

12TH ANNUAL INSURANCE EXECUTIVE FORUM

*Illinois State University
Katie School of Insurance and Financial Services*

RETROS A YEAR IN RETROSPECT

IMPACT OF 9/11
ON THE P&C INDUSTRY

9/11

Breakfast seminar
for insurance executives
and risk managers

Tuesday, October 15, 2002
8-11:30 a.m.

Palmer House Hilton
17 East Monroe Street, Chicago
(312) 726-7500

May you live in interesting times! The insurance industry is certainly in the midst of such times. The events of 9/11 have changed the world and dramatically affected the insurance industry.

The most direct effect of 9/11 is the enormous insured losses. It will take years for the full effect of these losses—variously estimated at \$60 billion to \$80 billion—to be fully recognized by the industry.

The hard market in place on 9/11 has been intensified by those losses. How long will this hardening last? How will the industry now handle the risk of terrorism? Few expect a return to terrorism coverage as part of property insurance forms at no additional charge.

On the heels of the 9/11 catastrophe came the Enron collapse and ensuing turmoil in the surety, D&O, and professional liability lines of business. On many fronts changes are ongoing and will continue for sometime.

In this context, the panel of industry experts will discuss such issues as the following:

- Is new capital entering the market destined to drive prices down again?
- Is the emphasis on quality underwriting just another phase in the cycle, or is it a fundamental shift in how the industry operates?
- Has insurers' focus on the bottom line undermined their relationship with insureds?
- Is the quality of insurer service suffering as getting and keeping coverage becomes more time consuming?
- What must the industry do to achieve longer-term stability and profitability?
- How many companies still operating are really under-reserved and insolvent?
- What new/alternative approaches to addressing risk have been created or are gaining momentum since 9/11?
- Does the industry have the financial ability to handle society's needs for insurance? Is terrorism an insurable risk?
- Can the capital markets play a role in effective risk transfer for terrorism as they do for storm exposures?

- Are professional and D&O coverages adequate?
Is coverage too generous?
- What are the current trouble spots in the property/casualty market?
- What lines of coverage are still underpriced from the insurer's point of view?

The Insurance Executive Forum will offer you and your colleagues the opportunity to hear the perspectives of a diverse and distinguished panel of industry executives on these issues and other questions. Plan to attend!

SCHEDULE

7:30 a.m.	Registration and coffee
8:30 a.m.	Breakfast
9:15 a.m.	Panel discussion with industry leaders and audience participation
11:15 a.m.	Closing remarks

WHO SHOULD ATTEND?

- Insurance company CEOs, CFOs, managers, and underwriters who need to know what the competition is doing to meet the challenges that lie ahead.
- Risk managers who must anticipate future needs to protect the company's assets and income against a broad array of risks associated with the business.
- Strategically oriented brokers who interface between buyers and sellers and need to be more knowledgeable about the future of the industry.
- Reinsurance brokers who seek to become the solution providers to the risks they are placing.
- Bankers and market analysts who need to keep pace with the changes and emerging trends in the new insurance and financial services environment of the 21st century.

M O D E R A T O R

Paul Winston is editor of *Business Insurance*.

S P E A K E R S

Alice Cornish is a senior equity research analyst for Prudential Securities Incorporated. She has covered all areas of the insurance industry during the past 18 years and focuses on commercial property-casualty insurance, reinsurance, and global financial services stocks. Before joining Prudential, Cornish was an analyst with BT Alex. Brown. She was one of the cofounders and a managing director of Northington Partners, a Connecticut-based firm specializing in the insurance industry. Previous affiliations also include Conning & Company and Lehman Brothers. Cornish attended Illinois State and De Paul Universities, and has received the CPCU designation.

Paul Karon is president of Benfield Blanch, Inc., and has been a member of its board of directors since the company's inception on June 1, 2001. Prior to that he was president and a director of the North American operations of Benfield Greig LLC. Prior to joining the Benfield, Karon was an executive vice president of E. W. Blanch Company, specializing in property risk management. He began his career with E.W. Blanch in Chicago in 1985. He has been a member of the reinsurance community for more than 16 years and has been associated with a number of major industry transactions. Karon graduated with a Bachelor of Arts from the University of St. Thomas in 1985 and completed the executive risk management program at the Wharton School of the University of Pennsylvania in 1997.

David Mair is director of risk management and purchasing for the U.S. Olympic Committee and also serves as a risk management consultant to the committee's member organizations and their affiliates. Elected to the Risk and Insurance Management Society's (RIMS) Executive Council in 1998, he completed service as the 43rd president of RIMS on May 1, 2002. He now serves RIMS as vice president for international development. Mair also served two terms as president and is a member of the Nonprofit Risk Management Center Board of Directors. Mair received a Bachelor

of Arts with honors from Oklahoma Baptist University in 1980 and a Master of Science in sports administration from the University of Oklahoma in 1987.

Gary Prestia is senior vice president and chief underwriting officer for property lines of Converium Reinsurance (NA), Inc. He has overall responsibility for property lines in North America, which includes property, agribusiness, ocean marine, and Canadian business. Prestia is a chartered property casualty underwriter and an associate in reinsurance.

Shivan Subramaniam is chairman, president, and CEO of FM Global. He was formerly chairman, president, and CEO of Allendale Mutual Insurance Company. He held several managerial positions at Allendale after joining the company in 1974, including executive vice president, senior vice president, and chief financial officer. Subramaniam received a B.E. in mechanical engineering from the Birla Institute of Technology in India, a master's degree in operations research from the Polytechnic Institute of New York, and a master's degree in management from the Sloan School of Management at the Massachusetts Institute of Technology.

Tom Tizzio is senior vice chairman of American International Group (AIG) with responsibilities for AIG's worldwide general insurance business. Prior to this position, he had been president, responsible for AIG's worldwide property-casualty insurance operations. He is also a member of the AIG Board of Directors. Tizzio joined AIG in 1967 and has held a succession of managerial assignments in AIG's domestic brokerage and reinsurance operations. He is on the Transatlantic Reinsurance Company Board of Directors, the Brooklyn College Foundation board of trustees, and Columbus Citizens Foundation and St. Vincent's Services Board of Directors. He is also a trustee of the American Institute for Chartered Property and Casualty Underwriters and the Insurance Institute of America. He received a bachelor's degree in business from Brooklyn College and attended the College of Insurance in New York.

KATIE SCHOOL HIGHLIGHTS

- Undergraduate major and minor in insurance and risk management
- London market study tour training program
- Minority High School Scholar's Academy for the Study of Actuarial Science/Insurance
- Insurance Education Institute for High School Teachers
- Insurance-related research and industry services
- Institute for Insurance Ethics
- Student internship programs
- Continuing education and management development programs
- Executive-on-campus program
- Student mentor program
- Kemper Scholar program
- More than 30 scholarship programs

www.cob.ilstu.edu/katie

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REGISTRATION AND
PAYMENT INFORMATION

(Please duplicate this form for group registration.)

Please register me/our group for
the 12th annual Insurance Executive Forum.

- \$135 per person (for individuals)
 \$115 per person (for groups of two or more)
 \$995 per table (seats 10 people)

Organization _____

Mailing address _____

City _____

State _____

Zip _____

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Name #1 _____

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Payment information

- Check (payable to Katie School/Illinois State University) is enclosed.
 Payment is being processed (letter of intent or purchase order enclosed).
 This confirms my telephone registration. Check (payable to Katie School/Illinois State University), letter of intent, or purchase order is enclosed
 I cannot attend the forum, but I will forward this announcement to an associate. Please keep my name on the mailing list.

Cancellation policy

Cancellations received in writing or by telephone on or before September 30, 2002, will receive a refund of the registration fee less a \$25 processing fee. Refunds will be processed after the seminar. After September 30, 2002, no refunds will be issued. Attendee substitutions may be made at any time.

Please return this form to

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