

ERM and ORSA for Insurance Companies

Practical Techniques for Developing an Effective ERM Program to Satisfy Regulators and Enhance Risk-Reward Decision Making

May 27 – 28, 2014 • Toronto

Knowledge and Skills for Satisfying ORSA

This practical, in-depth two-day course will provide you with the following skills that will enable you to:

- Implement an advanced yet practical ERM framework
- Quantify strategic and operational risks
- Clearly define risk appetite on a quantitative basis
- Integrate ERM into decision making, such as strategic planning, strategic & tactical decisions and transactions
- Avoid the 5 common mistakes of risk identification
- Evaluate your ERM program against 10 key ERM criteria
- Conduct effective qualitative risk assessment surveys
- Develop a risk categorization and definition (RCD) tool
- Develop risk scenarios using the Failure Modes and Effects Analysis (FMEA) technique
- Learn techniques to build buy-in with key stakeholders

The skills developed at this course will provide you with the tools to advance an ERM program that is robust yet practical, and that builds the critical buy-in from executives, the board, and external stakeholders. As well, you will be able to successfully carry your program forward in the years to come.

Who Will Be There

ERM and ORSA for Insurance Companies is for individuals involved with identifying, measuring, managing, or disclosing risks, or those with oversight over those functions including:

- Heads of ERM programs, such as Chief Risk Officers (CROs) or those functioning in that capacity
- Corporate ERM team members that conduct qualitative risk assessments or build models to quantify risks
- Heads of Internal Audit
- Senior executives, such as CEOs and CFOs
- Directors including chairs of audit committees and chairs of risk committees
- Heads of external relations or those communicating with analysts and rating agencies

FREE

ERM Book and Guide

All registered delegates will receive a FREE copy of *Corporate Value of Enterprise Risk Management*, as well as its accompanying text, *Companion guide to Corporate Value of Enterprise Risk Management*.

Comments From
Participants Attending
Acumen Conferences -
Information You Can
Work With

"...excellent breadth of coverage of a very complex series of regulations..."

Senior Treasury Analyst,
Meridian Credit Union

"Presentations were clear even though topics were complex."

Chief Financial Officer,
Société Générale

"Suffice it to say that the conference delivered on my expectations...A lot has been taken away from this conference... \$ well spent..."

V.P. Risk Management Advisory,
New Brunswick Credit Union
Stabilization Board

"Best conference I've ever attended."

Senior Manager, Enterprise Hedge
Accounting and Derivative Reporting
Royal Bank of Canada

"...helped to clarify my understanding or requirements of ORSA..."

Risk Management Consultant,
Empire Life Company

"Well rounded. Good flow."

Manager, Capital Risk,
RSA

"Speakers were very knowledgeable, materials were current...examples and materials were relevant and well presented."

Derivatives Accountant
Agrium Inc

Letter From the President

Own Risk and Solvency Assessment (ORSA) is a pivotal tool in OSFI's corporate governance and capital adequacy regulatory framework. To achieve a successful ORSA for OSFI's purposes, you will need an enterprise-wide risk management program that is not only robust enough to identify, measure, manage, and report on all sources of key risks, but also practical enough to be integrated into, and support, decision making for future planning and risk event challenges.

The essential message OSFI has sent out is that they view risk and reward together, and they view companies without this integrated view as **weak from a solvency perspective**, over the long term. This presents a significant top-down management challenge that requires **full integration of current and prospective risk management** into a comprehensive internal management system that will be a critical component of organizational governance, decision making and regulatory compliance. Access, input and commitment is expected from all C-suite executives and the Board of Directors in order to achieve successful results and regulatory acceptance...this is far more than a compliance process or check-the-box exercise.

ERM and ORSA For Insurance Companies has been specifically designed to systematically lead you through the process of enterprise-wide risk management, **linking the process to critical OSFI regulatory expectations**, with a view to providing you with the process and skills you need to implement a robust yet practical ERM program into your organization in a **cost effective, time efficient and well-reasoned manner**.

Using a stimulating and dynamic combination of **lectures, individual exercises, group exercises and case studies**, this course will provide you with the tools to achieve a solution to your ORSA challenge that is faster, less resource-intensive, and at less expense.

In addition, *ERM and ORSA For Insurance Companies* provides a first-hand opportunity to hear from, and speak with, a leading international expert in enterprise risk management. You will also have a unique opportunity to meet with your peers to discuss how they are responding to the challenges presented by this complex and comprehensive project.

I hope to meet you personally in May and welcome you to an outstanding professional development experience.

Sincerely,



Robert Hirsch
President
Acumen Information Services

Visit the Acumen Information
Services Website for:

- Expanded session descriptions
- Full calendar of Acumen events
- Easy on-line registration
- Quick access to speaker's e-mail and firm web site
- Leaving questions to be answered at the course

Acumen Conference Calendar

Derivative and Hedge Accounting
May 13 - 14 - Toronto

Financial Services Internal Audit
May 20 - 21 - Toronto

ACUMEN
information services

REGISTER NOW!

Call (416) 504-6952, Fax (416) 504-6978
or online: www.acumeninformation.com

Course Overview

This two-day course is a practical, hands-on training program providing tangible skills for immediate application to successfully implement or advance ERM programs. Using a stimulating and dynamic combination of lectures, individual exercises, group exercises and case studies, this course will provide you with the tools to achieve a solution to your ORSA challenge that is faster, less resource-intensive, and at less expense while simultaneously producing an ERM program that has internal and external stakeholder buy-in and that supports better risk-reward decision making.

Course Leader



Sim Segal is president and founder of SimErgy Consulting, a firm specializing exclusively in enterprise risk management (ERM). With 28 years of experience in measuring and managing risk, Mr. Segal is a globally-recognized ERM thought leader with broad functional experience, deep technical knowledge, and ERM experience in a variety of sectors and geographies.

Mr. Segal is the author of *Corporate Value of Enterprise Risk Management* and is also adjunct professor at Columbia University teaching a Masters course on ERM.

Mr. Segal previously served as inaugural chair of the SOA Risk Committee, leading the design and implementation of its ERM program. He currently serves as vice chair of the Canadian Institute of Actuaries (CIA) ERM Applications Committee and as member of the Joint Risk Management Section's ERM Symposium Program Committee, jointly run by the SOA, CIA and Casualty Actuarial Society.

Prior to SimErgy, Mr. Segal led ERM consulting practices at Deloitte Consulting, Aon, and Towers Watson. Prior to his consulting experience, he was an officer at MetLife, where he was a key player in the first successful adoption of economic capital by a U.S. insurer, assisting in its integration into key company processes, such as strategic planning, capital management, and pricing. Mr. Segal is a Fellow of Society of Actuaries (FSA) and a Chartered Enterprise Risk Analyst (CERA). He is one of 40 ERM experts awarded the CERA for "thought leadership and significant contributions to advance the practice of ERM."

Program: May 27

8:00 a.m. - 8:30 a.m.
Continental Breakfast and Registration

8:30 a.m. - 10:30 a.m.
Defining Enterprise Risk Management (ERM)

- Definition of risk
- Basic definition of ERM
- The 10 key ERM criteria
- **Exercise 1** (groups of 4): Evaluate case against 10 key criteria

- ERM process cycle
- Benefit of ERM to stakeholders

10:30 a.m. - 10:45 a.m. Morning Networking Break

10:45 a.m. - 12:00 p.m.
Satisfying ORSA

- Understanding the 10 key ORSA requirements
- **Exercise 2** (groups of 4): Evaluate case against 10 key ORSA requirements

12:00 p.m. - 1:00 p.m. **Luncheon**

1:00 p.m. - 3:45 p.m.
Fundamentals of the ERM Framework

- Three core challenges of traditional ERM frameworks
- Value-based ERM framework
- Using value-based ERM to overcome ERM and ORSA challenges

3:45 p.m. - 4:00 p.m. **Afternoon Networking Break**

4:00 p.m. - 5:15 p.m.
Risk Categorization and Definition

- Risk categorization/definition (RCD) tool
- Defining risks by source
- Categorizing risks evenly
- **Exercise 3** (pairs): Categorize risks
- **Exercise 4** (solo): Categorize risks (practical application of principles using recently published events in the news)

Program: May 28

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

8:30 a.m. - 9:30 a.m.
Qualitative Risk Assessment (QRA)

- Defining metrics clearly
- Conducting the QRA survey
- Gathering data appropriately
- Identifying risks prospectively
- **Exercises 5/6** (pairs/switch roles): Conduct surveys
- Consensus meeting

9:30 a.m. - 10:30 a.m.

**Developing a Quantitative Risk Model
Calculating Baseline Valuation
Quantifying Individual Risk Exposures**

- Deterministic risk scenarios
- Developing risk scenarios using Failure Modes and Effects Analysis (FMEA)

10:30 a.m. - 10:45 a.m. **Morning Networking Break**

10:45 a.m. - 12:00 p.m.
Quantifying Individual Risk Exposures - continued

- **Exercise 7** (large group): Develop risk scenario using FMEA
- Quantifying individual risk exposures
- Case studies
- **Exercise 8** (groups of 3): Quantify individual risk scenarios

12:00 p.m. - 1:00 a.m. **Luncheon**

1:00 a.m. - 3:45 p.m.
Quantifying Enterprise Risk Exposure

- Quantifying enterprise risk exposure
- Economic capital vs. value-based ERM models
- **Exercise 9** (groups of 3): Quantify enterprise risk exposure

Defining Risk Appetite

- Risk appetite consensus meeting
- Defining risk appetite quantitatively
- Case study

3:45 p.m. - 4:00 p.m. **Afternoon Networking Break**

4:00 p.m. - 5:00 p.m.
**ERM Vendors
ERM Implementation Time Line**

OSFI ORSA Requirements – Understanding and Meeting the Challenge

OSFI ORSA requirements pose many challenges to Canadian insurers wanting to move their ERM programs forward in a compliant yet strategically-effective manner. This in-depth, two-day course will identify, and provide practical solutions for, the top 10 ORSA requirements that pose the biggest challenges, categorized below by ERM program component:

ERM Framework

1. **Consistent:** Unifying previously disparate risk-related efforts such that ERM is linked to strategic planning, capital management, etc.

Risk Governance

2. **Governable:** Board understanding of organizational risk appetite and its alignment with risk strategy

Risk Identification

3. **Complete:** Incorporating all material and relevant sources of risk – strategic, operational, financial, and insurance

Risk Quantification

4. **Dynamic:** Changes in environment are dynamically reflected in risk exposures and have the buy-in that leads to management actions
5. **Quantitative:** Quantifying all risk exposures, which means getting beyond qualitative-only approaches for strategic and operational risk
6. **Robust:** Quantifying impacts of risk combinations
7. **Realistic:** Reflecting real-world restrictions on capital transfers between legal entities

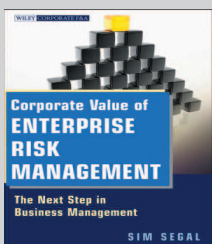
Risk Decision Making

8. **Reconcilable:** Risk appetite statement that is quantitative and reconciles to quantitative risk limits
9. **Actionable:** Integrating ERM into strategic planning and decision making at all levels

Risk Messaging

10. **Incentivised:** Integrating ERM into business performance analytics and incentive compensation

Free Book and Companion Guide



All registered delegates will receive a **FREE copy** of Mr. Segal's authoritative and practical book, *Corporate Value of Enterprise Risk Management*, as well as its accompanying guide, *Companion Guide to Corporate Value of Enterprise Risk Management*, which will be valuable tools for you and your organization in addition to the course materials you will receive.

ERM and ORSA for Insurance Companies

FAX THIS REGISTRATION FORM NOW TO (416) 504-6978

223

Yes! Register me for: ERM and ORSA for Insurance Companies

Please photocopy this form for additional delegates

I cannot attend but please keep me informed of future events

Mr./Ms./Mrs. _____

Title _____

Company _____

Address _____

City _____ Province _____ Postal Code _____

Telephone () _____ Extension _____ Fax () _____

E-mail Address _____

Company's main line of business _____

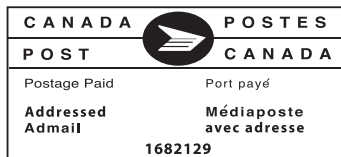
Number of employees on site

1-25 26-50 51-100 101-250 250 - 500 501+

Please send me a FREE Toronto and Area Visitor's Information Package

Please do not obscure address information

Acumen Information Services
Suite 410, 6 Adelaide Street E.
Toronto, ON, M5C 1H6
HST No. R862562543



Register Me For:

Registration options	Before April 11, 2014	Before April 25, 2014	After April 25, 2014
ERM and ORSA	\$ 2,725.00 + HST	\$ 2,825.00 + HST	\$ 2,975.00 + HST

Please register me with the **early-bird discount** (ends April 25, 2014)

Payment Method

Please Charge to my VISA MASTERCARD

Card Number: _____ Expiry Date: _____

Signature: _____ Security No. _____

Cheque enclosed, payable to **Acumen Information Services**

Sponsorship and Exhibition Opportunities Limited

Sponsorship and exhibition options are available for this event. For more information or to check availability, please contact us by phone at (416) 504-6952 or by e-mail at info@acumeninformation.com.

REGISTER NOW - HERE'S HOW!

- Fax:** (416) 504-6978
- Mail:**
Acumen Information Services
Suite 410, 6 Adelaide Street E.
Toronto, ON, M5C 1H6
- E-mail:**
info@acumeninformation.com
- On Line:**
<http://www.acumeninformation.com>
- Phone:** (416) 504-6952

Early Bird Special

Register prior to **April 25, 2014** and you will obtain the following savings:

Second delegate: \$100 Discount
Third delegate: \$150 Discount
Fourth delegate: **FREE**

GROUP DISCOUNT

Fourth Delegate Free!

If three individuals from one organization register at the same time, a fourth person may also be registered to attend free of charge. The free registration must be of equal or lesser value than the paid registrations. Please contact us to arrange for attendance of larger groups.

Location and Accommodation

The conference will be held at a convenient location in downtown Toronto. Venue information and special conference accommodation pricing details will be provided upon confirmation of the venue. Delegates can register at the Acumen service desk beginning at 8:00 a.m. on the morning of the first day of the conference. Registration fees do not include hotel accommodation.

Savings on Airfare

We have appointed Air Canada as the official airline for this event. Simply contact Air Canada's North America toll free number at 1-800-361-7585 or your travel agent and take advantage of Special Discounted Airfares. Our convention number is PJMHD431. By ensuring this convention number appears on your ticket, you will be supporting Acumen in providing these services.

Your Registration Includes

Registration fees include all conference materials, continental breakfast, lunch and refreshments. Parking and accommodation are not included.

FREE CONFERENCE WORKBOOK

As a registered delegate, you will receive a complete set of conference

materials. These materials will serve as an invaluable guide, both during and after the event. The workbook will be distributed on the morning of the first day beginning at 8:00 a.m.

Cancellation Policy

Substitutions may be made at any time. If you are unable to attend, please make cancellations in writing and fax to (416) 504-6978 prior to 5:00 p.m. on **May 13, 2014**. A credit voucher will be issued to you for the full amount, redeemable against any other Acumen conference. If you prefer, you may request for a refund of fees paid less \$250 administration fee. Registrants who cancel after the above date will not be eligible to receive any credits or refunds and are liable for the entire registration fees. Confirmed delegates who do not cancel before **May 13, 2014**, and fail to attend, will be liable for the entire registration fees.

Duplicate Mailings or Incorrect Information

Please advise us if you receive a duplicate mailing of this brochure or if you would like us to change any of the mailing information shown on the brochure. Please fax us a copy of the registration form with the changes you would like us to make. Please pass the additional copy on to a colleague.

The ACUMEN Quality Guarantee If you find that this event does not meet the high quality standards you expect from this event, we will issue you a letter of credit equal to the value of the event. The individual delegate or any member of his or her company may use this letter of credit for two years from date of issue. Write us a letter describing why you were dissatisfied and direct it to the General Manager.

Acumen Information Services reserves the right to change the date, location and content for the event(s) offered herein without further notice and assumes no liability for such changes.