



EAA Course

Enterprise Risk Management (ERM)

Part I: ERM Concept and Framework

March 15th to 17th, 2010 | Frankfurt/Main / Germany

Part II: Risk Classification, Measuring & Modelling

March 18th to 20th, 2010 | Frankfurt/Main / Germany

Part III: Risk Mitigation and Risk Optimization

June 14th to 16th, 2010 | Frankfurt/Main / Germany

Part IV: Risk Management Concept & Tools

June 17th to 19th, 2010 | Frankfurt/Main / Germany

organised by the European Actuarial Academy GmbH (EAA) with support from the Hessian Ministry of Economics, Transport, Urban and Regional Development

1. Introduction

Enterprise Risk Management has become more and more important in the financial market. Actuarial education is already offering basic knowledge in risk management. This knowledge should be extended to a comprehensive risk management that integrates the economic background as well as the principal techniques used in risk management.

In some jurisdictions special credentials have been defined to reflect the actuary's evolution from understanding risk to active risk management in a broader sense. Due to the initiative of the Society of Actuaries (USA), the Chartered Enterprise Risk Analyst (CERA) designation is now applicable for actuaries all over the world. In order to foster this idea, fourteen Actuarial Associations all over the world recently signed a Global Recognition Treaty for CERA credentials responding to new defined international standards for ERM.

This EAA Course on ERM provides education and examination based on these standards in addition to the existing actuarial education for fully qualified actuaries. The aim is to provide

best practice for actuaries who want to take responsibility in the risk-based performance management and in CRO functions.

This EAA Course on ERM will be offered for the first time in 2010 and will focus on practical knowledge needed in managing a comprehensive risk management.

2. Participants

Actuaries working in Europe who are interested in ERM skills and the qualification mentioned are invited to attend the seminar.

3. Purpose and Nature

The seminars are suited for actuaries or actuarial trainees that are directly or indirectly involved in issues with regard to financial risk management within insurance and pension companies.

EAA education for ERM consists of four parts (seminars) incl. optional exams. The different seminars can be booked individually and without the exams as CPD-seminars. Examinations are offered only in combination with the corresponding seminar.

Participants who attend all four seminars and pass all four examinations will get an EAA Designation indicating that she or he is in compliance with the education standards of the Global Recognition Treaty for CERA credentials.

As soon as the Global CERA Designation Recognition Treaty is applicable, EAA will cooperate with national associations and acceding parties to the Treaty to obtain recognition of the EAA Designation as CERA credential in the sense of the new international standards.

4. Lecturers

Seminar 1

Mr. John Oost AAG, Riskmanager, Achmea Groupe Risk Management, the Netherlands
Mrs. Estelle Jonkergouw, Manager Financial Risk Management, Group Risk Management, Eureko/Achmea, the Netherlands

Seminar 2

Mr. Tom Veerman AAG RA, Consulting Actuary, AAA Riskfinance, the Netherlands
Mr. Theo Lanser AAG FRM, Risk Manager, AEGON, the Netherlands

Seminar 3

Dr. Andre van Vliet, Managing Director, Insurance Risk Management, Ortec, the Netherlands
Mr. Henny Verheugen AAG, Consulting Actuary, Milliman, The Netherlands

Seminar 4

Dr. Dorothea Diers, Risk Management, Provinzial NordWest, Germany
Dr. Knut Schaefer, Managing Director EMB, Germany

5. Language

The language of the seminar will be English.

6. Programme

Seminar 1: ERM concept and framework

Monday, 15th March 2010

- 09:00 – 10:00 Introduction to ERM, its aims and principal terms
- 10:00 – 11:00 Concept of ERM, the drivers behind it, and resulting value of ERM
- 11:00 – 11:15 Break
- 11:15 – 12:45 Design of a framework for a company's ERM and risk management process
- 12:45 – 13:45 Lunch
- 13:45 – 14:45 Creation of a risk management culture
- 14:45 – 15:45 Governance issues
- 15:45 – 16:00 Break
- 16:00 – 17:30 How to manage the different perspectives of regulators, rating agencies, stock analysts and company stakeholders

Tuesday, 16th March 2010

- 09:00 – 10:00 Risk appetite, risk limit, risk philosophy and risk objectives
- 10:00 – 11:00 Assessment of the company's risk exposure and determination of a desired risk profile
- 11:00 – 11:15 Break
- 11:15 – 12:45 Elements of a successful risk management and its structure
- 12:45 – 13:45 Lunch
- 13:45 – 14:45 Embedding ERM in strategic planning
- 14:45 – 15:45 Controlling / Monitoring / Review of the ERM system
- 15:45 – 16:00 Break
- 16:00 – 17:00 External and internal reporting – Required information and documentation
- 17:00 – 17:30 Contingency planning

Wednesday, 17th March 2010

- 09:00 – 13:00 Case studies and workshop
- 11:00 – 11:15 Break
- 11:15 – 12:45 Case studies and workshop
- 12:45 – 14:00 Lunch
- 14.00 – 16.00 Exam (optional)

Seminar 2: Risk classification, measuring, modelling

Thursday, 18th March 2010

- 09:00 – 10:00 Definition of risk and uncertainty
- 10:00 – 11:00 Risk taxonomy and classification
- 11:00 – 11:15 Break
- 11:13 – 11:45 Methods for risk identification
- 11:45 – 12:45 Investigation and interpretation of the different financial and non-financial risk types
- 12:45 – 13:45 Lunch
- 13:45 – 14:45 Risk measures: Properties and limitations
- 14:45 – 15:45 Application of risk metrics for risk quantification / Risk maps
- 15:45 – 16:00 Break
- 16:00 – 17:00 Best practices in risk measurement, modelling, and management
- 17:00 – 17:45 Scenario analysis and stress testing

Friday, 19th March 2010

- 09:00 – 10:15 Risk aggregation techniques / Measuring and modelling of different dependency structures
- 10:15 – 11:00 Use of extreme value theory of modelling risks (I)
- 11:00 – 11:15 Break
- 11:15 – 11:45 Use of extreme value theory of modelling risks (II)
- 11:45 – 12:45 Model and parameter risk
- 12:45 – 13:45 Lunch
- 13:45 – 15:15 Analytical and stochastic approaches for risk modelling
- 15:15 – 15:45 Measurement of risk potential
- 15:45 – 16:00 Break
- 16:00 – 17:00 Portfolio management strategies
- 17:00 – 18:00 Implementation of efficient limit systems and appropriate early warning systems

Saturday 20th March 2010

- 09:00 – 13:00 Case studies and workshops
 - Modelling/Aggregation of all risks of a company
 - Analysis of financial and insurance data using modern statistical methods
- 11:00 – 11:15 Break
- 11:15 – 12:45 Case studies and workshops (continued)
- 12:45 – 14:00 Lunch
- 14.00 – 16.00 Exam (optional)

Seminar 3: Risk mitigation and risk optimization

Monday, 14th June 2010

- 09:00 – 10:00 Risk Treatment and appropriate choice for different risks: Avoiding, limiting, transferring or accepting
- 10:00 – 11:00 Risk financing
- 11:00 – 11:15 Break

11:15 – 12:45 Risk transfer to a third party and reinsurance methods
12:45 – 13:45 Lunch
13:45 – 14:45 Risk reducing methods (without transferring risk)
14:45 – 15:45 Managing risk and selecting the adequate degree of hedging of risk
15:45 – 16:00 Break
16:00 – 17:00 Risk optimisation and its impact on the company's value of an ERM strategy
17:00 – 18:00 Choosing an adequate hedging strategy (reinsurance, derivatives, financial contracting, etc.)

Tuesday, 15th June 2010

09:00 – 11:00 Replicating portfolio techniques
11:00 – 11:15 Break
11:15 – 11:45 Practicalities of hedging market risk (including dynamic hedging)
11:45 – 12:15 Credit risk
12:15 – 12:45 Influence of derivatives to risk potential
12:45 – 13:45 Lunch
13:45 – 14:45 ALM: Concept, requirements and methods
14:45 – 15:45 ALM: Issues and challenges in development, implementation and use
15:45 – 16:00 Break
16:00 – 16:45 ALM: Benefits; how and where can value be created?
16:45 – 17:15 ALM: Application of principles to the establishment of investment policy and strategic asset allocation
17:15 – 18:15 ALM: Integration into management, controlling and reporting / Regulatory requirements

Wednesday, 16th June 2010

09:00 – 11:00 Case studies and workshops
- ALM
- Asset allocation
- Hedging
11:00 – 11:15 Break
11:15 – 12:45 Case studies and workshops (continued)
12:45 – 14:00 Lunch
14.00 – 16.00 Exam (optional)

Seminar 4: Risk management concepts and tools

Thursday, 17th June 2010

09:00 – 10:00 Economic measures of value and their use in corporate decision-making processes
10:00 – 11:00 Risk measures and their use in economic capital assessment
11:00 – 11:15 Break
11:15 – 12:45 Development of an economic capital model for a representative company
12:45 – 13:45 Lunch
13:45 – 14:45 Approaches and concepts for a value and risk based management – Benefits and requirements

- 14:45 – 15:45 Dynamic financial analysis: Functionality and choice of appropriate methods
- 15:45 – 16:00 Break
- 16:00 – 17:00 Integration into management, controlling and reporting / Regulatory requirements
- 17:00 – 17:30 Required data, IT systems

Friday, 18th June 2010

- 09:00 – 11:00 Embedded Value: Definition and its variations (EV, EEV, MCEV)
 - Guidelines of the CRO-Forum
 - Calculation
- 11:00 – 11:15 Break
- 11:15 – 11:45 Benefits and impact, advantages and disadvantages of the concept
- 11:45 – 12:45 Integration into management / Regulatory requirements
- 12:45 – 13:45 Lunch
- 13:45 – 14:45 Internal Models: Concept, structure and requirements
- 14:45 – 15:45 Adequate methods and modelling approaches
- 15:45 – 16:00 Break
- 16:00 – 16:45 Benefits of internal models / Integration into management
- 16:45 – 17:15 Required controls and audit, controlling and reporting
- 17:15 – 18:15 Regulatory Requirements: Solvency II

Saturday, 19th June 2010

- 09:00 – 13:00 Case studies and workshops
 - Internal models and their use in practice
 - Applications of internal models
- 11:00 – 11:15 Break
- 11:15 – 12:45 Case studies and workshops
- 12:45 – 14:00 Lunch
- 14.00 – 16.00 Exam (optional)

7. Fees & Registration

Please register as soon as possible because of the expected demand. The seminars can be booked as a whole series or individually, also without exams. Examinations are offered only in combination with the corresponding seminar. The seminars are limited to 25 participants. If there are more persons interested than places available, we will give priority to the registrations having been first to arrive. Please send your registration as soon as possible by using our online registration form (www.actuarial-academy.com).

Your registration is binding. Cancellation is only possibly up to 4 weeks before the first day of event. If you cancel at a later date, the full seminar and exam fee is due. You may appoint someone who takes your place, but must notify us in advance. EAA has the right to cancel the event if the minimum number of participants is not reached.

Please always give your invoice number when you effect payment. Bank charges are to be borne by the participant. We will send you an invoice, please allow a few days for handling.

The seminar and exam fees are as following:

Part I: ERM Concept and Framework – early-bird ends on 15th January 2010

Part II: Risk Classification, Measuring & Modelling – early-bird ends on 18th January 2010

Part III: Risk Mitigation and Risk Optimization – early-bird ends on 14th April 2010

Part IV: Risk Management Concept & Tools – early-bird ends on 17th April 2010

Seminar: fee early-bird: € 750.00 plus 19 % VAT (€ 142.50) = € 892.50

Seminar: regular fee: € 800.00 plus 19 % VAT (€ 152.00) = € 952.00

Exam: fee early-bird: € 250.00 plus 19 % VAT (€ 47.50) = € 297.50

Exam: regular fee: € 300.00 plus 19 % VAT (€ 57.00) = € 357.00

The seminar fee includes participation, seminar material, coffee breaks and lunches. Accommodation, breakfast and dinner are not included.

The exam fee includes participation and water during the exam. Accommodation, breakfast and catering are not included.

8. Accommodation

Part I: ERM Concept and Framework

Part II: Risk Classification, Measuring & Modelling

The first two seminars and exams will take place at the Helvetia Versicherungen, Berliner Str. 56 – 58, 60311 Frankfurt/Main, Germany.

Accommodation:

Hotel am Dom: single room 80 €, single room with queen-size bed 85 € (per night incl. breakfast). Tel. +49/(0)69-282141, info@hotelamdom.de

Hotel Alexander am Zoo, single room 73 € for 14-15 March and 19-20 March, 99 € for 15-19 March 2010 (per night incl. breakfast), Tel. +49/(0)69-949600, info@alexanderamzoo.de

These prices are valid for bookings out of our allotment up to 14 February 2010. Please book your accommodation directly with the hotel and note the hotel's cancellation policy. The reference is "EAA seminar", the number of rooms is limited.

Part III: Risk Mitigation and Risk Optimization

Part IV: Risk Management Concept & Tools

The seminars and exams will take place at the Holiday Inn Frankfurt Conference Centre, Mailänder Str. 1, 60598 Frankfurt/Main, Germany.

Tel. +49/(0)69-6802-0, reservation.hi-frankfurt-hotel@ggdhotels.de

single room: 89 € per night incl. breakfast

This price is valid for bookings out of our allotment up to 14 May 2010. Please book your accommodation directly with the hotel and note the hotel's cancellation policy. The reference is "EAA seminar", the number of rooms is limited.