

**FREE**

# An Intensive One and a Half Day Course

*presented by Prof. Ben Zehnwirth & Dr. David Odell*

## Measuring Long Tail Liability Risks including SII and IFRS4 Metrics

Attendance is free

Light breakfast, drinks and lunch are provided. Participants will receive study guides and obtain a free copy of [ICRFS-ELRF 10.5](#).

**Location:** HILTON - SYDNEY  
Level 1 - Rooms 5 & 6  
488 George Street, Sydney

**Time:** 8.30am to 4.30pm Thursday 1<sup>st</sup> March 2012  
8.30am to 2.00pm Friday 2<sup>nd</sup> March 2012

The course will cover the difference between uncertainty and variability; reserve distributions and correlations; economic inflation generators; SCR, Technical Provisions (Fair Value of Liabilities), Market Value Margins, and fungibility and Ring-Fencing for the one-year and the ultimate year risk horizons.

### Synopsis:

- Introduction to linear regression, normal distributions, lognormal distributions and correlations;
- Link Ratios, Mack, Murphy and the Extended Link Ratio Family (ELRF) modelling framework;
- An introduction to the Bootstrap Technique and how it can be used test a model fit;
- The Probabilistic Trend Family (PTF) modelling framework – fitting a distribution to every cell;
- Modelling principles including significance of parameters, discriminatory statistics and parsimony;
- What are the drivers of calendar year liability stream distributions and correlations?
- Economic inflation generators and calendar year trends;
- Modelling multiple LOBs using Seemingly Unrelated Regressions (SUR);
- The drivers of reserve distribution correlation including parameter uncertainty, and how we know if two LOBs have common drivers;
- Three types of correlations between LOBs; process correlation, parameter correlation and reserve distribution correlation;
- Reserve distributions and underwriting (pricing) distributions for each LOB and the aggregate of all LOBs (and/or segments);
- Real life examples of risk diversification of Solvency Capital and Market Value Margins;
- Formulation of SCR, Technical Provisions and Market Value Margins for the one-year risk horizon and the ultimate year risk horizon;
- Economic balance sheet, Technical Provisions (Fair Value of Liabilities) and Market Value Margins, and capital allocation by LOB and calendar year.

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is FREE**

**Light breakfast,  
drinks and lunch  
are provided  
Fabulous Hilton  
5 \*Star  
Standard**

**Participants will  
receive a free copy of  
ICRFS-ELRF™ 10.6.**

Please register early to avoid missing out by emailing your details to Jenny Weinstein at [Jennyweinstein@insureware.com](mailto:Jennyweinstein@insureware.com).



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