



# Insurance Valuation

May 10-12, 2010 • New York City  
[www.snlcenter.com/insuranceval](http://www.snlcenter.com/insuranceval)

# Overview

This intensive 3 day program provides you with the theory and tools necessary to understand and overcome the unique challenge of valuing insurance companies. Through a combination of lectures, case studies and hands-on modeling, the course dives into revenue streams, key measures of profitability and financial strength, and valuation methodologies, including market-based, dividend discount and actuarial appraisal.

## Course Faculty

### Primary Instructor:

#### Dr. Susan Fleming Cabrera

Dr. Susan Fleming Cabrera lectures frequently to executives and university students in the area of corporate finance, insurance investing and valuation, bridging the gap between theory and practice. Currently, Susan is a lecturer at Cornell University's Johnson Graduation School of Management.

In her teaching she draws upon knowledge developed as a private equity investor, extensive know-how at executing structured and complex transactions, the broad perspective of past and present board of director memberships, and as a manager, mentor and educator of investment professionals and college students alike.

In addition to teaching, Susan is a member of the Board of Directors of Virtus Investment Partners, Inc., a publicly traded asset management company, and Hanover Partners, L.P., an activist equity hedge fund. Susan earned a PhD in Management from Cornell University's Johnson School of Management. Until 2004, Ms. Cabrera was a Partner with Capital Z Partners, L.P., a \$1.85 billion private equity fund. Prior to joining Capital Z's predecessor fund in 1994, she was a professional in the M&A Financial Services Group at Morgan Stanley.

### Guest Presenters:

**To be announced**

## Who Should Attend:

- Investment banking analysts and associates
- Insurance company financial managers
- Sell-side and buy-side analysts
- Industry regulators
- Accountants
- Corporate development officers
- Ratings agency professionals

## You'll learn how to:

- Identify and assess the fundamental measures of an insurer's profitability and financial strength
- Effectively apply diverse valuation techniques
- Measure and value carriers using an Excel-based dividend discount model
- Evaluate actuarial analyses, recognizing potential pitfalls and opportunities
- Assess the regulatory forces affecting the industry and individual companies

No other seminar gives better knowledge of the **insurance industry.**

P. Singh, AFLAC Incorporated

## **DAY ONE : Monday, May 10 - P&C Insurers**

Registration opens at 8:00 a.m. Program begins at 8:30 a.m.

### **Introductory Webinar - Overview of Insurance Valuation**

*Your registration includes access to the live webinar on March 31. Registrations received after 3/31 get access to the archived version through a link emailed to you approximately one week prior to the program.*

- The insurance industry's unique characteristics
- Purpose and objectives of company valuation
- Challenges in insurance valuation
- Types of valuations applied in the insurance industry

### **Valuing Property & Casualty Insurers**

- The P&C business model
- P&C company financial statements: identifying key ratios, line items, and disclosures
- U.S. GAAP vs. statutory accounting
- Drivers of value
- Evaluating the quality of the balance sheet and earnings
- The impact of reinsurance on financial statements
- Market valuation techniques: identifying key multiples, selecting comparables
- Calculating forecasted Book Value/Share

### **Evaluating a P&C Insurer: A Case Study in Market Valuation**

Day One concludes at approximately 5:30 p.m.

## **DAY TWO: Tuesday, May 11 - P&C Insurers**

Day Two begins at 9:00 a.m.

### **Guest Perspective**

The Vicissitudes of Insurance - David Schiff, Editor, Schiff's Insurance Observer.

### **Advanced P&C Valuation Techniques**

- Actuarial valuation: key assumptions, calculation of adjusted surplus, NPV of future profits, cost of capital
- Dividend discount model: key assumptions, modeling financial statements, sensitivity analysis

### **Evaluating a P&C Insurer: A case study in market valuation from an M&A perspective**

- Participants practice analysis and modeling a variety of assumptions using an Excel-based dividend discount model

Day Two concludes at approximately 5:30 p.m.

## **Day Three: Wednesday, May 12 - Life Insurance Companies**

Day Three begins at 8:30 a.m.

### **Introductory Webinar - Overview of Insurance Valuation**

*Your registration includes access to the live webinar on March 31. Registrations received after 3/31 get access to the archived version through a link emailed to you approximately one week prior to the program.*

- The insurance industry's unique characteristics
- Purpose and objectives of company valuation
- Challenges in insurance valuation
- Types of valuations applied in the insurance industry

### **Valuing Life Companies**

- How life companies make money
- Life insurance financial statements: identifying key ratios, line items and disclosures
- U.S. GAAP vs. statutory accounting
- Key accounting rules that apply to life insurers
- Drivers of value
- Evaluating the quality of the balance sheet and earnings
- Market valuation techniques: identifying key multiples, selecting comparables

### **Guest Perspective**

Presenter to be announced

### **Actuarial Valuation**

- Assessing methodologies and evaluating results
- Key assumptions and sensitivities

### **Evaluating a Life Insurer: A Case Study in Market Valuation**

Program ends at approximately 5:15 p.m.

## Register Today!

*Note: This program is limited to a maximum of 30 participants for an optimal learning experience.*

### Program Fee: P&C \$2,195; Life \$1,195; Full \$2,995

Tuition includes all program materials as well as continental breakfasts and buffet lunches. Groups of three or more are eligible for discounted rates. Please call us at (434) 951-7786 for more information.

### How to Register:

Call us at 434.951.7786

On-line at [www.snlcenter.com/insuranceeval](http://www.snlcenter.com/insuranceeval)

### Venue:

All seminar activities take place at the Downtown Conference Center at Pace University located at 157 William Street (NW corner of William St. & Ann St.) in New York City.

Lodging is not provided as part of this program; however the following hotels are convenient to the Downtown Conference Center location. Reference the Downtown Conference Center when making reservations to receive discounted rates.

Millennium Hilton 212-693-2001	Manhattan Seaport Suites 212-742-0003
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Gild Hall Hotel 212-232-7700	Regent International 212-699-5608
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Best Western Seaport Inn 212-766-6600	Court Side Suites 212-514-6561
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Hampton Inn Seaport 212-571-4400	Wall Street Inn 212-747-1500
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Embassy Suites Hotel 212-945-0100	Ritz Carlton Battery Park 212-344-0800
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New York Marriott Financial Center  
212-385-4900

### Payment:

By check, American Express, Visa or MasterCard. If paying by check, please make payable to SNL Center for Financial Education and remit to:

SNL Center for Financial Education  
One SNL Plaza  
PO Box 2016  
Charlottesville, VA 22902

### Prerequisites:

This program presumes a strong working knowledge of accounting and finance concepts, as well as a basic familiarity with the insurance industry. Participants will need to bring a laptop computer equipped with Microsoft Excel. Please contact us prior to the program if you need a loaner laptop.

## About

SNL Center for Financial Education is the leading provider of sector-specific conferences and seminars for financial professionals who focus on the financial services, energy, real estate and media sectors.

Our clients include securities analysts, asset managers, industry executives, investment bankers, institutional investors, corporate development officers, consultants, investor relations professionals and industry regulators.

## Professional Development Credits



### CFA Institute

SNL Center for Financial Education is registered with CFA Institute as an Approved Provider of professional development programs. **This program is eligible for 21 PD credits hours, (P&C – 13, Life – 8), as granted by CFA Institute.** If you are a CFA Institute member, PD credit for your attendance at this event will be automatically recorded in your PD Diary upon request.



### National Association of State Boards of Accountancy

**Participants who complete Insurance Valuation qualify for 25 hours of CPE credit (P&C – 16, Life – 9).** Program Level: Intermediate. Delivery Method: Group Live. SNL Center for Financial Education, LLC is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417. Website: [www.nasba.org](http://www.nasba.org).

### Cancellations:

Cancellations received by April 19, 2010 are eligible for a full refund, less a \$150 administrative fee. Cancellations received by May 4, 2010 will receive a conference credit in the amount of the registration fee, less a \$150.00 administrative fee, to attend another SNL CFE program within 13 months. Cancellations received after May 4, 2010 are not eligible for a refund or future conference credit. Attendee substitutions from the same company are welcome at any time.

## Past Participating Companies

ABN AMRO	Gill and Roeser	State of Wisconsin Investment Board
ACA Capital Holdings	Guggenheim Partners	Strategic Value Partners
ACE Limited	Hales & Company	Swiss Re America
Aeolus Re	Harvard University	The Hartford
Allied World Assurance Co.	HCC Insurance Company	The Midland Company
Allstate Insurance	HSBC USA	Thrivent Financial for Lutherans
American Capital Partners	JPMorgan Chase & Co.	Turnberry Capital Partners
American Capital Strategies	KeyBanc Capital Markets	UMB Financial Corporation
American Strategic Insurance	Kiley Partners	Unum Group
AMERISAFE	Lazard, Freres & Company	U.S. Bancorp
Assurant	Legal & General America	Wells Fargo Bank
Aviva Insurance Company of Canada	MAG Mutual Insurance	XL Capital
Bank of Bermuda	MassMutual Financial Group	
Bank of Tokyo-Mitsubishi UFJ	Manning & Napier Advisors	
Barclays Global Investors	Manulife Financial Corporation	
Batipart Axletree	McKinsey & Company	
Black Diamond Management	McLagan Partners	
BMO Capital Markets	Merrill Lynch & Co	
Cerberus Capital Management	MetLife	
Charles Schwab Corporation	MidFirst Bank	
Citigroup Global Markets	Moody's Investors Service	
Collins Capital Holdings	Morningstar, Inc.	
Credit Suisse	Mystic Capital Advisors	
CV Starr & Co.	Norwich Group	
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Duff & Phelps	Perella Weinberg Partners	
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Endurance US Holdings Corp.	PIMCO Advisors Holdings	
Equinox Management Partners	Piper Jaffray & Co.	
Erie Insurance Company	Power Corporation of Canada	
Farallon Capital Management	PricewaterhouseCoopers	
FBR Capital Markets	ProAssurance Corporation	
Federal Reserve Bank of New York	QBE Reinsurance Corporation	
Financial Stocks, Inc.	RBC Capital Markets Corporation	
First Manhattan	Reed, Conner & Birdwel	
Flagstone Reinsurance	Royal Bank of Canada	
Forethought Financial Services	Sage Advisory Services	
FourSight Advisors	Sandler, O'Neill + Partners	
Freddie Mac	Savings Bank Life Insurance Co. of MA	
FTN Midwest Securities	Selective Insurance Group	
Generali Holding Vienna AG	SNL Financial	
Genworth Financial	Standard & Poor's Corporation	