

Actuarial Insurance Matters*

Providing an actuarial insight into current issues of the UK Insurance Industry

Copenhagen calling – Implications for the insurance industry

2010 Resourcing issues for insurance companies

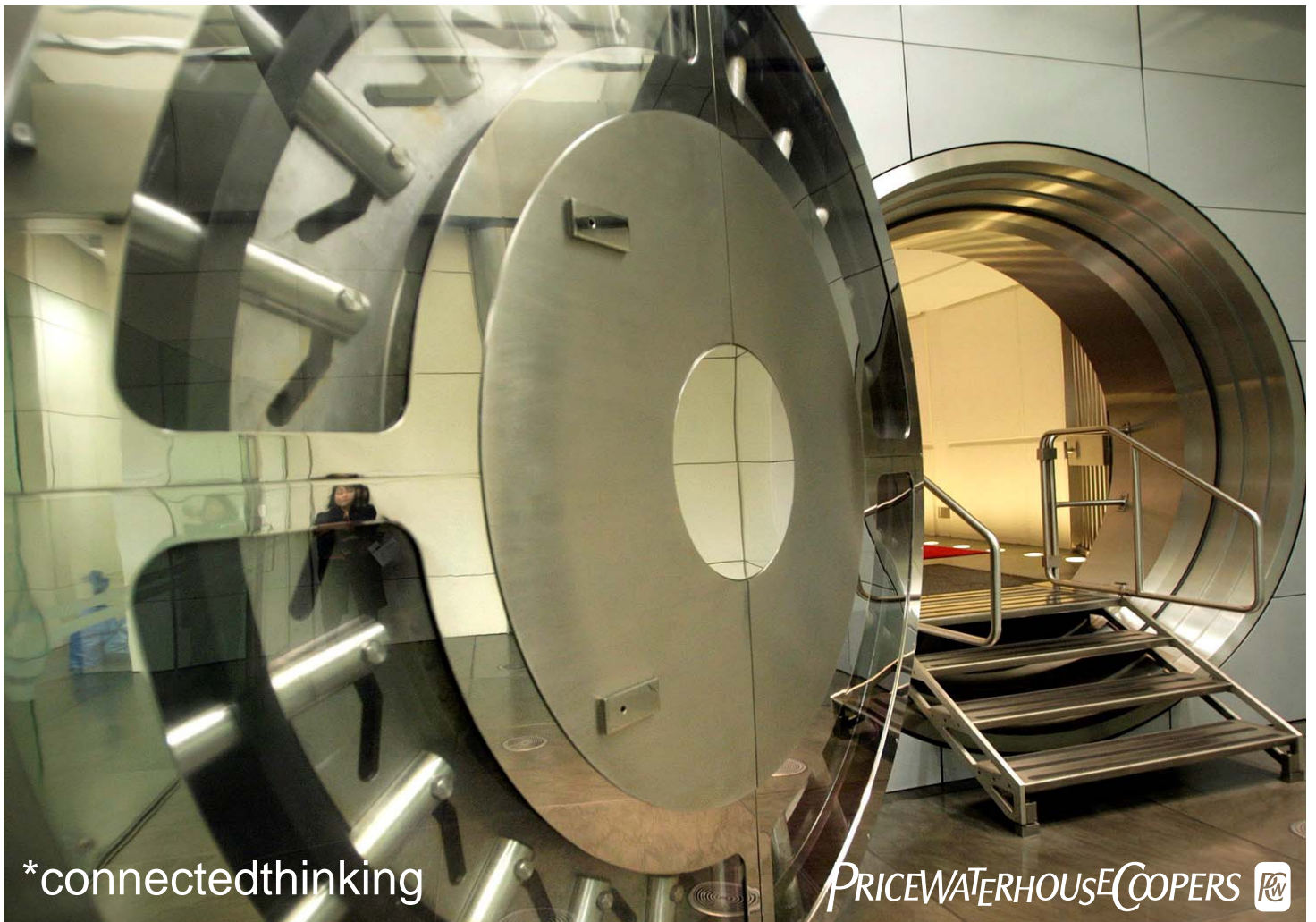
FSA gets tough on with-profits mutuals

System implementation – Out with the old, in with the new

Brave new world – A survey of financial modelling in the UK Life insurance industry

Regulatory round-up (Winter 2009)

Winter 2009



Introduction

Happy New Year!

We hope you have enjoyed a well deserved break over Christmas. 2009 was a challenging year in many ways, including for the insurance industry, and 2010 promises to be busy too. The regulators remain active and our regular round-up sets out some of the latest developments - including some in the final days of December.

New Year is a time for resolutions and several of our articles may give you some food for thought here. Getting your resourcing strategy right is of fundamental importance and we offer some suggestions that if implemented now may help you avoid cost and risk later. Systems strategies are also critical and in two articles we present some of the findings from our survey of financial modelling in the UK Life industry, as well as sharing lessons from successful systems implementations.

The New Year is also an opportunity to look ahead and anticipate the future. We discuss the implications for the insurance industry of climate change and the recent Copenhagen summit in our first article. We also discuss some of the likely reserving issues for Non-Life insurers when Solvency II comes into effect.

We hope that you will find these articles interesting and useful and we wish all our readers a prosperous and successful New Year.



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¹“PricewaterhouseCoopers” refers to PricewaterhouseCoopers LLP (a limited liability partnership in the United Kingdom) or, as the context requires, the PricewaterhouseCoopers global network or other member firms of the network, each of which is a separate and independent legal entity.

Copenhagen calling – Implications for the insurance industry

When the eyes of the world turned to the UN climate change negotiations in Copenhagen this December, business leaders and society at large were all waiting to see what kind of a deal our governments would deliver.

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Like many others in the business community, insurers have issued resounding statements expressing their desire to see a credible and ambitious global deal on climate change in Copenhagen (e.g. see ClimateWise's October 2009 UNFCCC COP-15 statement). The rationale for the insurance industry is clear: reducing future risks from climate change requires limiting global warming to the scientifically and politically accepted 2°C warming threshold, and this can only be achieved if countries agree to sign up and implement an ambitious global emissions reduction pathway.

Direct implications of Copenhagen for the insurance industry

In addition to the headline issue of agreeing a high-level global deal on climate change the details of the treaty that emerges from Copenhagen will have ramifications for new insurance products and markets. Insurance itself is an item for negotiation as countries debate proposals that promote climate insurance mechanisms as an adaptation option for developing countries, funded through finance committed as part of a UNFCCC Adaptation Fund. A global climate insurance pool has been proposed, covering a predefined proportion of major loss events in developing countries, with reinsurance to the pool provided by the global reinsurance industry. Funding to promote public-private partnerships and the growth of local micro-insurance markets for smaller climate-related loss events is also on the table. Details of the deal around emissions targets, carbon markets, technologies, and forestry will also increase demand for the provision of new insurance products related to risk protection for carbon trading, the development of low carbon technologies, and ecosystem services.

Broader implications of climate change for the insurance industry

Insurers have a vested interest in understanding the implications of climate change for the risk landscape they insure, and in reducing the risks that climate change poses. The most significant near-term threat to the industry's property and casualty businesses stems from the potential for the characteristics of weather hazards to differ from those of the past as a result of climate change.



If the resulting statistical non-stationarity in hazard is not adequately anticipated by an insurer through their risk models and underwriting practices (in particular, the pricing and diversification of risk across their portfolio), and in their risk capital reserves, then it could undermine the financial stability of their organization. As a first step, insurers should engage with catastrophe modelling firms on their approaches for assessing where and how to incorporate climate-related non-stationarities. This will likely become increasingly important for risk modelling as hazard characteristics move further away from historical experience.

In the longer term, the nature of the key threats from climate change to the insurance industry will very likely depend on the market and geography in which private insurers and reinsurers operate. Crucially, for property, climate change has the potential to threaten the widespread availability and affordability of insurance in many regions, i.e. the insurability of the risk in areas where hazard is rising; the recent

flooding in the UK being a salutary case in point. Climate change can also pose threats to segments and areas of the industry beyond property, including:

- Health and Life (e.g. the implications of global pandemics and loss of life from severe weather, or climate change on human health and longevity)
- Corporate directors and officers (e.g. companies can potentially be held liable for greenhouse gas emissions)
- Asset management (i.e. with more than US\$16 trillion in funds under management, the global assets of the private insurance industry will also have substantial exposure to future climate risk).

Insurers also have an important role to play in the response to climate change. If enabled to price premiums according to technical risks (i.e. risk-based pricing) and incorporate incentives for customers to invest in risk mitigation measures, insurers can

send important signals that promote risk awareness and risk-reducing behaviour.

The insurance industry as a trusted and authoritative voice on risk issues, can work with policymakers to improve their understanding of risks, the economic benefits of options to reduce risks, and options for pooling and managing risks. In addition, insurers can play an important role by providing new insurance products vital for the success and growth in investment vital to the transition to a low carbon economy.

2010 Resourcing issues for insurance companies

As the roll-out of Solvency II ramps up, many in the insurance industry are already struggling with resourcing. It is likely to get worse in 2010 as those companies who are further behind look to recruit heavily to catch up. It is tempting to despair as insurers, consultancies and regulators all compete for the same limited pool of resources, but there are things that you can do to ensure that resourcing doesn't hamper your organisation's ability to emerge ahead of your competitors. Most importantly, you need to address this issue constructively now.

The first step is to estimate what your resource requirements are. There are two key considerations: what do you need to implement Solvency II, and, often forgotten, what resources do you need to continue running the business successfully day-to-day and deliver other critical projects? I suspect that many organisations have not planned properly for the latter two, and as a result will lose out in the short term to those competitors who are still resourcing their day-to-day operations properly and are thus able to exploit opportunities missed by the overstretched or distracted.

A flexible but detailed plan is critical, and should be constantly updated as your implementation progresses. Man days is usually the most useful level of granularity. This should be a fairly straightforward exercise for your ongoing business as one would hope that your staff already know how many man days it takes to perform standard tasks. You also need to break down Solvency II implementation and any other critical projects into manageable tasks and allocate man days to them.

Next consider the minimal skill set you will need to complete each task. This may be a combination of skill sets. Your aim is to identify the most efficient combination of resources: to make most use of the relatively unskilled, but with enough supervision from your senior (scarce) resource to ensure deliverables are on time and meet your business needs.

Compare your existing resources with your plan. Where are the gaps/overlaps? Often the people required to ensure the successful ongoing operation of the business are the same people whom the business would like to implement the changes necessary for Solvency II. The fact is that people cannot be expected to continue with their usual (often full time) day jobs and successfully implement significant changes to the business at the same time, so it is time to make some tough decisions. In order to successfully implement Solvency II and run your business well in the meantime these decisions should be taken in a structured, methodical way. Those that emerge worse off from Solvency II are likely to be those who leave these decisions to overstretched individuals who are unable to allocate their time consistently well between competing demands.

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Having identified your gaps/overlaps, consider how to cover them. Recruiting externally is appropriate if the role is a long term one. Recruiting at the right level is key. It is becoming increasingly apparent that there are too few experienced staff available in the market, especially in the areas of risk management, actuarial and large scale project/change management for financial institutions.

Just targeting the same small pool across the market will push up salaries, and decrease the effective pool as people work out their notice period. One way to avoid the increasing cost of experienced resources is to consider bright graduates that you may be able to train up relatively quickly. Another is to look outside the usual resource pools to areas such as IT where project management skills are more plentiful and so may be obtained more readily and possibly at less cost.

Some experience hires may be inevitable, though, and your plans need to allow for considerable delays because, even if you can identify and secure a suitable

candidate, experienced recruits may need to work out their notice at their existing employer...and they are increasingly likely to be asked to do this as that employer is likely to be facing similar resourcing issues to your own.

Consultancies can help you in a number of ways, and they can do it most efficiently and cost effectively the earlier resource demands are known and discussed with them. Many organisations are requesting PwC staff on secondments to fill temporary roles, perhaps whilst they recruit, or to "back-fill" the jobs of key staff in order that they can focus on Solvency II implementation. This latter has several advantages for the insurer, not least that once SII has been implemented the company's staff will fully understand it – a key requirement of the use test!

Before you can start to recruit additional staff, or make the considerable investment necessary for a successful Solvency II project, you will need to get Board buy-in. PwC has worked with many organisations to speed up the education of their Boards to get the buy-in and top level leadership necessary for what is a large

change management project. To get additional resources you will need a persuasive argument to present to senior management and/or the Board and the robust planning to back that argument up.

Thinking early and innovatively about your company's needs and the most efficient solutions will reduce the cost and the stress placed on your staff. If done widely, the knock on effect on the market will be reduced SII implementation costs overall and hopefully, easier lives for all of us the next two years: goals well worth pursuing.

FSA gets tough on with-profits mutuals

On 13 October 2009, the FSA wrote to the CEOs of all with-profits mutual insurers to clarify its views regarding the ownership of the inherited estate, the basis for writing new business into the with-profits fund, and the process for redefining the interests of with-profits policyholders. The FSA asked firms to consider their views and be ready to communicate their conclusions by 31 December 2009.

This has been a challenging deadline for some companies as the views expressed in the letter have significant implications for the future of mutual offices (and to a lesser extent proprietary firms) and many have sought legal and other advice.

The key messages contained in the letter were:

- With-profits policyholders will be entitled to almost all of the assets in the long-term fund after meeting contractual obligations;
- The fund must close to new business if material volumes of new with-profits business cannot be effected on terms which do not adversely effect existing with-profits policyholders;
- New non profit business can only be effected if the economic value can be distributed to the existing with-profits policyholders; and
- Actions seeking to redefine the interests that with-profits policyholders have in the mutual should follow a process appropriate to a reattribution.

Ownership of the inherited estate

The FSA concludes in its letter that, whilst a particular mutual may prove to be an exception, with-profits policyholders, in their capacities as policyholders and as members of a mutual, will be entitled ultimately to all or almost all of the assets in a mutual's long-term fund after contractual obligations have been satisfied.

However, the legal advice itself is primarily based on a selection of only five "case study" societies and may not be appropriate to all, particularly those mutuals which have members not holding with-profits policies.

Writing new business in the with-profits fund

The FSA views regarding the conditions which must be met to continue writing new business into the with-profits fund appear to develop some of the changes made to the conduct of business rules following the FSA's consultation on with-profits (see CP04/14 for further information). This letter represents a strong indication that the FSA intends to get tough on mutuals that it perceives to be failing to comply.

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(A) New with-profits business

The conduct of business rules require that:

- A with-profits fund must close to new business, and submit a run-off plan encompassing a fair distribution of the inherited estate, if material volumes of new with-profits business cannot be effected, and
- New with-profits business can only be effected on terms which do not have a materially adverse effect on existing with-profits policyholders.

In our view, the FSA appears to be using this letter to revise the hurdle for writing new business by including the absence of any estate distribution in its assessment of whether existing policyholders will be adversely affected. In effect, forcing firms to evaluate the pros (such as estate distribution) and cons (such as increased per policy expenses or reduced investment flexibility) of closure.

(B) New non profits business

Similarly, new non profit business should only be effected on terms which do not have a materially

adverse effect on existing with-profits policyholders. The FSA has interpreted this to mean that the firm must be able to show that the economic value of this business can be distributed to existing with-profits policyholders. Hence, firms may only write long tail non profit business, such as vesting annuity products, if the economic value can be realised early enough to distribute to with-profits policyholders.

The impact that writing new non profit business may have on per policy expenses does not appear to factor into the FSA's view.

Redefining the interests of with-profits policyholders

This letter was produced by the FSA in response to questions raised by the Association of Mutual Insurers and the Association of Friendly Societies, which have been considering actions which would allow them to cease writing material volumes of new with-profits business, but remain open to write new non profit business. For example, by dividing the fund into a with-profits fund and a non profit fund supported by mutual capital.

The FSA's view is that these actions are likely to amount to a reattribution and should follow a process appropriate to the transaction proposed. This process is likely to involve significant expense and make such actions prohibitive for the majority of small to medium sized mutuals.

Conclusion

From the conversations we have been having with our clients, the letter has been received with a mixture of feelings, most of which were not positive. Many companies felt they are impacted differently to that suggested by the letter, some not at all, and have sought a combination of actuarial and legal advice in order to prepare their responses ahead of the year end deadline. The amount of work required by different companies also varied, with some having their legal advice to hand whereas others had significant work in order to research and prepare their response. And whilst the letter is addressed to mutuals and friendly societies, aspects of the letter relating to the conditions for writing new business should also be considered by proprietary offices.

System implementation – Out with the old, in with the new

With the current emphasis on cost saving, it is no surprise that some companies are considering implementing new core actuarial systems. Such projects can provide cost savings, simpler processes (or outsourcing), a practical solution if the existing systems have become impractical to maintain and a way to achieve other business benefits, such as reducing operational risk. This article gives some thoughts on running a successful system implementation, based on our experience.

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Preparation is key

In order to implement the new system efficiently, preparation is essential. This will include:

- A clear definition of the problem and requirements before considering any solutions
- Full analysis and research of the problem, to identify any underlying issues (perhaps as the result of a scoping phase)
- Identification of any constraints or possible inefficiencies, and analysis of possible solutions to these, including tactical short term solutions as well as longer term model implementation or re-engineering
- A clearly articulated understanding of the business benefits that will be delivered by the project
- Ensuring that stakeholders have bought into the project deliverables and business benefits and will therefore be supporters, not blockers, of the project

The entire project could take a long time to implement (possibly years depending on complexity). Therefore the initial plan should have regular intermediate milestones or targets, with appropriate contingency built in at every stage, increasing as the time period extends. The plan also needs to consider resource availability and the rollout strategy – in other words, whether this will be a single system implementation or a phased system rollout.

Ensure the tools are right for the job

During the scoping phase, the availability and limitations of resources should be highlighted, including:

- The availability of “experts”, with their specific expertise/skills
- The new proposed model - proposed solutions should be identified early for any likely major issues
- The platform and any software considerations

In addition, data quality is essential for any system implementation and should be considered early and then actively managed throughout the project.



During the project

As the requirements are being defined and delivered:

- Clear documentation is essential, both at an actuarial and an IT level – a template for “good documentation” should be set up at an early stage to ensure consistent and good quality documents
- Get the end user team involved, as this will assist with the subsequent handover
- Understand any people barriers – this is a major project and how staff will be impacted and their response should be considered (for example are they having to learn a new software package and how will they react)
- A suitable project management log (detailing any issues, assumptions, risks and decisions, with rationale) should be maintained
- Use version control and password protection to ensure a good audit trail
- Ensure testing spreadsheets are complete
- Regular project management updates should be made to major stakeholders (with a clear (Red/Amber/Green) status and actions being taken to resolve issues and manage risks)
- Mistakes will be made – encourage an open culture where progress can be honestly reported, collaborative learning and support is encouraged and proactive risk management discipline is in place
- Deal with any issues arising after the migration (for example, any processes which have had problems and so are temporarily manual).

Finally, make sure you celebrate. Particularly if it is a large or complex project, it is important to recognise its ongoing success.

Conclusion

Actuaries have a tendency to focus on the detail and jump to stating a solution without spending enough time defining the requirements and considering how the business case will be built and the stakeholders engaged and bought in. As a result, actuaries tend to find it harder to get approval to proceed with their projects and can get bogged down in the project rather than delivering the benefits.

With a number of Solvency II projects underway and the impact on modelling and systems being reviewed, now is the time to put in these building blocks so that you can deliver a valued project on time and to specification.

After the project

At the handover stage:

- Sufficient training, documentation and support needs to be provided to the BaU team
- Consider running the systems in parallel for the first time to ensure any remaining problems are isolated and fixed – it will also allow you to consider the scale of any differences in outputs and any future work required to satisfy the end users and relevant third parties (e.g. the auditors)

Brave new world – A survey of financial modelling in the UK Insurance industry

PricewaterhouseCoopers has recently published a report surveying financial modelling in the UK Life Insurance industry. This was based on interviews and questionnaires with 19 Life Insurers in the United Kingdom.

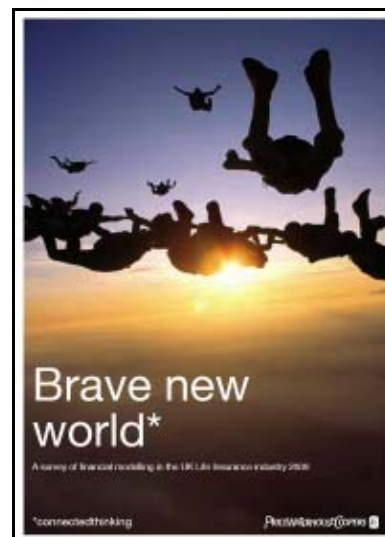
We have been talking to a number of insurers about their approach to developing their actuarial models to meet the Internal Capital Model approval requirements under Solvency II. There are a number of ways that insurers are approaching this, from expecting their models to largely meet the new regime, through making tactical changes to their models, to effectively throwing away what they have and starting again.

Whilst insurers are approaching the approval process in different ways, the key differential between those who have management buy in and those that do not is that they have articulated what the key drivers are for their model development and have built a business case to support their approach. These range from the straightforward (the elapsed time to run the model is too long and the process needs to be re-engineered to enable it to be used in business decisions relevant to meet the Use Test) to the value add.

Examples of the latter are:

- An insurer is partly justifying a re-write of their actuarial models onto a single platform by articulating the level of operational risk capital that they can release from having a single modelling platform rather than their current MoSes and Prophet environment with multiple models of each.
- One insurer has built a single workspace for their model with newly developed libraries to replace a multitude of Prophet workspaces that they had previously used. This has reduced the cost of maintaining their actuarial models and developing new models.

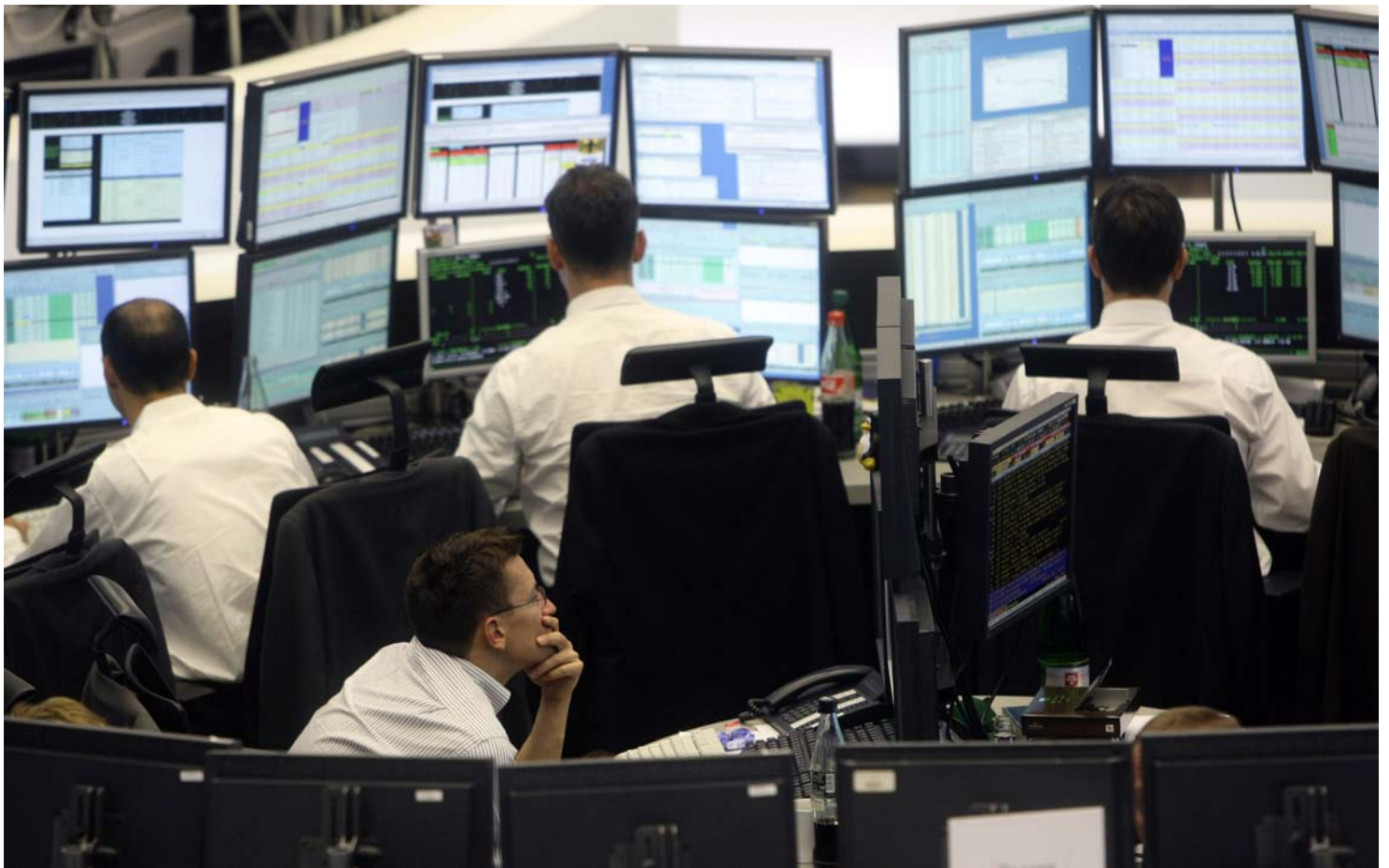
Since the modelling survey report was published, Watson Wyatt has announced that they are selling their *VIPitech* actuarial software to meet EU competition requirements for their merger with Towers Perrin. There are a number of insurers licensing this software and wondering who will purchase the *VIPitech* business and how they will be supported in the future. Do they stay with what they know, especially given the intellectual capital they have invested, or should they be considering whether a different software platform would provide them with more certainty despite the cost and disruption of moving. There is no right or wrong answer and it depends on each insurer's view of the future of *VIPitech*, the complexity of their business and their ability to take on more actuarial modelling ahead of Solvency II.



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These examples highlight the key message from the report and our subsequent conversations, namely that companies need to have defined a clear strategy for how they will develop their actuarial systems in order to cope with not only the demands of Solvency II but also the increasing market demands for better, faster, higher quality numbers.

Our insight is that there is still a state of uncertainty in the industry over this area and therefore a risk that companies will spend too much on solutions (and potentially on solutions that do not meet their requirements).

Insurers need to define their vision and build a strategy that gets them there. They need to focus on what their business requirements are, rather than the solutions that vendors are offering to demonstrate and sell on an increasingly frequent basis, particularly as these may not meet their needs.

In doing so, they will identify which elements of their modelling toolkit are already substantially in place and only need tweaking, which they need to build from scratch and which, whilst a solution appears attractive, they should do without, at least in the short term.

Regulatory round-up (Winter 2009)

In the run-up to year-end, the FSA finalised the latest changes applying to the prudential sections of its Handbook; November saw further major developments in the Solvency II project... and the Board for Actuarial Standards continues its work.

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FSA – year-end rule changes

Following consultation in the summer, the FSA has now finalised a number of small changes to INSPRU and IPRU(INS) which came into force on 31 December 2009. Of most interest is the change to the calculation of the maximum reinvestment rate which formalises last year's modification by consent and extends its scope. Both regulatory and realistic basis life firms are now allowed to use the higher of forward gilts yields and risk-adjusted swap rates for all business when calculating the maximum reinvestment rate.

The final rules are clear that this is, other than for with-profits business of realistic basis firms, purely optional – firms can continue to use the long-term gilt yield if they want, and this will normally give a lower rate and hence higher reserves. They also explicitly permit the use of a single forward yield or rate corresponding to the weighted mean term of the liability cash flows rather than the use of an individual term-dependent rate for each cash flow, which should alleviate some practical issues.

Other FSA activity

We are aware that the FSA is regularly monitoring the credit default assumptions used in the regulatory valuation by larger annuity writers and that it has recently written to those firms it regards as outliers within this group. We understand that it is encouraging the outliers to move closer to the middle of the pack rather than attempting to move the pack as a whole to stronger assumptions. This obviously remains a key area of focus and judgement as we head towards the year-end.

Solvency II

CEIOPS has published its final advice on the first two waves of consultations on Level 2 implementing measures. A number of issues have not yet been resolved, not least the question of the appropriate discount rate and whether or not an illiquidity premium should be allowed. CEIOPS is conducting further work on this point.

The third and final wave of consultation papers came out in early November and the consultation period closed shortly before Christmas.



A number of the papers cover the standard formula for the Solvency Capital Requirement (SCR), giving us the full picture on calibration of individual modules and the correlations which should be used to combine them. The picture is not a rosy one, as the capital charges are generally much stronger than those tested to date and the potential allowance for diversification benefits has been reduced.

One paper (CP 65) covers partial internal models, including how the output from such a model should be integrated with results from the standard formula. For further details of these papers and their potential impacts and consequences, please see the PwC publications on "Completing the jigsaw" and "Up another notch".

Professional regulation

The Board for Actuarial Standards (BAS) has issued consultation papers on the principles to be covered in two new specific Technical Actuarial Standards (TASs) on "Actuarial information used for accounts and other financial documents" and "Transformations".

Proposed areas of work for inclusion within the scope of the "Accounts" TAS are, from an insurance point of view, IFRS insurance liabilities, embedded values, DAC, value of acquired business, risk disclosures and audit-related actuarial work. There are few additional principles beyond those in the generic TASs and a fundamental question is whether this specific TAS should exist at all. The consultation period is closing as we go to press.

"Transformations" cover any sort of change which might alter the payments to beneficiaries, whether they are pension scheme members or insurance policyholders. From an insurance point of view, they include Part VII transfers, schemes of arrangement and reattribution of the inherited estates of with-profits funds. Once again, there is a fundamental question as to whether this specific TAS should exist or whether its requirements would be better absorbed into the pensions and insurance TASs as appropriate. The consultation period runs until 1 March 2010.

The recent consultation on TAS-I, the insurance-specific TAS, closed in November and BAS is now considering responses.

Latest developments on the three generic TASs are as follows:

- TAS-R on "Reporting actuarial information" was published in September and has recently been updated. It applies to reports completed on or after 1 April 2010 and covers issues such as relevance, transparency, completeness and comprehensiveness.
- TAS-D on "Data" was published in November; it is little changed from the version exposed over the summer and comes into force on 1 July 2010, with no requirement to report on (non-) compliance before then.
- After feedback from firms (including PwC), TAS-M on "Modelling" has been reworked and appeared as a second exposure draft just before Christmas. The consultation period runs until 1 February 2010; the intention is to publish the final version this spring with a view to bringing it into force on 1 January 2011.

About us

The Actuarial & Insurance Management Solutions (AIMS) practice at PricewaterhouseCoopers LLP (PwC) has over 200 staff providing life and non-life advisory services to financial institutions across the UK. Our actuaries and specialists provide advice to the insurance industry, its regulators and other financial services providers.

The PwC (AIMS) practice in the UK is able to call on the expertise of accountants, risk managers, performance improvement consultants and tax advisors across the global network of PricewaterhouseCoopers member firms, as well as corporate finance and business recovery specialists. This provides a broad multi-disciplinary perspective to our solutions for our clients.

For more information about the PricewaterhouseCoopers Actuarial & Insurance Management Solutions practice in the UK, visit our website at www.pwc.com/uk/aims.

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If you have any feedback about this newsletter or if specific advice is required on one of the topics discussed, please contact one of the Actuarial practice leaders:



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The latest insight

■ Making sense of the numbers – Analysts' perspectives on current and future reporting in the insurance industry

With the financial crisis having intensified the competition for capital and heightened the critical glare of market scrutiny, we felt that it would be useful to find out whether investment professionals believe that the 'adequacy gap' between their expectations and current practice has widened or narrowed since 2007 (our last global analyst survey). This report highlights the key findings from the survey covering the current state of insurance reporting, the future direction of the accounting for insurance contracts, the future direction of the measurement and classification of financial instruments and timings of implementation.

■ Emerging from the Storm – The Day after tomorrow for insurers

Drawing on input from a range of leading insurers, financial market participants and PricewaterhouseCoopers specialists from around the world, 'Emerging from the storm: The day after tomorrow for insurance' examines how the financial crisis is set to reshape the industry as a whole, along with some of the key developments that are likely to affect particular segments and geographical markets.

The insurance industry landscape that emerges from the turmoil of the financial crisis is set to be markedly different from today, enabling some insurers to pull ahead from their competitors and leaving others at risk of being left behind.

Solvency II - How we can help

PricewaterhouseCoopers is at the forefront of the debate on Solvency II. If you visit our website www.pwc.com/solvencyII you can find out how PwC can help you keep on top of the latest developments and assist you with your preparation for Solvency II.

Please find below an overview of our latest publications on Solvency II:

- Up another notch – Standard formula capital requirements head even higher under 'third wave'
- Completing the jigsaw – 'Third wave' of consultations outlines plans for use of partial models
- Tougher line – Higher capital charges under Solvency II standard formula
- Making it clear – Reporting and disclosure in a Solvency II world
- Wave 2 – Building blocks for the final Directive
- Taking solvency II to the next level
- How much is enough? Setting the standards for model approval within an integrated approach to risk management
- Countdown to Solvency II – Bridging risk and capital
- CEIOPS Consultation Papers – Overview and PwC responses

To find out more about how we can help you prepare for Solvency II, contact: Mark Train on +44 (0) 20 7804 6279 or David Wong on +44 (0) 20 7804 3587 or speak to your usual PwC contact.

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