Executive Liability*  
**American International Group, Inc.**

Debbie L. Gramer  
*Director, Risk Management*  
**Arrow Electronics, Inc.**

This workshop will offer a status report on the number and types of class-action lawsuits being filed as well as a review of average settlement values. What factors are driving the latest D&O exposures? Is it still the backdating of stock options and sub-prime lending issues or have new risks emerged? How will the deteriorating economic and financial environment impact these areas? Finally, how are risk managers ensuring that they have global or near-global D&O coverage?

11:45-12:30pm    Workshop Series II

Workshop D: Emerging Markets  
*Sturgis Room (Third Floor)*

*Workshop Leaders:*  
Paul Irwin  
*Vice President*  
**AIG WorldSource**

Pamela Britt Schneider  
*Director, Global Risk Management*  
**Avon Products, Inc.**

Bruce Wineman  
*Chief Operating Officer, Managing Director  
Global Client Network*  
**Aon Risk Insurance Services West, Inc.**

More than ever, US companies are benefiting from—and vulnerable to—their operations and markets in the emerging economies. And yet arguably it is a

mistake to try to manage the risks of doing business in the “emerging markets”. After all, is it appropriate to state that business exposures in China are the same as in those frontier markets like Kazakhstan or Indonesia? Doubtful. This session will review the common vulnerabilities US firms face in doing business in the emerging markets and will also highlight some of the particular advantages and risks from some of the more prominent markets like China and India.

**Workshop E: The SCHIP Extension Act of 2007: Raising Awareness So that Risk Managers Can be Prepared**

*Morton Room (Third Floor)*

*Workshop Leaders:*

Mike McDonald

*Vice President-Risk Management*

**Quality Distribution, Inc.**

Patricia O'Brien

*Senior Vice President*

**Aon Consulting**

This workshop will explore recent developments in healthcare benefits and worker's compensation issues, including the new Medicare Set-Aside Allocations (MSAs) and the options that risk managers have in administering these solutions. Further, participants will discuss the 2007 SCHIP Extension Act that takes effect next year, requiring MSAs for all liability settlements. With this new legislation and new solutions, how will the liabilities be controlled and administered?

**Workshop F: Information Security and Risk Management—Perfect Together?**

*Morgan Room (Third Floor)*

*Workshop Leaders:*

Michael Lamprecht

*Senior Vice President*

**Aon Financial Services Group**

Patrick (Rick) W. McCarthy

*Director, Risk Management*

**Panasonic Corporation of North America**

Eric Michaels

*Assistant Vice President, Professional Liability Division*

**AIG Executive Liability**

Not a day goes by without a major headline that may read as follows: “Company XYZ loses a laptop containing personal information of one million customers” This type of headline is becoming more commonplace, unfortunately. And while Europe

and Japan have enacted very strict new laws regarding information security, the U.S. is lagging behind what is now taking place overseas. Although the loss of personal information of customers, etc. garners the headlines, most American companies have been slow to address these types of information security issues beyond IT: using firewalls, passwords, anti-virus software, and; even encryption in some cases. More importantly, most employees do not receive any information security awareness training. This session will look at these issues through the lens of a case study and the ISO 27001 Information Security certification and then delve into the role risk management might play in this area.

12:30-2:30pm      Lunch with **Industry Working Groups**  
*Governor's and James Rooms (Second Floor)*

During coffee and dessert and in peer-led, workshop-style groups, risk managers from specific industries will share experiences and expertise with others from firms with similar issues and risk management needs. Join your peers to discuss the risk management solutions unique to your industry. (Topics for discussion will be identified by the attending risk managers from each industry group.)

**Chemicals:** Charles Scott, Jr., *Director, Risk Management, FMC Corporation*

- How do your ERM initiatives compare to those of your peers in the chemicals industry?
- What do you perceive to be the most critical shortfalls in property market capacity? What should be done to correct these issues?
- Which supply-disrupting events do you think pose the greatest challenges to our industry? How are you dealing with contingent business interruption sublimit trends post-Katrina?
- What are your greatest concerns in terms of international insurance issues (eg, admitted/non-admitted, tax, etc), especially in the context of Brazil, India, and China?

**Conglomerate:** Audrey Rampinelli, *Vice President, Risk Management, Loews Corporation*

- What key issues are driving your risk financing and risk transfer strategies?
- Do you combine multi-faceted and/or multiple industries within a single risk financing program?
- How do you manage subsidiary risk separation with insurers participating in global or parent company level placements?
- How do you handle risk aggregation issues between parent company and throughout what may be disparate industry subsidiary levels?
- How do you address and coordinate ERM requirements throughout subsidiaries and the impending oversight by rating agencies?

- What are the best methods to garner parent company and subsidiary level senior management support to balance risk profiles, philosophies and protocols?

**Construction:** Michael Wolf, *Risk Manager, Matrix Service Company*

- How do you mitigate the impact natural disasters have on construction business continuity?
- Are you aware of any contract provisions, post employment health questionnaires, or other techniques that can help mitigate your workers' compensation or third party over exposures?
- What types of security are you providing on your large deductible programs and have you been able to reduce the amount of security required by the carriers?
- How do you determine your company's cost of risk and how do you allocate that out to the individual jobs?
- What unique problems would you like to discuss, e.g., surety, liability limits, named windstorm coverage, political risk, shortage of skilled workers, etc.

**Consumer Goods:** Cindy Slubowski, *Senior Manager, Risk and Insurance, Kraft Foods Inc.*

- Suppliers in emerging markets - what insurance requirements are you requiring, are they meeting those requirements, what are you doing if they don't meet those requirements?
- Product recall/Malicious product tampering - are you buying, what do you see in the marketplace, prices softening, what limits are available?
- Sustainability - do you have a program in place, is it causing you more risk/less risk, are you insuring the additional risk, how, with whom?
- How does Risk Management bring value to a consumer driven company- who do you interact with, what do you provide from risk management, what areas of the business do you control/regulate/oversee?

**Education and Not-for-Profit:** Walter Pizzano, *Associate Treasurer, Risk Management, Columbia University*

- What, if any, movement have you been leading to incorporate public company-type risk reporting/internal control improvements at your organization (as prompted by SAS 112)?
- Have you experienced, or do you anticipate, a substantial change in your company's emphasis on corporate governance? What role is risk management expected to play in that shift?

- Has the contraction in the credit markets materially impacted your organization's financial planning techniques, especially as regards the methods used for the financing of risk and the levels of risk retained?
- What do you see as the future of risk management at educational/NFP institutions, especially considering the gradual implementation of ERM process reviews by the major rating agencies?

**Energy and Utilities:** Laura Thomas, Vice President, *Enterprise Risk and Insurance*, **American Electric Power**

- How are you dealing with the extreme volatility we are seeing currently (eg, oil and natural gas prices, refining crack spreads, etc)?
- What do you see as the ramifications of potential changes in taxes/government take? Are there solutions?
- Have you implemented an enterprise risk management system? If so, how do you quantify risks such as domestic and foreign regulatory and political risks?
- What is your company's approach to greenhouse gas emissions?
- Do you have a hedging policy for feedstock or production?

**Financial Services:** Richard Ryan, *Director of Global Insurance Management*, **Franklin Templeton Investments**

James Kirtland, *Vice President, Corporate Risk Management*, **ING Americas**

- How do you solve the problems with global D&O insurance? What are those problems?
- How are you dealing with credit crunch claims and the renewal of your professional liability coverages?
- How do you communicate with senior management? What do you communicate to senior management?
- What is your opinion of the reputation risk issue? How are you managing these exposures?
- How do you use alternative forms of risk financing?
- What do you consider to be the problems and solutions related to vendor risk management?

**Healthcare/pharmaceuticals:** Lanette Frostestad, *Director of Risk Management*, **McKesson Corporation**

- What process do you use to choose partners overseas? Are you able to get the contracts and insurance coverage you want from these partners? How do you manage any "gaps"?
- With the internationalization of the supply chain, what are you doing to make it more secure? Have you investigated a supply chain risk transfer product?

- Have you experienced an increase in transit losses? Is the pharma industry being targeted? Is there something we should be doing as an industry to mitigate this risk?
- What steps do you take to elevate risk management issues and concerns within your corporation?

**Manufacturing:** Troy F. Priesmeyer, *Risk Manager*, **Dresser-Rand Company**

- Where is your firm in the enterprise risk management process? How involved is risk management, and what are you finding to be the challenges, impediments, and goals?
- In terms of supply chains, how are you managing such issues as suppliers' indemnification, contractual requirements, and international challenges and solutions?
- How are you dealing with such client contractual requirements issues as additional insured, limits of coverage, and per project aggregates?
- What do you expect will be the trend for risk management issues as they relate to mergers and acquisitions? What lessons have you learned regarding due diligence?

**Media and Entertainment:** Anthony Avitabile, *Director, Risk Management*, **Major League Baseball**

- Does your company have a cyber liability exposure (including international) and do you purchase insurance to transfer this risk?
- Does your company have a data privacy exposure and do you purchase insurance to transfer this risk?
- Do you require Safety Act certificate of your vendors? How valuable do you think this is?
- For venue operators, do you include medical expense/payment coverage under your general liability policy? What are the pros and cons?

**Real Estate/Property:** Shari Natovitz, *Risk Manager*, **World Trade Center Properties/Silverstein Properties**

- Do you believe that growing imbalances in the natural catastrophe risk market should or will necessitate some type of federal intervention in private markets? How can such intervention be used to encourage expanded capacity?
  - Are you seeing a capacity problem as respect to NAT CAT perils?
  - Is your program more costly due to NAT CAT
  - Are your lenders accepting capped limits?
- Has the lack of liquidity resulting from the credit crisis impacted your firm's plans for growth whether through acquisition or new development?

- If you use the Bermuda markets or London, are you concerned about the impact of legislation supported by the domestic insurance markets to "level the playing field" by imposing more taxes? With Federal Excise Tax and Individually Procured Tax already adding up to 8%, the level playing field could push the cost of doing business offshore past 10%. Will that change your strategy regarding how you distribute your program and are you lobbying against this proposal.

**Retail:** Carol Arendall, *Senior Director, Risk Management*, **OfficeMax**

- How are you handling foreign vendor import products liability?
- Have you considered or are you purchasing cyber risk insurance? If not, why? What other steps are you taking to protect customer data?
- Do you have a product recall program in place?
- At what stage are you in implementing enterprise risk management? What does your ERM program look like?
- Have you had any successful safety initiatives in your retail operations?

**Telecommunications/Technology:** Suzanne Gallie, *Senior Risk Manager*, **Sun Microsystems Inc.**

- Are you involved in the management of your supply chain?
- How do you structure your international insurance program and address the issue of local, admitted vs. global, non-admitted policies?
- Where do you see the best opportunities to implement an ERM approach within your organization? Do you have a Risk Council?
- How do you utilize captives, integrated insurance programs, etc. within your risk financing approach?
- What other issues are pressing that you would like to discuss with your peers?

**Transportation:** Mike McDonald, *Vice President, Risk Management*, **Quality Distribution, Inc.**

- Does your company engage in empathetic adjusting of claims?
- Do you understand the implications of the Liability Medicare Set-aside law, S, 2499 ?
- Are you seeing a trend towards "negligent entrustment" claims ? How do you handle "post accident" at-fault drivers ?

2:30-3:15pm      Workshop Series III

Workshop G: CAT Coverage  
*Sturgis Room (Third Floor)*

*Workshop Leaders:*

Rebecca McQuade  
*Director of Risk Management*  
**PACCAR Inc.**

George Stratts  
*Executive Vice President and Property Division Executive*  
**Lexington Insurance Company**

Al Tobin  
*Managing Director & Leader, National Property Group*  
**Aon Risk Services**

A lot has been learned this year from flood and tornado events. Add on wildfires and an ominous hurricane season and you have a recipe for a tumultuous market in CAT coverage. These workshop leaders will explore the best means of structuring CAT coverage, the solutions that are available, and how each party – the insurer, the broker, and the client – are protecting themselves.

Workshop H: Trends in the Excess Casualty Market

*Morton Room (Third Floor)*

*Workshop Leaders:*  
Anthony DeFelice  
*Managing Director, National Casualty Practice*  
**Aon Corporation**

Rich Sarnie, CSP, P.E.  
*Director, Risk Management*  
**Global Crossing**

Michael Warwicker  
*CAT Excess Chief Operations Officer, International*  
**American International Group**

John Wise  
*Executive Director, Property and Casualty Broking*  
**Aon Corporation**

This session will review the key drivers for risk managers' needs regarding excess casualty programs, including an examination of current market conditions and where the market is going. The workshop leaders will discuss such issues as how to structure an umbrella program appropriately as well as what risk managers look for when placing an excess liability program.

Workshop I: ERM  
*Morgan Room (Third Floor)*

*Workshop Leaders:*  
Richard Broderick  
*Director, Risk Management*  
**Harris Corporation**

Laurie Champion  
*Director*  
**Aon Global Risk Consulting**

Charlie Shamieh  
*Executive Director*  
**American International Group, Inc.**

US firms are continuing to respond to the shift in the landscape by focusing more resources, greater scrutiny, and management attention on strategic, operational and compliance risks. This workshop will explore such ERM-related issues as: What is the S&P trying to find out about companies? How will this information be integrated into firms' actual ratings? How can executives prepare for their ERM discussions with the rating agencies? Are there any insurance products available to cover some of the key enterprise-wide risks, such as supply chain disruption? How or will carriers integrate ERM reviews into their underwriting evaluations?

3:15-3:30pm      Coffee Break  
*Presidents' Hall (Third Floor)*

3:30-4:30pm      Panel Session: **CFOs' Panel – What Issues are Keeping Your Senior Management Awake at Night?**  
*Main Lounge (Third Floor)*

*Panelists:*  
Christa Davies  
*Chief Financial Officer*  
**Aon Corporation**

Renée Hornbaker  
*Chief Financial Officer*  
**Shared Technologies Inc.**

Lauralee E. Martin  
*Chief Financial Officer and Chief Operating Officer*  
**Jones Lang LaSalle**

Robert S. Schimek  
*Vice President, AIG Property Casualty Group*  
*Senior Vice President, Chief Financial Officer, AIG Commercial Insurance Group*  
**American International Group, Inc.**

What are the paramount issues that are keeping senior management and your firm's board awake at night? Is it audit and compliance? Enterprise risk management? Operating in global markets? These CFOs will share their insights into the issues that are most on their radar screens and therefore most likely to affect your job and your firm, including regulatory and compliance issues, input costs, supply chain management, macro economic factors, the credit/liquidity crisis, and the adequacy and availability of human talent.

4:30-5:30pm      **Panel Session: From Our Perspective – Analysts Weigh in on Identifying and Managing Risks**  
*Main Lounge (Third Floor)*

*Panelists:*  
Seamus Fernandez  
*Director, Pharmaceuticals,*  
**Leerink Swann**

Adam Klauber  
*Director of US Equity Research*  
**Fox-Pitt Kelton**  
**Cochran Caronia Waller**

Alexia S. Quadrani  
*Managing Director*  
**J.P. Morgan Securities Inc.**

Increasingly, the risks confronting a particular firm or industry are having an effect on firms' ratings. As we saw at last year's Risk Management meeting, the ways companies are dealing with enterprise-wide risks are especially impactful. This session of Institutional Investor-ranked analysts will explore some of the main criteria that they consider when rating or ranking specific firms and industries. Which risks are they most focused on?

5:30-6:30pm      Time at Leisure

6:30pm              Cocktail Reception and Dinner  
The 21 Club

Join your peers at one of New York City's famous landmarks – **The 21 Club**. During Prohibition, New York's most glamorous and powerful made **21** the hottest speakeasy in town and the restaurant of choice to celebrate their most special occasions. Today, featured on-screen more than any other restaurant in America, **21** is often described as the quintessential New York City dining experience and the gathering spot of choice for celebrities, captains of industry, world leaders and dignitaries of every order.

## Wednesday, September 17

8:00-8:45am Continental Breakfast with Peer-Led Discussion Groups:  
**How Do You Nurture Innovation in the Organization and in the Risk Management Function?**  
*Main Lounge (Third Floor)*

*Facilitators:*

George J. Haitsch

*Vice President, Corporate Risk Management*

**SAP AG**

Lori Jorgensen

Senior Director--Finance

**Microsoft Corporation**

Rich Sarnie, CSP, P.E.

*Director, Risk Management*

**Global Crossing**

Denise C. Schlitt

*Director, Risk Management*

**EarthLink, Inc.**

Whose voices should be at the table when it comes to fostering innovation? What cross-section of management and business units is the correct mix? Most organizations struggle with these issues – and the risk management function is no exception. Participants in these peer-led groups will discuss and debate the best means of nurturing innovation.

8:45-9:15am Special Presentation: Current Developments in Insurance Regulation  
*Main Lounge (Third Floor)*

*Presented by:*

Eric R. Dinallo

*Superintendent*

**New York State Insurance Department**

The U.S. insurance market is grappling with issues of a breadth and scope that have not been confronted before. What are our regulators doing to grapple with these issues? What does the New York State Insurance Department consider to be the most pressing challenges?

9:15-10:15am Panel Session: Defining 'Value' in the Risk Management Function

---

**Institutional Investor's 25<sup>th</sup> Annual Risk Management Event**

*25 Years of Helping Risk Managers Identify Solutions*

September 16-17, 2008 ~ Metropolitan Club, New York

Page 16 of 20

*Main Lounge (Third Floor)*

Moderator:

Peter McKenna

*Senior Vice President, National Accounts*

**American International Group, Inc.**

*Panelists:*

Diane Askwyth, CPCU

*Senior Director Risk Management and Insurance*

**Schering-Plough Corporation**

Nancy Green

*Executive Vice President, Strategic Account Management*

**Aon Risk Services**

Julie K. Long

*Senior Director, Risk Management*

**Wal-Mart Stores, Inc.**

Stephen A. Truono

*Vice President, Global Risk Management and Insurance*

**Starwood Hotels & Resorts Worldwide Inc.**

How do risk managers articulate and demonstrate their own value in their company? Additionally, how do they evaluate and quantify value in the service providers they select?

10:15-10:45am    Coffee Break  
*Presidents' Hall (Third Floor)*

10:45-11:30am    Workshop Series IV

Workshop J: Solutions for Pension Cash Flow Needs

*Sturgis Room (Third Floor)*

*Workshop Leaders:*

Brad Klinck

*Senior Vice President*

**Aon Consulting**

Stephen McCaffrey

*Senior Counsel for Plans*

**National Grid USA**

This year's new pension rules will put additional pressure on companies, especially those with underfunded plans. How are US firms reacting? What new exposures does this create, and what solutions are available?

**Workshop K: Fiduciary Liability**

*Morton Room (Third Floor)*

*Workshop Leaders:*

George J. Haitsch

*Vice President, Corporate Risk Management*

**SAP AG**

Rhonda Prussack

*Executive Vice President & Product Manager, Fiduciary Liability*

**American International Group, Inc.**

Paul Slamar

*Managing Director, Fiduciary Liability Practice*

**Aon Financial Services Group**

This session will consider recent significant ERISA litigation and regulatory developments (ie, proposed Department of Labor fee disclosure regs). The workshop leaders will also discuss how these developments are affecting the fiduciary underwriters' concerns in evaluating risk submissions, and will offer practical guidance about how employers and their broker and providers can more effectively address concerns in the renewal process.

**Workshop L: Managing Collateral Obligations**

*Morgan Room (Third Floor)*

*Workshop Leaders:*

Chris Kopser

*Executive Vice President*

**AIG Global Risk Management**

John Meyers

*Director & Principal, Strategy & Analytics*

**Aon Global**

Gretchen A. Van Parys

*General Manager, Risk Management*

**Delta Air Lines Inc.**

Typically, alternative risk transfer programs or fronted casualty programs require the insured to provide collateral to the underwriter to cover anticipated claims. The collateral obligation could be less than a full year's claims – or significantly more. That represents a significant cost to the firm, either in outright cost of capital or in

lost opportunities to deploy the capital for business growth and acquisitions. What determines the appropriate level of collateral? What factors influence collateral requirements, and what are some key strategies risk managers can employ to avoid being over-collateralized?

11:30-12:30pm Panel Session: **Global Compliance: Risk Management Processes and Tools**  
*Main Lounge (Third Floor)*

*Panelists:*  
Holly Daley  
*Director, Global Risk Management*  
**Hitachi Data Systems**

Jennifer J. O'Neill  
*Senior Vice President, D&O Product Manager*  
**AIG Executive Liability**

Bruce Wineman  
*Chief Operating Officer, Managing Director*  
*Global Client Network*  
**Aon Risk Insurance Services West, Inc.**

Compliance with the world's fast-changing, fragmented regulatory landscape is a challenge. Emerging issues have heightened executives' interest in determining how best to approach global insurance placements. Further, compliance concerns are not limited to traditional property or liability lines, but encompass cross-border placements including directors' and officers' liability, professional liability, and even excess liability. A lack of compliance can result in problems with claim payments, business disruption or civil or criminal penalties. However, increased levels of compliance can also lead to significant additional costs. This discussion will outline the issues that are driving increased compliance awareness, and outline potential approaches and tools to track and manage insurance-related compliance risk by focusing on such topics as:

- Insurance regulations regarding non-admitted policies
- Liabilities for premium and related taxes
- Communication within the multinational; broker and insurer roles

12:30-1:00pm Guest Presentation: **Election 2008: The Winds of Change or the Voice of Experience?**  
*Main Lounge (Third Floor)*

*Speaker:*  
Marie Cocco  
*Nationally Syndicated Columnist*  
**Washington Post Writers' Group**

With Barack Obama and John McCain entering the fall campaign for president, the election of 2008 is going to be fought on familiar political territory, but with possibly unfamiliar and even historic twists. After two terms of George W. Bush, and with the president suffering from historically low approval ratings, the public seems to be yearning for something new. The Democratic Party offers Obama as the embodiment of this sentiment. But Obama is untested on the national stage, had only a year's experience in the U.S. Senate when he began his presidential run and it remains unknown how the broad general electorate, as opposed to Democrats who voted in primaries, will respond to an African-American candidate. To paraphrase Ronald Reagan, McCain fully intends to exploit his opponent's youth and inexperience. The presentation will give an overview of the electorate's mood, the candidates' relative strengths and weaknesses and the key issue battlegrounds. It also will touch on the race for control of Congress—which, in an odd way, may simultaneously favor Democrats and McCain.

1:00-2:30pm      Lunch with Panel Discussion: **Diversity in the Insurance Market: Mentoring**  
*James Room (Second Floor)*

*Moderator:*

Carol Murphy  
*Managing Director*  
**Aon Risk Services**

*Panelists:*

Terri Austin  
*Chief Diversity Officer*  
**American International Group, Inc.**

John J. Gasparovic  
*Vice President and General Counsel*  
**BorgWarner Inc.**

Sheila Small  
*Assistant Treasurer, Risk Management and Insurance*  
**Verizon Communications**

Diversity and inclusion are integral parts of the culture for most *Fortune* 500 companies. Where does the insurance industry rate with its diversity initiatives? What are diversity best practices? How can mentoring programs complement diversity initiatives at firms of various sizes and in different industries? As leaders, what can we do to further the culture of inclusion in our own organizations?

2:30pm              Program Concludes