Sense of adventure
Explore new opportunities in risk and investment

Plus:
The changing shape of capital management at Lloyd’s

Inside: Pension swaps • Employee health risk • Solvency II modelling • Elegant English • Latest jobs
When you can see what others can’t, you enjoy a natural advantage.

See more of what could unfold with GEMS® Economic Scenario Generators, built on one of the most comprehensive simulation platforms on the market.

See more “what ifs” using the proven economic and financial modeling capabilities of GEMS. With more accurate tail-risk modeling, a broad set of asset classes and the ability to model at the security level, GEMS provides cutting-edge global economic simulations for managing your business. Whether you prefer GEMS Scenario Master, a general purpose ESG for MCEV, Solvency II or economic capital modeling, GEMS Portfolio Analyzer for asset and portfolio management including hedging strategies, or GEMS Enterprise Modeler for whole-company modeling and risk diversification, we offer the capabilities to meet the challenges of economic and financial modeling in the new economy. And GEMS is just one of the advantages you can expect from Conning, a premier insurance asset manager providing a complete spectrum of risk and capital management products and services to optimize your company’s results. Realize your natural advantage with Conning’s GEMS products. For more information or for a free demo, please contact us at gems@conning.com.
Having recently attended one of the Profession’s volunteer recognition events, I was quite inspired by the number of people giving up their spare time to better our profession.

I am often asked by student actuaries how they can get more involved in Profession activities and how to gain the support from their employers. I am a believer that most employers are supportive of activities that improve the morale of their staff but do not detract from their business aims. A number of volunteering activities need not consume office hours and the feeling of being able to make a difference motivates the extra curricular effort. Certainly, those are my sentiments and, having read around the subject, the benefits of volunteering are not solely altruistic. Others give up their time to make an economic impact, to network, to develop personally and to enhance employability.

Naturally, there are a host of areas where your time could be of great value, and Kenneth Donaldson illustrated that so well in his stories of African pachyderms in The Actuary’s September edition. If, however, you feel that your calling is within the actuarial profession or you wish to find out more, then visit the list of volunteer vacancies www.actuaries.org.uk/members/pages/volunteer-vacancies

The Actuary’s editorial team seeks new volunteers from time to time and currently we are looking for a self-motivated individual to take on the role of people/society news editor from Kelvin Chamunorwa, who plans to step down presently. For more information, please contact Kelvin on social@the-actuary.org.uk. Elsewhere, I am pleased to introduce Sarah Bennett to the features team. Sarah will focus on health- and international-related features.

In our penultimate edition of the year, we share articles on Solvency II, pensions and actuaries in wider fields. With the Solvency II effective date continuing to be under threat of delay until 2014, the issues surrounding practical implementation are set to be discussed for some time to come.

Marjorie Ngwenya
Editor
ditor@the-actuary.org.uk

Like The Actuary on Facebook
Follow @TheActuaryMag on Twitter
Join The Actuary’s LinkedIn group
Mo.net® 6.0
It does everything like nothing else.

With its new updated interface, powerful modelling engine, and flexibility to meet all future financial modelling needs, Mo.net is now even further ahead of the competition. Modellers and actuaries can now achieve outcomes within their modelling environment that they never thought possible.

Built upon a modern software platform and designed by actuaries, Mo.net provides a highly productive, controlled and auditable modelling experience to meet the challenges of stochastic and Solvency II modelling.

Ease of integration with existing data warehouse systems, and the ability to export models for use within other areas of a business, makes Mo.net the right choice for Solvency II implementation.

Mo.net 6.0 will be launched at The Actuarial Profession’s Life Conference 2011. Visit us there, or contact us now to arrange a demonstration.

For more information
Darren Richards
+44 (0)20 7278 9500
darren.richards@oacplc.com
www.oac-mo.net
A secular state?
I congratulate the new Master Actuary on his recent installation, and wish him and the Worshipful Company of Actuaries the very best for the forthcoming year. However, I was disappointed to read that he believes that lively companies depend on, among other things, the church.

Actuaries are modern professionals. We come from all walks of life, from many countries, and represent a range of faiths (including those of no faith). Our fellow professionals, our colleagues and, just as importantly, our clients will each have their own beliefs, and all of us should support the fundamental right for people to hold those beliefs. But, in an increasingly diverse world, is it right for a noble institution — which otherwise has such honourable secular aims — to get into the business of endorsing the Christian religion over other religions (or none)? Would not a secular approach be more inclusive?

M. Kinney
18 September 2011

Heart of the matter: response to G. Lane, August 2011
The first article I read on coming out from hospital was that by Garth Lane in the August edition of The Actuary. Admittedly, I had a stroke rather than coronary heart disease (CHD), but the doctors decided, as usual, to prescribe statins. It is a pity that an actuary could not fit a curve to Figure 2 even when population-weighted, but is it so wrong — despite the numerous other factors — to read into higher CHD deaths being related to higher fat calories in the general appearance of the plots? Am I avoiding 100% of unknown side effects by not taking statins (I am 80 this year)? Guess!

P. Olney
30 September 2011

Letter of the month

Risk and return
Forty years ago, Frank Redington commented that the UK economy’s self-balancing capacity had been lost due to the emergence of “herds of elephants” on the economic ship that previously only contained “millions of mice” (Words and Numbers, 27 October 1972). Were he alive today, he would be surprised to see how the economies of the world have fairly successfully survived the invasion of ever larger herds, especially now that governments have joined economies to such a large extent.

My question for our actuarial enterprise risk and reward management experts is: have we yet hit a point of no return? Can we really expect our economies to re-balance in a manner similar to the past? Has the risk-return relationship fundamentally changed?

Frank Redington at that time said “it is too late by 40 years to try turning the clock back”. We have “herd-like” governments trying to co-operate and rebalance a lopsided free enterprise capitalist world economy. Has there now been a fundamental change?

R. Munro
13 September 2011

Tactical cricketing: response to A. Pepper, September 2011
In response to Anthony Pepper’s musings on strategy for a Twenty20 cricket captain, I’m afraid there would be an array of rather simple counter-strategies for the opposition — with both captains then being held in violation of the ‘spirit of the game’.

Technically speaking, MS Dhoni did not request that Bell be given not out. Rather, he withdrew his team’s appeal for the run-out leading to Bell being reinstated. In accordance with the laws, a batsman can only be dismissed if he is given out by an umpire upon appeal by a fielder, but this does not prevent a batsman who is out under the laws from leaving his own wicket. For example, generally a batsman whose stumps have been clean-bowled does not wait to be given out by the umpire before departing for the pavilion, although technically he could stand his ground and wait for an appeal if he chose to.

So, if it became evident that the fielding team were not appealing for wickets (and dropping catches) in order to keep slow-scoring players at the crease, an appropriate response from the batsmen would be to run, and continue running until such a time as the fielding side are forced to run one of them out. The batsman then leaves his wicket — with or without an appeal — and the next comes in.

One alternative would simply be for the slow-scorer’s captain to instruct him to retire, although the former would be a rather better test of the fielding team’s resolve.

T. Hargreaves
31 August 2011

Followers or leaders?
I read media reports almost every day about the dire funding position of UK pension schemes driven by increasing liabilities and their inverse relationship to gilt yields. The Actuary itself reports that “industry experts warned the Bank of England not to buy more gilts as this pushes down gilt yields and increases pension scheme liabilities”. Does it really make any sort of logical sense that the cash contribution requirements of a pension scheme should automatically launch into the stratosphere because the Bank of England is engaging in another bout of quantitative easing?

If, as actuaries and pensions spokespeople, we are leading our clients and the public to mindlessly chase gilt yields into oblivion, are we any better than lemmings careering over the edge of a cliff?

M. J. Harrison
8 October 2011

Letters to the editor
In which actuaries discuss run-outs, religion and risk-return relationships

YOUR LETTERS
The editorial team welcomes readers’ letters but reserves the right to edit them for publication. Please email actuaryletters@incisivemedia.com. The deadline for receiving letters for the December issue is 11 November 2011.

MORE LETTERS ONLINE
More letters available online at www.TheActuary.com/type/opinion
What’s underneath?

We look below the surface to spot trends early and show you what is really happening. Whether your need relates to risk management, capital, or strategy, our cutting-edge analysis techniques can help you see deeper than the competition.

Get new insights on your business at uk.milliman.com.
Jane Curtis sees the Profession occupying a central role in facilitating expertise to internal and external stakeholders alike

Making connections

The autumn is a time when political delegates criss-cross the country to gather at party conferences in cities and seaside towns. I, and other members of the Presidential team, also travel to our own conferences, including the Pensions Conference, the Pensions, Benefits and Social Security Section Colloquium, the East Asian Conference, the GIRO Conference and Exhibition, and the Society of Actuaries Annual Conference with the Life Conference and Exhibition and Momentum Conference coming up later in November.

Such conferences provide excellent forums for the presentation of new research, discussion of current actuarial topics and guidance on technical issues. The publicity given to such gatherings also gives us an opportunity to enhance our public profile.

As Ronnie Bowie has mentioned in previous President’s columns, members of Council, Management Board and the Profession’s executive team have put a lot of weight behind improving our image in the public affairs arena. Our approach was confirmed in our new strategy published in June. Here’s a reminder of what we have set out as our key objectives:

**Public interest**
- To speak out and facilitate an informed debate on relevant matters of public interest where the Profession’s expertise can add value
- To inform and influence existing public policy development, with contributions based on evidence and our expertise, working in a collaborative approach with government and other stakeholders
- To identify areas where further public policy development is needed through the use of evidence based analysis and research.

This remit excludes lobbying for specific solutions with regard to public policy change. I believe that this is an appropriate and practical stance given that we are representing the profession and its wide base rather than a commercial body or special interest group.

**Promotion**
- To raise public awareness of the work of actuaries and the value we add to society
- To promote the integrity, independence and professional standards of actuaries
- To promote the benefits actuaries bring in existing areas of work and, where appropriate, protect the profession’s reputation when under challenge
- To extend the franchise by promoting the benefits of the actuarial discipline in new sectors
- To support the retention and recruitment of new talent to the profession.

» There are some encouraging early signs that we are getting our voice heard ‘behind the scenes’ «

Our developing programme will contain a number of key elements, including:
- An integrated plan to fully leverage relevant research, events, consultation responses and presidential meetings
- An active and effective engagement programme for key external stakeholders including regulators, government, politicians and advisers, special interest groups, think tanks and other professional bodies and the media
- A news flow of comment and thought leadership from the Profession that external audiences find accessible and of interest
- A co-ordinated programme of research and events that act as thought leadership platforms to generate external interest
- A ‘fit for purpose’ approach to consultation responses.

At an international level, we will aim to work with local associations and international bodies to promote and raise awareness of relevant international matters.

As part of this strategy we are making progress in setting up meetings and building relationships with selected politicians, such as ministers, shadow ministers, opinion formers, selected journalists and rising political stars with an interest in actuarial topics. If we work hard at this, we hope to become the ‘go-to’ source for expert comment and analysis. There are some encouraging early signs that we are becoming more effective in making connections and getting our voice heard ‘behind the scenes’.

The Scottish Board is also taking forward a customised approach to public affairs with specific Scottish priorities.

In addition to some early media successes mentioned in previous columns, many may have recently heard Ronnie Bowie on the BBC Radio 4 programme More or Less where he was the expert chosen to discuss the statistical likelihood of winning the lottery compared to dying in the time between buying the ticket and the draw happening. Unashamedly lighthearted, such media hits will nonetheless bring the public greater understanding of the work we do. They also create follow up media interest — in this case, a piece in The Sunday Post where Alan Watson provided an insight into the human interest side of actuarial mathematics.

Elliot Varnell has also provided actuarial expertise to help the BBC website develop a useful student finance calculator. On a final note, this is the first opportunity in my column to welcome Alan Phillips to the role of chairman of the Profession’s Management Board. Building on the strong foundations of his predecessor Sally Bridgeland, Alan will, I am sure, play his part alongside other senior volunteers and our executive team in successfully driving forward our strategy.
THE RIGHT TOOL FOR THE RIGHT JOB.

Over the past ten years, Ultimate Risk Solutions has been helping risk professionals stay ahead of the technology curve when it comes to making better business decisions. As an independent company with no ties to big brokerage or consulting firms, we’re focused on only one thing and that is providing the absolute best software solutions for our clients.

Risk Explorer™ and Risk Explorer Express Edition™ provide companies of any size the analytical power of the most sophisticated DFA models.

URS RealWorld™ is a global economic model that simulates macroeconomic variables that impact market value of company assets and, for multinationals, contribute to currency exchange risk.

Visit our website or contact us at info@ultirisk.com for detailed product information or to schedule a no-obligation demonstration.

Ultimate Risk Solutions, LLC
The Right Technology. The Right Answers.

www.ultirisk.com • info@ultirisk.com
A nyone trying to keep track of the various proposed reforms of financial services regulation over the next few years will have to have eyes in the back of their head. It seems that almost wherever you look in the UK, Europe and beyond, someone is cooking up some changes.

The major reform in the UK, of course, will be the replacement of Labour’s tripartite regulatory system — the Bank of England, the Financial Services Authority (FSA) and the Treasury — with a range of new regulatory units with new powers. A key element of the coalition government’s proposals is a substantial strengthening of the powers of the Bank of England coupled with the creation of a new Financial Conduct Authority (FCA). The FCA is the current front-runner as the name of the organisation that was originally pencilled in to be called the Consumer Protection and Markets Authority.

The list of directives and regulations making their way through the labyrinthine procedures of the European Union is intimidatingly long — so long that a cynic might be tempted to wonder whether there isn’t a deliberate policy of swamping the sector with consultations and drafts that it wearsies of responding to them. There is hardly a sector of the retail or wholesale financial service market that isn’t affected by this — hedge funds, derivatives, banking, insurance, pensions, securities, retail investments, venture capital and audit are all on the list.

If practitioners think that negotiating a way through this deluge is bad enough, imagine the challenge facing those on the regulatory side of the fence. FSA chief executive Hector Sants summed up the problem when he published the FSA’s business plan back in March: “The 2011/12 business year for the FSA will be a difficult one. We have to ensure that we are operating effectively as a supervisor as well as taking forward the key policy initiative. The principal ones are progressing the domestic consumer protection strategy, implementing a number of key EU directives and influencing the continuing international regulatory reform agenda — all this has to be done at the same time as taking forward the preparations for a new regulatory structure. The regulatory reform agenda remains on track to ensure the new structure will be ready in 2012,” said Mr Sants.

The list of directives and regulations making their way through the labyrinthine procedures of the European Union is intimidatingly long

The FSA may find itself marking time if it is indeed ready before the end of 2012 because the pace of the Treasury’s consultation and the increasing likelihood of a tough Parliamentary passage for the new structure suggests that we will be well into 2013 before the new regime is properly in place and operational. We are currently only at the stage where consultation has recently closed on a draft Financial Services Bill to enact the government’s reform proposals. The huge number of responses, which can be found at www.hm-treasury.gov.uk, will now be considered by a joint committee of both Houses of Parliament, which has been asked to report by 16 December. Faced with that deadline it is very hard to see a Bill properly emerging before the end of the first quarter of 2012.

This would not leave sufficient time to debate it properly, even allowing for the spillover session in September, especially given the huge interest there will be in its progress and the vast scope there is for potential mischief-making. As one example, you can already see Parliamentary forces being marshalled by the independent financial adviser community to use the debate to delay the implementation of the Retail Distribution Review (RDR).

The influential Treasury Select Committee has positioned itself aggressively on this issue following a report it produced on RDR during the summer.

The committee asked for a delay in the timetable for implementing RDR beyond the current plan of 2013 and, when this was rebuffed by Mr Sants and the FSA, the committee’s chairman Andrew Tyrie went on the attack: “We need good conduct of business regulation but we have to make sure that the successor bodies are accountable and explain their decisions, not only to the industry but even more importantly to the millions of consumers who pay for their services.” He said that the Treasury Select Committee planned to open a formal inquiry into the accountability of the FCA — and that is before the Bill has even been presented to Parliament.

This all suggests the progress of the Bill will straddle two Parliamentary sessions and that it is likely to take about a year from start to finish, meaning implementation could drift deep into 2013.

While all this is going on, the EU will be producing directives on packaged retail investment products, market abuse, financial sector sanctions, audit policy, insurance mediation, money laundering and insurance guarantee schemes, not to mention a continuing debate about the implementation of Solvency II.

Keeping abreast of that lot will tax the best-resourced public affairs departments in the City.
Are you making the most of your career?

Our reputation for providing innovative solutions to our clients has helped Towers Watson’s Risk Consulting and Software business grow significantly over recent months. To maintain this success and deliver our growth agenda we are interested in talking to the brightest and the best talent.

So if you are looking for your next move in the insurance/reinsurance industry and would like to learn more about the strategy behind our success, why not join us for a career coaching discussion with business leaders Martin Pike (EMEA), Chris Fordham (UK Life) and Karl Murphy (UK P&C).

Interested? You can find out more at towerswatson.com/RCScareersUK

We will also be attending the Momentum Conference and the Life Convention so please visit us at these events.
Final update from Discount Rate Steering Committee

The Management Board of the Actuarial Profession commissioned a research project to develop a framework for considering and analysing discount rates. This project resulted in the production of a research paper last year — ‘Actuaries and Discount Rates’ by Chris Daykin and Chinu Patel, and earlier this year the publication of a Sessional Meeting paper ‘Developing a Framework for the use of Discount Rates in Actuarial Work’ from the Discount Rate Steering Committee (DRSC) set up to oversee the project. This paper was discussed at sessional meetings in Edinburgh and London in January of this year, and subsequently at many other meetings around the country.

As well as meetings held with actuaries, Management Board also commissioned Chris Daykin and Chinu Patel to conduct a consultation process with users of actuarial advice. Following this period of consultation, the DRSC reviewed the recommendations and proposed a way forward to Management Board. Management Board has accepted many of the recommendations from the DRSC and supported the framework in that it provides a clarity of communication and a more disciplined way of thinking, in addition to providing actuaries with a framework which they could use to present their work.

Next steps

1. The Discount Rate Steering Committee has produced a more detailed note setting out its final recommendations and the way forward that were agreed by Management Board entitled ‘Developing a Framework for the use of Discount Rates in Actuarial Work: summary, final recommendations and the way forward’ (http://tinyurl.com/3d8uw4t).
2. A layman’s note will be drafted on the proposed discount rate framework for the benefit of users of actuarial advice.
3. The Actuarial Profession will consider further research in the following areas:
   ■ In the preparation of accounts, the adjustment, if any, for sponsor default linked to the nature of the accounts being prepared and the requirement to hold assets against liabilities
   ■ Sovereign risk and illiquidity premium
   ■ Stochastic frameworks and risk.

The full note summarising the discussions and commentary on the DRSC’s January 2011 Discussion Paper can be found on the website at http://tinyurl.com/3zt5geo

Last chapter for the Profession’s Napier House library in Oxford

With effect from the end of October 2011, the Profession’s library at Napier House, Oxford, has closed to visitors.

The libraries at Staple Inn and Maclaurin House remain open as usual. Please continue to direct enquiries to libraries@actuaries.org.uk or by phone 020 7632 2114 (London) or 0131 240 1311 (Edinburgh).

Emerging Trends in Mortality and Longevity Symposium 2011

13-14 September, Warwick Conferences, the University of Warwick, Coventry.

September saw the second conference hosted by the UK Actuarial Profession focusing on the development of new thinking in mortality and longevity by encouraging actuaries to work collaboratively with other disciplines to better understand past, present and future trends. Following on from the groundbreaking Joining Forces conference in October 2009 (http://tinyurl.com/3mq66v), the Emerging Trends symposium extended its group of partners to include the International Actuarial Association and the Society of Social Medicine, which held its Annual Scientific Meeting immediately following the event (http://tinyurl.com/3wji2pk). The symposium was extremely well attended and had plenary sessions and workshops across three themes: socio-demographics, individualised risk and the international dimension, with the new socio-demographic workstream proving particularly popular.

The plenary session in that theme was presented by Michael Murphy, London School of Economics, who focused on contrasting and correlating recent mortality trends in Eastern and Western Europe. His paper looked at macro and micro drivers on mortality and highlighted the need to better understand the impact of cultural and social institutions.

The importance of social attitudes also emerged in the international theme, in particular in the different cultural attitudes to ageing, particularly relating to the ongoing health and independence in the old-old and the desire to be a productive member of society. In his international dimension plenary, Jean-Marie Robine, INSERM, French National Institute of Health and Medical Research, contrasted the trends in mortality of the 100+ age group in Japan and Denmark, suggesting cultural attitudes would seem to be playing a role in the differences exhibited. The benefits that high-quality international comparative research can bring in investigating trends and drivers was highlighted by international workstream leader Carol Jagger in her closing summary and the need for more work in this area — as well as international comparisons showing where there is common ground, international diversity may bring insights into drivers.

The individualised risk theme followed on from the Joining Forces conference with a focus on genetics and genomic studies of ageing in the plenary session by Eline Slagboom, Leiden University. This synthesis of the latest research also highlighted areas where more study was needed especially with the need for larger studies. This theme also saw a greater contribution and new insights from the underwriting community.

In all themes, the need emerged for concerted action to ensure surveys include enough information to enable differentiation of risk factors in the 85+ age group. The UK Actuarial Profession’s Mortality Research Steering Committee will be reviewing the messages that emerged from the symposium in the next few months and developing the next stage of its thought leadership project to encourage interdisciplinary work in this area. A selection of papers from the conference will be published as a supplement to the British Actuarial Journal.
Scottish Board — the past, present and future

David Martin outlines plans following his Leader’s address

On 19 September, in my Leader’s address, I reviewed the Scottish Board’s first year, its direction and action plan. I welcome feedback on this direct or via the Scottish Community webpage.

We work in the context of the Profession’s Values and Objectives. Harvie Brown was concerned in 2004 whether the trust actuaries enjoyed individually could extend to more general acceptance of the Profession by the public, regulators and the government. We have since come far and I believe the standing of our Profession has improved over the last five years, not least in Scotland.

Arguments often arise around our professional requirements — that they make us too expensive or otherwise unacceptable to clients. The contrary argument is that we are chosen by our clients and employers just because of our high standards. They are our unique selling point.

Analysis of the causes of the recent riots in England include the view that they were partly due to the bad example set by people in high places — MPs’ expenses, phone hacking and, arguably, the actions of those running banks in precipitating the current economic crisis. We can never prove this conclusively, but telling the difference between right and wrong is fundamental. Professions sticking to their codes will not prevent riots, but they have a contribution in maintaining the morality of our civilisation.

Public affairs

The Scottish Board works with our Profession’s strong public affairs team and appointed an Edinburgh-based public affairs agency to assist our efforts in Scotland. Letters have been written to MSPs to re-introduce them to the Profession and explain how we can help them in their work. We have identified a number of areas on which to engage with them, such as health care, longevity and public sector pension schemes. Current Scottish topics include proposed separate income and corporation tax rates for Scotland. We also aim to broaden our contacts with other professions, academia, and employers of actuaries in Scotland.

Actuarial activity in Scotland

A programme of sessional events is planned by those responsible for professional activity. Our Changing Future (OCF) additionally runs early morning, breakfast-type events and FASS and GASS, the Edinburgh and Glasgow students’ societies, also hold events. Input from this important younger part of the Scottish actuarial community is vital.

Research

We are a founder member of the excellent Scottish Financial Risk Academy (SFRA) which runs colloquia and other events. As part of our Profession’s merger, an endowment fund of £500,000 was set up. The Scottish Board has, with SFRA, considered an attractive proposal for using some of this endowment. The intention is to fund research — particularly in risk management — for the benefit of actuarial science both in Scotland and more widely. The proposal is being worked up and it is hoped the endowment fund contribution will be ‘seed money’ and further funds will be sought to make the proposed Actuarial Research Centre a real asset to the Profession, and a fitting legacy for the Faculty of Actuaries in Scotland. We are seeking suggestions for the use of the rest of the endowment fund, and will be making a call for ideas during the year. Let us know your views. We also need actuaries working in business, either individually or in groups of two or three, to assist by suggesting topics and/or mentoring PhD students, in conjunction with academics.

Risk management

I concluded my address by referring to our profession’s involvement in risk management and, in particular, the worldwide launch of the CERA qualification. We have been managing financial risks for decades, but the new techniques are capable of adoption more widely.

I would urge you to play your part in this exciting new development in our profession. The strong Scottish contribution to this area is indicative of the promising start the Scottish Board has made to support and promote the Profession in Scotland. Please tell us how you see it.

By David Martin

Forthcoming events

Open Forum: advance your career in Scotland
10 November, Staple Inn Hall, London
14.45 (registration) for 15.00 to 16.00
Are you reassessing your career options, considering new ways of working and realise a different work-life balance? Find out how recruitment in Scotland has been impacted and hear about opportunities for career development from a panel of key employers: Hymans Robertson LLP, Lloyds Banking Group, RBS Insurance and Standard Life. The event will be chaired by Owen Kelly, chief executive of Scottish Financial Enterprise.

Free to attend, please register your interest at http://tinyurl.com/3f5me9

Professionalism: should you speak up or should you blow the whistle? How do you decide?
18 November, Staple Inn Hall, London;
28 February 2012, Royal College of Physicians of Edinburgh
The mis-selling of financial products and the continuing aftermath of the financial crisis — all these disasters illustrate why speaking up and whistleblowing are fundamental duties of all professions who serve the public interest. Knowing when to speak up or blow the whistle is particularly important to the Actuarial Profession as the public and our clients learn more about our duty under the Compliance Principle of the Actuaries’ Code. For further information, visit London: http://tinyurl.com/3tw233f
Edinburgh: http://tinyurl.com/3wrtevf

Reserving seminar — all this and Solvency too?
23 November, Staple Inn Hall, London
08.30 (registration) for 09.00 to 17.00
As the market sprints towards readiness for Solvency II, this seminar offers a unique opportunity to look at all the aspects of reserving methodology and the requirements for tomorrow’s insurers. We have the voice of a headline-making CEO, experts in stochastic processes, keywords on clarity and uncertainty, and the up-to-date position from our regulator and guidance on compliance with the TAs. Add to this views on IFRS and latent claims, this seminar amounts to a must-attend event for all actuaries involved in or responsible for reserving today and in the run-up to Solvency II.

For more information, visit http://tinyurl.com/3xeowx
Third SFRA Colloquium

The third Scottish Financial Risk Academy (SFRA) Colloquium took place on 28 September, with the subject of Solvency II.

The sessions were presented by Professor Alexander McNeil, the SFRA director, who looked at solvency requirements, followed by Professor Antoon Pelsser of the University of Maastricht, who presented ‘Limits to Market Consistent Valuation’, Mark Cathcart, a PhD student from Heriot-Watt University part-funded by Barrie & Hibbert, presented ‘Monte Carlo Valuation of Liabilities’ and Dr Hansjorg Furrer who described the Swiss Solvency test.

The keynote address was given by Tom Wilson, Allianz CRO. He felt that Solvency II complemented his view of good risk management and highlighted the current unprecedented market volatility (with Q3 2011 seeing similar market dislocation as Q4 2008 implying the latter was not a one-in-200 year event).

Two separate panel sessions followed; looking at the Business and Regulatory implications of Solvency II respectively, expertly chaired by John Hibbert of Barrie & Hibbert. For the first panel, Tom Wilson was joined by Raj Singh (the founding chairman of the CRO Forum) and Tim Edwards (PwC). The second panel included Seamus Creedon from the Groupe Consultatif, Douglas Anderson (Hymans Robertson), Ross Gardiner (FSA) and Hansjorg Furrer (FINMA).

Topics covered in the panels included the risk free rate, illiquidity premia, the implications for product design, the impact on reinsurers, the extension of Solvency II beyond the EU and the implications for customers. The consensus was that risk management would be improved but it was likely that insurers would be less inclined to provide long-term guarantees without setting charges that customers would be unlikely to pay for. Customers would therefore have risk transferred to that, exacerbated by Governments’ reluctance to take this on.

The fourth colloquium is still at the planning stage and is expected to take place next Spring. For further details, visit http://tinyurl.com/3gmab4l

This autumn, SFRA is providing new training in topics relevant to actuaries with interests in Solvency II and enterprise risk management. For more, see www.sfra.ac.uk

DISCIPLINARY TRIBUNAL PANEL DETERMINATION

The Investigation Actuary laid the following charge of misconduct against Michael Hall, Student member of the Institute and Faculty of Actuaries (the Respondent).

That the respondent:

1. Being at the material times a Student member of the Institute of Actuaries, he:
   1.1 Prior to leaving the employment of Alexander Forbes in April 2010, following a restructuring and redundancy exercise, acted in a manner contrary to the principles and ethical standards expected of a member of the Institute of Actuaries, in that he:
   1.1.1 tampered with one of Alexander Forbes’ calculation models, the ‘Roll Forward Model’, by deliberately entering inappropriate formulae and irrelevant information;
   1.1.2 deliberately made entries of an inappropriate and unprofessional nature on the Alexander Forbes time recording system;
   1.1.3 created on his work computer and left at his place of work documentation and correspondence, the content of which was inappropriate and unprofessional;
   1.1.4 such conduct in each and all of the above falling short of the standards required by Principle 1 of the Actuaries’ Code (version 1.0); and in any event, constituting Misconduct in terms of Rule 1.6 of the Disciplinary Scheme of the Institute of Actuaries (effective 1 July 2009), being conduct falling below the standards of behaviour, integrity, competence, or professional judgement which other members or the public might reasonably expect of a Member, having regard to any advice, guidance, memorandum or statement on professional conduct, practice or duties which may be given and published by the Institute and/or, for so long as there is a relevant Memorandum of Understanding in force, by the Board for Actuarial Standards and to all other relevant circumstances.

The hearing

The Respondent was present and represented by Mr Peter Cadman of Russell-Cooke Solicitors. The Institute was represented by Ms Laura Ryan of Kingsley Napley LLP.

The facts of the case were not in dispute. The Respondent admitted the facts as alleged above and admitted that the facts alleged in paragraph 1.1.1 above amounted to Misconduct. With regards to the allegations in paragraphs 1.1.2 and 1.1.3 above the Respondent did not dispute the facts but disputed whether the facts amounted to Misconduct.

Determination

The Panel found Misconduct in relation to paragraph 1.1.1 above, as admitted by the Respondent. With regards to paragraphs 1.1.2 and 1.1.3 above the Panel found that the charge of Misconduct had not been proven against the Respondent and dismissed the charges accordingly.

Having determined that paragraph 1.1.1 amounted to Misconduct the Panel imposed the following sanction:
   ■ a reprimand.

Reasons

The Panel considered the evidence and submissions made by both parties. The Panel also noted that all the facts were admitted by the Respondent and that it was admitted that the charge under 1.1.1 did constitute Misconduct.

The Panel therefore considered only whether the charges under 1.1.2 and 1.1.3 constituted misconduct. The Panel concluded that charge 1.1.2 did not amount to misconduct.

Charge 1.1.3 covered the creation of four documents by the Respondent. The Panel concluded that in relation to three of those documents, being the template resignation letter, the email to three members of staff, and the ‘Problems with AC’ document, their creation and disposition did not constitute Misconduct.

The Panel concluded that the creation of the final document, being the ‘Streams of Consciousness’ document, did not constitute misconduct. The Panel was not satisfied that the Respondent intended, nor could have foreseen, that the document would be read by others and cause the distress that it did. The Panel therefore concluded that the creation of the document alone and its subsequent discovery by a search of the Respondent’s sent emails did not amount to misconduct and therefore, by majority, that the charge under 1.1.3 did not amount to misconduct in relation to any of the documents.

Costs

An application for costs was made by the Institute. The Panel determined that it would not enforce a contribution towards costs upon the Respondent given all the circumstances of the case.

Martin Slack FIA (Chairman), Gail Higgins FIA, Rick Tompkins, 7 September 2011
On 4 October, Staple Inn was host to a forum held by the Actuarial Profession entitled ‘Pension research topics — asset allocation, loan capital costs and Solvency II’. The evening showcased selected research projects by Imperial College Business School Actuarial Finance alumni. Chaired by Trevor Watkins, director of Education, presenters included:

Joe Moore (Aon Hewitt): ‘Optimal Global Asset Allocation for Pension Funds under Regime Switching’. The global financial crisis and subsequent global recession demonstrated increasing correlations between international asset classes and increasing volatilities and lower returns within asset classes in a bear market. This is inconsistent with diversification benefits often attributed to international investment, since these benefits appear to reduce when investors rely on them most.

Moore’s research extends previous analyses of the benefits of international diversification and the cost of ignoring regimes in light of recent financial developments. Using a new proprietary Regime Switching model and setting the analysis in the context of optimal portfolio allocation for pension funds, he presented evidence disagreeing with previous conclusions that the costs of ignoring the presence of regimes are small.

Ruth Ward (Bluefin Group): ‘Impact of defined benefit pensions on corporate bond spreads’. Ward’s research assessed the impact of defined benefit pension information disclosed in corporate accounts on the credit spreads of individual firms. She analysed data on almost 5,000 investment-grade and over 1,600 high-yield US corporate bonds over the period 31 December 2001-2007.

Ward found that unfunded pension liabilities increased credit spreads, particularly among high-yield bonds, but that the effect is asymmetric with pension deficits increasing credit spreads more than pension surpluses reduced them. She found that the market perceives additional risk in defined benefit pensions, with even funded pension liabilities being priced into credit spreads, and that sensitivity to unfunded pension liabilities is over twice that to ordinary long-term firm debt.

Muhammad Ayaz Abid (Abid Actuarial Consulting): ‘Assessment of defined benefit obligation risk for FTSE 100 companies under the risk based Solvency II framework’. The purpose of Abid’s research was two-fold — to provide a framework for modelling the capital necessary to support the defined benefit pension obligation risk for FTSE 100 companies under the Solvency II framework, and to discuss the issues surrounding applying the Solvency II type standard to pensions.

Abid found that the application of a risk-based adequacy Solvency II framework to pension funds would help remove regulatory arbitrage and promote a level playing field for pensions in Europe. He proposed a modified Solvency II framework for pension funds, incorporating the good features of a risk-based capital adequacy framework.

For more information on the Actuarial Finance programme and the research projects, see www.imperial.ac.uk/business-school/programmes/msc-actuarial-finance.

Report by Tony Hewitt, director of the Actuarial Finance MSc, a tailored programme for actuarial trainees in full-time employment.
Solvency II a double blow from ‘Laboratoire Barnier’

Solvency II and other heavy-handed EU regulation could seriously damage the UK’s professional and financial services sector, according to the CBI’s Director-General John Cridland.

Speaking at the CBI London annual dinner, Mr Cridland warned that proposed regulations from Brussels such as Solvency II, the Financial Transaction Tax, the Capital Requirements Directive, audit market reforms and EU proposals on corporate governance threatened the UK’s prospects for growth with a serious impact on London and the professional and financial services sectors.

Mr Cridland called on European Commission President Barroso to ensure he was “working with business, not against it”, and singled out a number of proposals from Michel Barnier, the European Commissioner for Internal Market and Services, for particular attention.

Mr Cridland described Solvency II as delivering “a two-in-one hit from Laboratoire Barnier” in terms of restricting investment capital and burdening pension funds.

For more on this story, visit http://bit.ly/p76uGQ

Asian actuaries urged to prepare for Solvency II opportunities

Asian actuaries need to get ahead of the curve by preparing themselves for the impact of Solvency II and associated regulation, according to the UK Actuarial Profession.

Addressing the East Asian Actuarial Conference in Kuala Lumpur, Philip Scott, president-elect of the Institute and Faculty of Actuaries, talked of the knock-on effect of Solvency II on firms with direct and indirect links to EU insurers and that an increased focus on proactive risk management would mean actuaries will have a vital role to play in developing new business models.

“Solvency II requires certain functions to be performed in the risk and actuarial areas,” he said. “This places risk management and actuarial thinking at the centre of the regime, and recognises the importance of actuarial science in the soundness of the insurance industry.”.

For more on this story, visit http://bit.ly/nPauGQ

Reaction to Bank of England QE proposals

The Bank of England’s Monetary Policy Committee has voted to increase the size of its asset purchase programme, financed by the issuance of central bank reserves, by £75bn to a total of £275bn. A selection of responses to the proposals for a further quantitative easing (QE) stimulus can be found on the website.

For more on this story, visit http://bit.ly/oI3Mm

Meat and Livestock Commission flocks to rich pasture for £150m buy-in

Trustees of the Meat and Livestock Commission Pension Scheme have completed a £150m pensioner buy-in with Aviva, prompted by a drop in the pricing of such deals.

The agreement will see Aviva make payments to the scheme equivalent to the benefits of its approximately 900 current pensioner members.

Towers Watson senior consultant James Stayley-Wadham — whose firm advised the trustees on the transaction — said it had been triggered by improving market conditions.

“"The board had looked at a deal in the past when the pricing had been attractive, but it moved away from them before they were ready to transact," he said. "So when it became more attractive again we shared that with the trustees and they had a powerful incentive to act.""

For more on this story, visit http://bit.ly/p6Un8

European non-life market facing critical juncture

The European non-life insurance sector is approaching critical moments, with economic, regulatory and market forces set to severely test the industry as a whole, according to a report from AM Best.

AM Best’s report said ongoing recession in many countries, volatile financial markets and the sovereign debt crisis have buffeted the industry. It said companies are racing to meet changing solvency and accounting rules while the soft markets persist, dampening pricing and profitability.

The report ‘European Non-Life Sector Approaches Economic, Regulatory Turning Points’ said: “Stubbornly low interest rates are placing pressure on insurers’ results, offering no relief from weak underwriting results driven by flat to downward pricing trends.”

For more on this story, visit http://bit.ly/oI3Mm

Jump in longevity adds to FTSE 100 scheme liabilities

FTSE 100 company pension schemes have increased their longevity assumptions for the fifth consecutive year, according to research by Mercer.

The increase is estimated by Mercer to add approximately 1% to scheme liabilities.

Mercer’s report showed that FTSE 100 companies had increased their UK longevity assumptions by about three months for current pensioners and by about five months for future retirees compared to the previous report as at 31 December 2009.

On average, male scheme members aged 65 are now expected to live until age 87.2, while those currently aged 45 who survive until age 65 are expected to live until age 89.2. This represents an increase of about two years in life expectancy from Mercer’s December 2006 report, highlighting that companies believe life expectancy has improved faster than previously expected, which has added to pension costs.

For more on this story, visit http://bit.ly/rgbIqZ

BREAKING NEWS

Breaking news is now published online at www.TheActuary.com
From the world of general insurance

Lloyd’s

The outgoing chairman of Lloyd’s, Lord Levene, has expressed disappointment that he was unable to finally resolve the problem of collateral security for writing US reinsurance business during his term of office. While he had hoped that a single federal US insurance regulator would replace the state-by-state regulation by this time, this has not happened, with the result that reduced collateral has only been achieved in New York and Florida to date. Nevertheless, he remains optimistic that the newly created Office of Insurance Information will act as the seed for what will become a national regulator, although admitting that the state insurance commissioners are unlikely to accept the loss of all of their powers.

Lloyd’s announced towards the end of September that the market had suffered a better-than-expected first-half loss of £697m, claiming that this was a better result than their competitors. In particular, the combined ratio of 113.3% was almost four points better than the Bermudian companies and three points better than the US companies. Clearly, all insurers have incurred substantial losses from the proliferation of natural catastrophes this year, with Lloyd’s including an amount of £2.8bn, more than 10 times the recent average for the first six months — this contributed 32.4 points to the combined ratio. Reserve release contributed 5.5 points improvement to the combined ratio, a greater contribution than in 2010. Investments did well with a return of £548m, reflecting the exposure to UK and US government bonds. It is still too early to predict the full-year result but a profit is by no means impossible. At the same time as releasing these results it was announced that Lord Levene is to receive a Lloyd’s gold medal in recognition of his contribution to the market over his nine years as chairman, only the 17th person to do so and the first since Sir David Rowland in 1996.

Deepwater Horizon

In early September, Halliburton filed a lawsuit against BP in the Texas state court accusing the company of negligent misrepresentation, business disparagement and defamation in relation to the Macondo disaster. In addition, Halliburton extended an existing lawsuit in New Orleans to include fraud. BP dismissed the accusations, claiming that independent reports had placed blame on Halliburton as a contributor to the Deepwater Horizon disaster. The insurance industry, and particularly the oil and gas insurers in London and Bermuda that insure Halliburton, will hope that their client prevails, so that BP — which is self-insured — has to bear the cost.

Large losses

Earthquakes, Christchurch, New Zealand — 22 February and 13 June.

The New Zealand Earthquake Commission (EQC) has increased the estimate of its losses — including those arising from last September’s quake — to NZ$7.1bn, which effectively exhausts its Natural Disaster Fund. However, much of the cost of repairs remains to be paid, so the Fund is not yet in a position of being wiped out. The government has agreed to meet any excess over the resources of the Fund. The overall cost to the insurance industry and the EQC of the three quakes is now believed to be approximately NZ$20bn. It is now estimated that there are 30,000 homes with damage in excess of NZ$100,000, the point at which the EQC takes over responsibility for the coverage — the initial estimate of the number was 12,000.

Hurricane Irene, Caribbean and eastern states of US — 21-29 August.

The impact on the Bahamas, where Irene struck as a category 3 hurricane, was not mentioned in October’s ‘Large losses’ — with the inclusion of losses here, AER Worldwide estimated Caribbean insured losses at US$400-800m, about half of the total being in the Bahamas, with much smaller amounts from Puerto Rico, Dominican Republic and the Turks and Caicos Islands. Both the Bahamas and Turks and Caicos are members of the Caribbean Catastrophe Risk Insurance Facility (CCRIF), but it is understood that no recoveries from the CCRF will be triggered by Irene. In addition to flooding, falling trees were a major problem along the eastern seaboard of the US, especially in the heavily populated states of New Jersey and New York. An early estimate by AER Worldwide put overall insured losses on the US mainland at US$3-6bn.

Typhoon Nanmadol, Philippines, Taiwan and south-west China — 23-31 August.

This struck the northern Philippines with winds up to 250kph, causing heavy rain and flash flooding. The storm moved extremely slowly adding to these problems and at least 35 deaths resulted. Substantial damage occurred to agriculture and infrastructure, with an early loss estimate of the equivalent of US$35m from these sources alone, but the insurance impact is likely to be minimal. The typhoon then moved on to Taiwan where it made its second landfall on 28 August, accelerating, but later weakening. Over 20 inches of rain fell in some areas and this caused severe flooding and landslides. An early estimate of insured losses in Taiwan was US$500m. By the time Nanmadol hit Zhejiang province in China on 30 August it had weakened to a tropical storm, but nevertheless destroyed a number of houses and destroyed crops. The economic losses in China have been estimated at US$70m, but little of this is believed to be insured.

FOR MORE GENERAL INSURANCE NEWS

More news on the following items can be found on the website:
- The global financial crisis
- Solvency II
- Other regulatory developments
- Payment protection insurance (PPI)
- Lloyd’s
- Compensation culture
- Marine piracy developments
- Airline insurance
- Takeover battle for Transatlantic Re
- Highlands UK scheme of arrangement
- Climate change
- More large losses


Riots in English cities

Although the extended 42-day period for filing claims under the Riot Damages Act 1886 (RDA) came to an end on 16 September, the Home Office will not be able to provide details of the number and value of claims it has received for several weeks. In spite of the fact that the deadline had passed, JD Sports — one of the worst-hit retailers — said some days later that it was still finalising its claim in respect of 16 looted stores, and still was not certain as to whether it was going to be filed against its insurer (Allianz) or the police under the RDA.
The Mauritian with an ambition

Aon Hewitt actuary overcomes obstacles to conquer Mount Everest and raise £10,000+ for Breast Cancer Care

Jayse Arumugum from Aon Hewitt in London aspired to be the first of his nation, Mauritius, to climb the highest peak on each continent. Having already succeeded in climbing five of the peaks — including Kilimanjaro, Elbrus, Kosciusko, Aconcagua and Denali — Jayse set his sights on climbing the biggest of them all, Mount Everest. On 26 May 2011, he achieved that goal.

His original plan was to raise £8,848 as Mount Everest is 8,848 metres high. For his charity he chose Breast Cancer Care, as his cousin was diagnosed at a young age and he appreciates the work this organisation does for the one in eight women affected by breast cancer.

Incredibly, he has raised a magnificent £10,033.48 so far, and counting. This is well deserved considering the challenges he had to face, such as acclimatisation, frostbite, a retinal haemorrhage, hearing of the death of a climber he knew in another team, weather windows and jet streams, to name but a few. And this was before he got anywhere near the summit...

The summit push consisted of 40 hours of no sleep, limited water and a few disastrous obstacles such as losing his water bottle. Once leaving the summit, it was a real fight for survival before crawling the last 100m to the first camp below the Death Zone and passing out with exhaustion.

This is only a snippet of a fantastic story of someone pushing themselves to the limit to achieve their personal goals, and at the same time raising over £10,000 for a fantastic cause.

Congratulations to Jayse for his determination, perseverance and endurance on his Everest conquest.

You can read more on his blog and also donate to his charity through www.jaysenarumugum.com

Charity award — call for nominations

The Actuary, in conjunction with The Worshipful Company of Actuaries (the Company), has been running a campaign to target £1m through the fundraising activities of actuaries. The Company would like to make an award to an actuary who has made the most impressive charitable effort throughout the year. Those considered for the ‘Phiatus’ award will include fundraisers previously published in The Actuary, and further nominations are welcomed at editor@the-actuary.org.uk. The winner of the award will be announced early in the new year.

The Phiatus club has been wound up and funds to the WCA Charitable Trust. For more details, see www.actuaries.org.uk/members/pages/phiatus-club-0

The Times Higher Education 2011 awards

Colin O’Hare, a senior teaching fellow at Queen’s University Management School and programme director for BSc Actuarial Science and Risk Management, has been nominated for Most Innovative Teacher of the Year at the Times Higher Education Awards 2011.

The Most Innovative Teacher of the Year award is open to all lecturers in the UK and each year receives hundreds of entries. It is the first time that a lecturer in actuarial science has been shortlisted for this prize.

Mr O’Hare said that he was “delighted to be shortlisted for this prestigious award. To be named as one of the top six innovative educators in the UK is a significant honour for me and the School. It is very exciting to have my work recognised at the highest level”.

The winner will be announced at a gala dinner in London on 24 November, to be held in the Grosvenor House Hotel.

Births

- Matt (Towers Watson) and Kelly Wood are pleased to announce the birth of their son, Alexander James, on 30 August, weighing 3.5kg. They are thrilled first-time parents.

- Laura (OAC Actuaries and Consultants) and Ben Llewellyn are now proud parents of Grace Margaret Millicent Llewellyn-Jones. She was born on 15 September 2011 just before 6am, weighing 4kg.

Deaths

- Kalapatapu Purnachandra died recently, aged 73. He was an Associate of the Institute.
- Jonathan Wallis died recently, aged 61. He became a Fellow of Institute in 1975.
- Jenny Margaret McDonald died on 12 April 2011, aged 34. She became a Fellow of the Faculty in 2004.
- Crawford Ewing Laing died recently aged 86. He became an Associate of the Institute in 1952.
- Philip Anthony Burns died on 1 June 2011, aged 80. He became a Fellow of the Institute in 1962.

For people moves, see page 40

If you have any newsworthy items for these pages, email Kelvin Chamunorwa at social@the-actuary.org.uk
WCA charity banquet entertains all

The Drapers Hall was filled to bursting with Actuaries Company liverymen and their guests at the Master’s Charity Banquet on 20 September. New Master, John Lockyer, introduced a personally selected programme of drama, music, good food and fundraising activities. He welcomed guests, thanked the many generous prize donors and sponsors, and introduced the entertainers for the evening.

Drapers Hall is the home of the 600-year-old Drapers’ Company, which ceased its direct involvement in the drapery trade as early as the 17th century and has dedicated itself since to philanthropic endeavours. Drapers Hall itself is a magnificent location for a party, and the layout with round tables meant that guests had time — among all the entertainments — to get to know each other. Keen movie buffs may also have been interested to look out for where scenes from The King’s Speech, The Lost Prince and Agent Cody Banks were filmed.

Performers from the Guildhall School of Music and Drama entertained members and guests with a variety of song and sketches. Nothing too heavy — ‘What you didn’t know about Shakespeare’, Kismet, West Side Story, Porgy and Bess, The Pearl Fishers and Don Giovanni went down very well with the audience, as did the food and excellent wine.

Auctioneer Nick Bonham kept spirits — and bids — up, in a marathon effort that kept the audience entertained. The generosity of the prize donors was only matched by the generosity of the participants in the ensuing auctions and raffle. Including proceeds from the banquet and the fundraising, the overall event raised around £35,000 for the Company of Actuaries’ Charitable Trust. Donations will be used for the Royal Society Mathematics Project, the Guildhall School of Music and Drama and the Rainbow Trust, the latter providing emotional and practical support to families who have a child with a life-threatening or terminal illness.

Report by Brian Ridsdale; photography by Michael O’Sullivan

Obituary — Kate Franklin

Kate Franklin died tragically and suddenly on Sunday 21 August. The news of her death came as a shock to her family, many friends and colleagues. The numbers who attended her funeral service at Chelmsford crematorium on Friday 2 September are testimony to the love and respect in which she was held.

Kate was born on 12 March 1981 in Chelmsford to Alan and Diane Franklin. She gained a joint Maths and Physics degree from Bristol in 2002 and qualified as an actuary in 2009. Her proud parents were at Staple Inn to see Kate at the newly qualified actuary’s ceremony. For Kate’s family, including her brother Pete, the ceremony followed by a celebratory meal and cocktails was a highlight.

Outside work she enjoyed many activities, including cycling, running and hockey. Her most recent work as an actuarial contractor gave her the opportunity to use the time between contracts to travel and undertake voluntary work. Kate’s adventures covered journeys through the USA, Cuba, Central America and a cycle tour across Canada. Her most recent cycle tour was John O’Groats to Land’s End.

Kate will be sorely missed by both her family and friends.

By Roger Coole

SIAS football tournament

The morning of Saturday 20 August saw 17 teams competing to determine who would be the SIAS football champions. This included the defending champions from Xafinity, keen to retain the title. All the teams had come in their company and team colours, clearly keen to catch the eye of the supporters assembled.

The tournament began with the group stage — with those in the top two qualifying for the Cup knockout, and the third and fourth-place finishers qualifying for the Plate knockout. This meant that all but one of the teams progressed onto the knockout competition. The unfortunate team to be knocked out at this stage was KPMG2. The group stage was characterised by a number of good games; in particular, the Xafinity team came second in their group to team Do I Not Like Orange, comprising Pension Protection Fund and Legal & General players.

The games in both the Cup and the Plate knockouts were all of high quality — in particular, the all-KPMG battle KPMG1 versus Davenportito’s Last Hurrah — the latter featuring the SIAS social convenor Mark Dainty — which went to penalties. Despite Mark scoring his penalty, the shootout was won by the KPMG1 team, who then progressed to win the Plate competition.

The final of the Cup competition was a familiar one, as the best two teams in the tournament were Xafinity against Do I Not Like Orange. Despite being very competitive, however, it was a repeat of the group game as Do I Not Like Orange came out on top. Congratulations to them.

Thanks to everyone for coming, and to Catford Powerleague for hosting the tournament. We hope to see many of you next year.

By Alvin Kissoon

Winning team: Do I Not Like Orange
SIAS AGM and Jubilee Lecture

The Annual General Meeting of the Society will be held in Staple Inn Hall on Tuesday 1 November 2011, immediately followed by the Jubilee Lecture. We are delighted to confirm that the lecture will be given by Roger Bootle, an Honorary Fellow and leading economist.

Roger will discuss what changes are needed to make the financial system safe against a repeat of the recent financial crisis, including discussion of breaking up the banks, capital requirements and regulation. He will also discuss the implications for how we should regard the financial sector of our economy. Please visit www.sias.org.uk for more details.

Social event

The 2011 SIAS dinner will be held in the fantastic grounds of the Tower of London and provide the opportunity to celebrate the year in possibly our most spectacular venue to date. The theme of the night is ‘Bejewelled’, allowing everyone to make that extra effort to make it a night to remember, so dust off the family jewels and be prepared for the most memorable night of the SIAS calendar.

Included in the evening will be a three-course meal and complimentary bar.

Prices are £60 for members and £75 for guests. Any tickets purchased after 11 November will be priced at £100.

Further information is available through annualdinner@sias.org.uk

Programme event

This paper will review the latest information on how Britain’s population is ageing and challenge some of the popular views about the effects of population ageing on pensions and healthcare.

How do problems arising from the retirement of the baby-boom generation interact with the more general issue of increasing longevity? Is longevity a risk that we should be concerned about? As we live for longer, are we doing so in better health, or are we simply being kept alive for longer in poor health? Are we likely to see an explosion in demand for long-term care, with rapidly increasing costs of social care adding to a crippling burden of pension costs? Can we realistically expect people to work for longer?

Programme

We are now looking for papers to be presented at our programme meetings in 2012. We particularly would like to include papers that will be of interest to younger members, and that are likely to stimulate a lively discussion.

We also encourage younger members of the Profession to consider writing a paper and presenting their ideas to a friendly audience. Please contact programme@sias.org.uk for more information.

Call for papers

For details of events, visit www.sias.org.uk
Sonal Shah looks at homophones — words with the same pronunciation but different meanings, origins and often different spellings

Given that homophones concern words with the same pronunciation, errors would not get detected when speaking but can be obvious in writing, and thus impart inadvertent awkwardness as they rarely get caught by a spellchecker.

In previous articles in this column, we have already looked at some errors concerning homophones. The article on hyphens explained that risk-bearing capital doesn’t bear a resemblance to risk-bearing capital. The article on apostrophes highlighted noticeable errors in writing among these groups of words: it’s and its; you’re and your; who’s and whose; there’s and theirs; and they’re, their and there.

A common pitfall is between pairs of words such as practice and practise, and licence and license. The words with the penultimate letter as ‘c’ are nouns while the ones with ‘s’ are verbs. One can form an actuarial practice, get it licensed, practise there and provide actuarial advice (differentiated from the verb advise).

The examples that follow provide other instances of pairs of words that get confused in writing. Certain words carry more than one meaning; however, it is only the meaning that is most relevant to actuarial work that is given in these examples.

A report stating “Bored members meet once a month” is likely to impart a rather different image to that of Board members meeting, although it may be true that the meeting participants are indeed bored.

Complement as both a noun and a verb alludes to an accompaniment that improves, enhances or completes. Compliment as both a noun and a verb refers to praise and admiration. A powerful server can complement the running of a stochastic model, but regardless of how powerful it may be, it does not have the ability to compliment anything. A consultant proposing services to complement a firm’s model is rather different to one suggesting services to compliment the model. Note also the difference between the adjectives complementary (enhancing) and complimentary (free of charge).

A policyholder purchasing complementary contents insurance with buildings insurance is one buying contents insurance along with buildings insurance to get a more comprehensive product. On the other hand, a policyholder who has complimentary contents insurance with buildings insurance is one who has been given the contents cover for free when buying the buildings insurance.

A report stating “Bored members meet once a month” is likely to impart a rather different image to that of Board members meeting

Discrete means separate or distinct, whereas discreet means careful or prudent. Thus, a level of discretion is advisable when deciding on whether to describe probability distributions as discrete (for example, non-continuous) or discreet.

Principal is usually used as an adjective denoting main, primary or fundamental. As a noun, it refers to the most senior person in an organisation. Principle relates to belief or system of thought. A major assumption in an actuarial analysis can be referred to as a principal principle on which the analysis is based. An impartial headmaster can be said to be a principled principal.

Stationary means not moving or static, while stationary refers to writing materials such as pens. A stationery cupboard is usually a stationary cupboard. A stationery price index (if one were to exist) may be stationary or variable.

A variable that is weakly correlated to another suggests an insubstantial relationship between the two variables. A variable that is weekly correlated to another may suggest a connection that is discernible when both are observed at intervals of a week.

Finally, two pairs of words that seem to cause much confusion, even though they are not homophones as they are not pronounced in the same way, are affect and effect, and adverse and averse. Affect is usually a verb signifying making a difference. Effect is used as both a noun and a verb: as the former, it means a result; as the latter, it means to bring about a result. Thus, in these sentences, it would not be meaningful to use ‘affect’ in place of ‘effect’ and vice versa:

- Bad weather affects driving conditions
- The effect of bad weather is poorer driving conditions
- Bad weather effects poorer driving conditions

Adverse means unfavourable or harmful. To be averse to something is to have a dislike for that thing. Averse is often used in conjugations such as ‘not averse to’ when expressing an inclination towards something. An example of the use of these words is: an insurer would be averse to adverse claim movements.

It pays to proofread so as to avert homophone mishaps when putting words to paper. As Rudyard Kipling said: “Words are, of course, the most powerful drugs used by mankind.”

---

Forward thinking

Nisha Khiroya compares the efficacy of using spot or forward swaps to hedge pension scheme liabilities

The majority of pension schemes have seen their liability values increase over the last few years and one of the main factors underlying this has been falling interest rates. Not only have short-term interest rates fallen, but long-term rates have also reduced, and as pension schemes typically use a yield curve to discount the liabilities, lower rates along the curve have meant that their liabilities have increased.

In Figure 1, the yield curve is shown as at 30 July 2008 and 29 July 2011. This illustrates that yields at the very short end have fallen by nearly 5%, whereas at the very long end, yields have fallen by about 0.45%. In essence, the yield curve has changed shape from downward sloping (higher short-term yields compared to long-term yields) to steeply upward sloping (lower short-term yields compared to long-term yields).

Given that rates have fallen much more at the short than the long end of the curve, pension schemes have been considering hedging using forward-starting long-dated swaps. For example, a forward-starting swap agreed today that exchanges the relevant cash flows starting in five years’ time and ending in 20 years from today is known as 15-year, five-year forward swap (in short 15yr 5yr fwd).

Hence, a forward-starting swap enables you to lock into the higher long-dated yields without having to lock into the low yields in the short end (Figure 2). The perception has been that this sort of strategy provides a pick up in yield or forms a smarter hedge for long-dated liabilities. This article goes through a case study discussing this view in detail and looking at other factors that could play a major part in implementing such a forward rate strategy.

Case study

In the case study below, we compare the relative performance of a hedging strategy using spot-starting swaps with one using forward-starting swaps. The case study uses a starting date of March 2010, when forward rates were particularly high (Figure 3).

For simplicity we have modelled the liability cash flows as four bullet payments at time periods of 20, 25, 30 and 35 years, and each payment is for £10m.

Hedge using spot rates

i) The liability cash flows are valued as at 1 March 2010. For example, the £10m liability cash flow in 20 years’ time, discounted at the 20-year zero rate of 4.5%,
would have a present value of £4.1m.

ii) These liabilities are then re-valued after six months and one year on the then zero discount curve.

iii) The difference between i) and ii) gives you the change in the liability and hence the approximate value of the swap if a spot-starting swap of 20, 25, 30 and 35 was used to hedge the liabilities in i) above.

Hedge using forward rates

iv) Hedge the same liabilities described above but using five-year forward-starting swaps, ie. hedge 20-year liability using 15yr 5yr fwd swap, 25-year liability using 20yr 5yr fwd swap, 30-year liability using 25yr 5yr fwd swap and 35-year liability using a 30yr 5yr fwd swap.

v) The forward rate swap is then valued after six months and one year, ie. 1 September 2010 and 1 March 2011 respectively.

Hence, if the hedge using forward rates was more valuable, then the value of the forward-starting swap in v) above would be higher than the value of the spot-starting swap in iii) above.

The above analysis has been repeated starting at monthly intervals up to August 2010. The results of this analysis, the value of v) minus iii) above, are shown in Table 1.

The table shows that, apart from the six-month period starting from 1 August 2010, none of the time periods showed a relative profit from using forward-starting...
Swaps as opposed to spot-starting swaps. In March 2010, forward rates were at their highest, as shown in Figure 3, and yet forward-starting swaps still underperformed relative to spot-starting swaps. Let’s see why this happened.

In the six months to September 2010, 20-year spot rates had fallen by about 80bps. The forward rates had also fallen by a similar amount. However, the 4.5-year rate (we now look at the 4.5-year rate as six months have gone by and the forward swap is now actually a 30yr, 4.5yr fwd swap) had fallen by over 1.2%. The forward-starting swap performed worse than a spot-starting swap because of the effect of a 1.2% fall in interest rates at the short end of the curve where there was no hedge. A similar effect was observed at the 25, 30 and 35-year points in Figure 4.

Let’s now look at the reason for the small outperformance of the forward strategy in the six months starting from 1 August 2010. In the six months to February 2011, the 20-year spot rates had increased by about 30bps. The forward rates had increased slightly less than the spot rate — about 20bps. However, the 4.5-year rate had increased by about 15bps. The forward-starting swap performed better than a spot-starting swap because of the combined effect of a relatively large increase in interest rates at the short end of the curve whereby there was no hedge and a smaller increase in forward rates compared to an overall 30bps increase in the spot rate.

Therefore, we believe there is a misunderstanding about hedging liabilities using relatively high forward rates. Hedging using forward-starting swaps versus spot-starting swaps is about having a view on how the shape of the yield curve is likely to change and how this change in shape is likely to affect the overall liability.

Conclusion

Given the recent European crisis and the likelihood of further quantitative easing in the UK, interest rates have fallen across the curve in the last three months. Schemes that had used forward rates to lock into relatively high long-term rates were probably waiting for short-term rates to increase in order to fully hedge their liability at the short end. However, rates have instead fallen and left schemes further away from the levels at which they used to hedge. The fact that schemes have a partial hedge in place by using forward rates is better than having no hedge at all. However, the risks faced by such forward-starting strategies are related to economic news regarding the ongoing crisis, such as further recession fears, potential cuts in interest rates by the European Central Bank and so on.

The point we are making here is that, if a scheme had the view three months ago that the entire curve was ‘high’, a spot-hedging strategy would have been beneficial regardless of the level of forward rates. However, at that time the market believed that short-term rates were likely to increase and hence a forward-starting strategy may have appeared more attractive.

Unfortunately, the former view has been borne out in reality and schemes using a forward-starting swap strategies would have underperformed relative to a spot starting strategy. Hence, forward- versus spot-starting strategies are not just about the level at which you want to hedge your liabilities, but also about having a view on the level and shape of the yield curve and whether what is being forecast in the forward curve will actually happen over the relevant time frame.
Healthy options
Mike Tyler and Sharon Allaway take a look at the theories concerning employee health risk

It is not surprising that a link between good employee health and superior enterprise performance has long been believed intuitively and in a limited number of quality studies demonstrated through research. However, it is surprising that the involvement of actuaries in this area has been limited, especially since many of the core skills of the profession — such as use of sophisticated models to describe complex interactions (for example, multi-state modelling — see Figure 1) and use of mathematical techniques (for example, structural equation analysis) — are often used to quantify the impact of employee health risk (EHR) on an organisation’s bottom line. The complexity of these challenges and working in multi-disciplinary teams provide exciting development opportunities and align directly with the proposed strategy for the Profession.

This article provides an introduction to the evolving theories on EHR, its measurement and the impact on a corporate entity.

In business today, many organisations will claim that their employees are their most important asset but fail to manage their EHR. Indeed, few put any meaningful measures in place — often falling into the trap of measuring what can be measured rather than what is useful. And yet if an organisation cannot persuade its employees to attend work and give their all, they will certainly have a business that is likely to underperform its peers.

A report by Business Action in Health (2010) identified that FTSE 100 organisations that provide comprehensive reports on the impact of employee health on their business have a total shareholder return (TSR) that is 31 percentage points higher than other companies in the FTSE All-Share Index who do not report, or report minimal information, on employee health issues. The difference in TSR, measured using the

Figure 1 — A familiar use of a multi-state model in traditional actuarial work that includes ill health is in pension schemes

<table>
<thead>
<tr>
<th>Active population</th>
<th>Dead</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easy</td>
<td>Normal retirees</td>
</tr>
<tr>
<td>Unoccupied</td>
<td>Unable to work</td>
</tr>
<tr>
<td>Unable to work</td>
<td>Ill-health retiree</td>
</tr>
</tbody>
</table>

www.TheActuary.com
Student T-test, is significant at the 5% level of significance (p < 0.05).

No attempt was made to investigate the mechanism underlying the relationship between employee health and organisational profits in the above study. However, to date a small number of studies have been undertaken that have investigated how the mental and physical health of employees can impact on the potential earnings of an organisation. The challenge with many of the studies is that they do not have sufficient or consistent data over a reasonable time span to recognise the real drivers. Furthermore, the complexity of the interactions is not trivial. A selection of these studies and models are described as follows.

The Sears Roebuck Study (1998)
This study identified an algorithm based on employee drivers that was found to have both a causal and a predictive relationship with customer and financial results. The study predicted (and realised) an incremental $200m in revenue and over $0.25bn in market capitalisation from a 4% improvement in employee satisfaction.

If an organisation cannot persuade its employees to attend work and give their all, they will have a business that is likely to underperform its peers.

The Institute of Employment Studies (IES) study ‘People to Profits’ (1999)
This study identified that employee commitment can act on sales through three routes — direct sales, customer service satisfaction, staff absence — to produce a theoretical change in sales of up to £290K a month per store; see Figure 2. The model created was designed for a typical service sector organisation.

Health and productivity management: the concept, impact and opportunity (2000)
In his paper, O’Donnell hypothesised that the most important factors driving productivity are the physical and emotional ability to work and the desire to work (motivation). According to this model (Figure 3), when motivation is high, performance is high and EHR is low. This leads to higher levels of productivity that, in turn, can lead to higher profits. Interestingly, the model also shows that higher profit levels positively impact health risks which in turn positively impact motivation — leading to something of a chicken and egg situation, for instance which comes first: high profits or high employee motivation?

vielife/IHPM (Institute of Health and Productivity Management)’s Health & Performance Research Study (2005)
This study prospectively measured the impact of providing a multi-component health promotion programme in a number of organisations. The interventions led to significant improvement in health status (p< 0.0001) as well as an improvement in work performance of 3.2% in productive time (p=0.002). The latter, if expressed in terms of the number of extra days employees would be able to work in a year as a result of reducing the EHR, equates to 12 extra days’ work per person per year.

Advancing Productivity Loss Measurements (2008)
Allen’s published work specified and tested a causal model of productivity loss that confirmed the presence of two distinct components describing productivity loss — presenteeism and absenteeism. This work used structural equation modelling — an advanced statistical technique where actuaries could add value. In the study he also identified that productivity loss could be predicted using a combination of eight categories of information from data collected using a routine health risk appraisal questionnaire. Health data made the largest unique contribution but seven other categories of information made
unique statistically significant contributions. The categories, ranked in terms of contribution to their predictive power are: health data, company characteristics, financial concerns (of employee), stress (of employee), job characteristics, employee characteristics, work/life balance and personal life impact. This study highlights the complexity of such analyses.

Work by the authors has also considered linking EHR back to the business enterprise through the application of the balanced scorecard — an approach originally described by Kaplan and Norton and developed by Danielle Pratt in her book The Healthy Scorecard (Figure 4). We believe that this approach is likely to be more readily accepted by management because it aligns to the same approach that many business enterprises are already using.

These models and research studies go some way to setting a better, more informed framework for business professionals to assess the value of investing in the health of their employees. It is certainly an improvement on the very speculative return on investment calculations that often attach to proposals for an employee health intervention where spurious reductions in days lost on ill health are used to support the investment. However, there is much more to do and with the input of results from well-defined studies it is likely that in future we will be better equipped to determine and predict the value of these health initiatives. Actuaries working in multi-disciplined teams alongside HR, OH and safety professionals are well qualified to help their colleagues produce the much sought-after, but hard to produce, cost-benefit arguments supporting the introduction of comprehensive wellness programmes as a means of managing EHR. Additionally, perhaps the profession should consider expanding the content of ST1/SA1 exam syllabuses to include the sort of studies detailed here.

![Figure 3 — Mechanisms Linking Health Productivity and Profit](image)

![Figure 4 — The Healthy Strategy Map](image)

1. Marum Healthcare’s definition of EHR — The impact of absenteeism and presenteeism on the productivity of an organisation.
5. A one-point increase in employee commitment scores represents a nine per cent increase in monthly sales per store, equivalent to £200,000. In addition, a one-point move in customers’ intention to spend is associated with a change of approximately four per cent, equivalent to a further increase of £90,000 per store.
A fresh vision

Isobel Wallace reports back from Next Generation Vision, a project to improve public perception of the UK financial services industry over the next 10 to 15 years

The UK financial services industry is still struggling to pick up the pieces from the global financial crisis that hit in 2008. With public perception of the sector still at rock bottom and the threat of ever more invasive regulation, what future can the industry aspire to, and what can it learn from professional bodies like ours?

The Next Generation Vision project brought together 21 young professionals from across UK financial services to create an ambition for the industry in 10 to 15 years, as a new generation become leaders. While lacking the experience and influence of current industry executives, the diverse team — from marketing types to accountants and a lone actuary (me!) — were able to cast off the shackles of employers’ agendas and raise fresh views. We wanted to create a positive aspiration for the industry, moving away from the negativity in the press.

To inform our vision, we heard from a diverse group of nearly 40 speakers, and listened to the views of consumers and small businesses in focus groups. This was a real watershed for us. We realised that people aren’t just angry with ‘big bad bankers’ following the financial crisis — there was an existing dissatisfaction in their day-to-day interactions with financial institutions.

A key issue is lack of trust in the industry, expressed by our focus groups: “We pay in good faith but insurers don’t pay out in good faith.” “Banks lend you an umbrella when it’s sunny but take it back when it rains.”

Greater public trust in our industry would benefit our relationships with customers and the wider society, as well as easing pressure from government and regulators.

Our industry is integral to a healthy and developed economy. But its benefits are eclipsed by a lack of transparency and excessive complexity, exemplified by the recent OFT super-complaint on the retail foreign exchange market. This has led to too many examples of customers being exploited, PPI mis-selling being the latest. The lack of trust is understandable.

Against this backdrop we created our ambition: “To harness the UK financial services industry, and the talent within it, to society’s interest — so that every individual, every business and the nation as a whole can prosper”. Ultimately, we want to contribute more than we take and be an integral part of society.

To achieve this, we must expand our definition of business success to encompass more than traditional capitalist values. Our aims should include the protection and prosperity of our customers and we should measure our contribution to society, both now and in the long term.

Our behaviour needs to reflect these values. As actuaries, we already adhere to a professional code of conduct that sets out the moral compass under which we operate. There is growing momentum towards applying a similar code to the entire industry. In the ongoing tension between the competitive markets of our employers and our broader professional duties to society, this convergence could be widely beneficial.

We must also ensure that our products address genuine customer needs. They should be simple and easy to explain, without the need for caveats buried in small print. Apple sets the standard here — you don’t need to read the iPad manual because it’s so easy to use. And every product should be supported by great customer service.

Social responsibility is already on the industry agenda, but we could do more to help with the big societal issues facing our country, such as financial inclusion and financial literacy. With our resources and skills we are well placed to help tackle these issues, alongside government and the third sector, broadening our contribution and gaining public support.

Finally, our sector could be a source of national pride. Financial services underpin economic growth, contributing 14% of GDP and employing two million people. The UK is the world’s biggest exporter of financial services and is the location of choice for many international firms. So it’s important for the whole country that we maintain our competitive position as a global financial centre.

How will the vision become reality? Some wheels are already in motion, such as the work being done by the Lord Mayor’s Initiative. Firms are starting to see the benefits of truly putting the customer first. But to make a difference we need engagement from the whole industry. Actuaries have already fought to regain public trust, both as individuals and as a profession, committed to serving the public interest. Let’s help our industry do the same.

1 Focus group run by Harris Interactive

2 ‘Key facts about UK financial and professional services’, TheCityUK, September 2011
Sense of adventure
Kirsten MacLeod believes that new opportunities abound for actuaries who are ready to break the mould

Now that the tough studying is over and the STs are a distant memory, all the hard work involved gives you the right to join that elite group of the UK population who are qualified actuaries. Your new FIA status opens doors to opportunities that previously would have been beyond possibility. Qualification creates a platform where the day-to-day priorities are no longer just studying and working but expand into managing and developing core skills, thus furthering your career opportunities, increasing your earning potential, adding value and creating welcome intellectual challenges.

Actuaries have always been respected and admired for their intellect, problem solving, mathematical and economic abilities, and while the traditional role of the actuary still exists within insurance and pensions, the 21st century has presented a range of new challenges to the financial services industry, resulting in some very interesting skill and task match reviews. The effect has been the creation and evolution of opportunities for actuaries that have not existed before.

New sectors are opening up now, too — healthcare, green energy and third-world markets. In the insurance markets, you could find an actuary working in the investment, business development and risk areas — in the investment banks, actuaries are being hired into non-actuarial roles, typically in risk management, quantitative analysis and equities. With risk sitting high on every board’s agenda, intelligent, nimble-thinking and considered risk assessors are in high demand.

Business development roles are more unusual roles for actuaries. When you consider the job title, it sounds more akin to a sales role than a traditional actuarial role. These roles attract individuals with high-level interpersonal skills, who enjoy meeting people, developing relationships, networking and closing a deal — for those people, these roles offer that extra sense of achievement. The opportunities to work in a less insulated environment, work more closely with the business and take the higher level view are what actuaries find attractive, while employers appreciate the actuaries’ ability to ‘walk the walk’, not just ‘talk the talk’, giving them credibility with the client base. The ‘making the sale’ aspect enables the actuary to measure success while gaining the buzz of closing the deal. For the employer, having a sophisticated thinker who enjoys engaging with clients, providing a well-thought-out solution and, ultimately, selling a product adds value to the bottom line. The client benefits here too, with the greater understanding provided by an actuary enabling the product to be better shaped to their needs.

Investment roles excite the actuary who likes being involved at the sharp end of commercial operations. You will find actuaries in a number of markets across the investment arena including capital markets, derivatives, asset management and consulting and fund management. Running a portfolio or supporting fund managers is a much more cut and thrust business than a traditional actuarial job. It’s exciting, demanding, stressful and well paid. However, everything comes at a price and in today’s volatile financial markets these roles can appear daunting to the more risk-adverse actuary. For some, though, this is the ultimate home. These roles challenge your technical and mathematical prowess while satisfying a thirst for more excitement and commercial thrill.

Risk roles sit more naturally with the actuarial skill-set. The depth of training received and the necessity to assess and manage risk in their day-to-day roles makes for a relatively easy transition. The growing presence of enterprise risk management plays easily into the actuary’s lap. With increasing variety and numbers of local and global risks facing organisations, companies now think more broadly about the impact of different individual risks and their combinations. Silo risk management is a dangerous path to travel — actuaries typically find themselves starting out in hybrid roles before progressing into a full-blown career in risk.

What becomes clear is that these roles all offer the same attractive benefits. They all provide increased opportunities to add value, more involvement in commercial decision-making and the chance to work with a broader cross-section of departments and individuals. The role of the actuary continues to change as more and more actuaries infiltrate non-traditional areas. This will pave the way for future trainees who see themselves in time to come knocking down doors, managing funds or playing a more active role in the risk arena.
Solvency II, the incoming regulatory regime for insurers, is based around measuring the risk of an insurer becoming technically insolvent over the following year. That is, it is interested in the assessment of the assets and liabilities in a year's time. This is referred to as the one-year test, or a balance sheet-to-balance sheet test.

The balance sheet at time 1 will contain an estimate of the ultimate claims cost based only on information available at that time. This is very different from the way many actuaries have traditionally thought about and communicated risk, which is to think about the actual ultimate claims cost straight away.

There are two common approaches to implementing this one-year test: the ‘actuary in a box’ approach and the ‘recognition pattern’ approach, also known as ‘proportional emergence’. This article gives an introduction to the two approaches, in particular noting that each actually covers a number of different models rather than being a uniquely defined method.

There are two common approaches to implementing this one-year test: the ‘actuary in a box’ approach and the ‘recognition pattern’ approach, also known as ‘proportional emergence’. This article gives an introduction to the two approaches, in particular noting that each actually covers a number of different models rather than being a uniquely defined method.

Andrew Cox is a partner in LCP's insurance team working on Solvency II projects, mainly in the London market.

The balance sheet at time 1 will contain an estimate of the ultimate claims cost based only on information available at that time. This is very different from the way many actuaries have traditionally thought about and communicated risk, which is to think about the actual ultimate claims cost straight away.

There are two common approaches to implementing this one-year test: the ‘actuary in a box’ approach and the ‘recognition pattern’ approach, also known as ‘proportional emergence’. This article gives an introduction to the two approaches, in particular noting that each actually covers a number of different models rather than being a uniquely defined method.

The two approaches

The ‘actuary in a box’ approach (AIAB) seeks to model the reserves one year in the future explicitly and directly by attempting to do what the actuary would do in practice. It does this by simulating the future evolution of the sources of information used in the valuation process and specifying an algorithm that describes how the actuary would convert this information into reserves.

The most common approach I have seen uses only the claim payments. For example, when looking at reserving risk, the approach is to simulate the next diagonal of the paid triangle using a standard bootstrap. A frequency-severity model is used to generate the lower left entry of this extended paid triangle. A chain ladder is then applied to this extended paid triangle to give the best estimate reserves in that simulation. Doing this many times builds up a distribution of the best estimate reserves in one year's time.

However, especially in the London market, incurred (ie. paid plus outstanding) claims generally form the basis of reserving, so restricting AIAB to use only paid data is unrealistic.

Better models simulate the timing of the reporting of claims, as well as their payment times. So the frequency-severity model would generate the incurred claims figure in a year's time, as well as the paid claims. We can then apply a Bornhuetter-Ferguson algorithm to this incurred claims figure, which is often what would be done in practice.

It is true that this approach takes slightly more effort to implement and does increase the number of parameters. However, in my opinion the extra effort is justified by more useful results.

The recognition pattern approach first models the ultimate claims cost and then models the reserves after one year based on this ultimate cost. It could be argued there is a degree of clairvoyance in the approach. Its popularity in practice arises at least in part for historical reasons — UK insurers have created models to project ultimate costs as part of their ICA processes and there is a natural desire to try to convert this into a one-year model through the use of a recognition pattern.

There are many different variants in practice. The pattern can be fixed or stochastic, and it can be applied to the total ultimate claims cost or just to the ‘actual versus expected’ claims cost.

A formalisation

To set out the differences between the two approaches more precisely, I use the following notation:

\( F(n,t) \) represents the filtration over time.

There are two common approaches: the ‘actuary in a box’ and the ‘recognition pattern’ approach.

![Figure 1 — One-year test](image-url)

- **Actuary in a box**
- **Recognition pattern**
- Information used to set actual time 1 provisions
- Information used by ‘actuary in a box’
- Information used by recognition pattern
time generated by the first n sources of information. \( F(\infty, t) \) represents all available information at time t. One should not worry too much about how different information sources are indexed — all that is necessary is that if \( n < m \) then \( F(n, t) \) contains less information than \( F(m, t) \).

\( U \) is the ultimate claims. \( U \) is only known at time T, the time of ultimate run-off.

Under the one-year test we are seeking to calculate \( \mathbb{E}[U | F(\infty, 1)] \), i.e. the expectation at time 1 of the ultimate claims cost based on all available information at that time. The superscript ‘A’ denotes that, in theory, this is under the actuary’s risk measure. That is, ‘best estimate’ depends on the actuary and is not a unique number.

I prefer to write this as we seek \( A(F(\infty, 1)) \), the application of algorithm A, which requires information contained within \( F(\infty, 1) \). This highlights that we need to model the algorithm as well as the information.

The AIAB method can then be described as specifying an algorithm \( A'(F(n, 1)) \) based on the limited information set we model.

This leads to the identity 

\[
A(F(\infty, 1)) = A'(F(n, 1)) + [A(F(\infty, 1)) - A'(F(n, 1))]
\]

This highlights that it is insufficient to simply implement an algorithm. One should also have a stochastic error term to reflect the uncertainty in whether the algorithm is the true one and the uncertainty in whether sufficient information has been modelled. This is a point that I have not seen raised elsewhere.

The recognition pattern can be thought of as some function of the ultimate claims, i.e. \( F(U|F(m,T)) \).

Graphically, the problem and the two approaches can be represented as shown in Figure 1.

The information available when setting the actual time 1 provisions and the simulated information used by each of the methods are displayed as different shaded areas. The arrows highlight what difference in information each method has to overcome.

Figure 1 highlights one of the strengths of the AIAB — it seeks to model the reserving process. The insights this gives would potentially improve that process. As well as helping satisfy use-test requirements, this is a better model. To quote Einstein: “All models are wrong but some models are useful.”

**Parameterisation and back-testing**

One criticism of AIAB is that the algorithms used do not reflect reality. The answer is not to throw away AIAB but to model more of the information that is used in a real reserving process, for example, incurred claims as well as paid.

There is also a significant amount of information to help with parameterisation. We can look at how the reserves have been set historically — adjusting to Solvency II technical provisions and use this to come up with a possible algorithm.

Applying this algorithm to the data available at each historic time period, we can create a triangle of estimates to compare with the triangle of actual reserves. This means we can look at the differences to identify systematic errors in our algorithms, which would suggest we need to include some other information. We could also use these differences to parameterise a stochastic error term in our model.

I have yet to see a credible suggestion for parameterising a recognition pattern.

In a year’s time, we will know all information at that point and the actual reserves set. We also know the algorithm we use in our AIAB model. We can apply this algorithm to the actual data and compare the output to the actual reserves. That is, in a year’s time we can usefully back-test our model.

Again, I do not see how this could be achieved with a recognition pattern.

**The future?**

My prediction is that many firms will go down the recognition pattern at first, as it is often the path of least resistance in model building. However, as the validation and backtesting processes become more defined, I believe there will be more of a move to an ‘actuary in a box’ process.

This is even more likely if the difficulties around the recognition pattern approach lead to conservative assumptions, which increase the capital requirements.

---

The views expressed in this article are those of the author and not necessarily those of LCP as a firm. The firm is regulated by the Institute and Faculty of Actuaries in respect of a range of investment business activities.
Chief Actuary
Finance Actuary
Graduate Actuary
Actuarial Manager
Investment Actuary

The best range of Actuarial jobs in the market

Create a job alert – Get your ideal jobs sent straight to your inbox
Create a searchable CV – Let recruiters find you
Upload your CV – For a quicker, easier application

Looking to recruit? Call 020 7316 9618 or email sales@theactuaryjobs.com
A change of view

Harjit Saini and Gareth Haslip describe how capital management at Lloyd’s is changing in response to the requirements of Solvency II

The introduction of Solvency II has resulted in the need for Lloyd’s to review how capital is managed within the market. On 31 October 2011, managing agents within the Lloyd’s market are required to provide the first formal submissions of an internal model Solvency Capital Requirement (SCR) in Europe. This will be a key milestone for the Solvency II programme at Lloyd’s.

**Capital structure at Lloyd’s**

The unique chain of security at Lloyd’s provides financial security to policyholders and capital efficiency for members. This capital structure and security is acknowledged by market participants and analysts as providing a significant advantage to operating at Lloyd’s. Capital efficiency is achieved through each member providing several capital funds (Funds at Lloyd’s), held in trust, and annual contributions to a mutual layer of capital to fund extreme downside risk (Central Fund). The Lloyd’s capital structure is also beneficial to policyholder security. The insolvency of a non-life insurance company results in a risk of default on all policyholder claims, however, in the case of Lloyd’s, many members may still be solvent when the Central Fund is insolvent. Hence, the average policyholder loss given default is lower at Lloyd’s than a comparable company for similar return period losses.

Figure 1 shows how losses flow through the Lloyd’s chain of security. The figure shows that, in the event of Central Fund insolvency, members in the market may still make profitable returns. This highlights the diversity of risks transacted through Lloyd’s, the geographical spread of these risks and the diversity of capital providers.

The level of mutuality within the market is managed to ensure Lloyd’s remains commercially attractive while providing policyholder protection. Lloyd’s considers the suitability of the overall level of Funds at Lloyd’s and the Central Fund on an annual basis. Funds at Lloyd’s are set through the member capital setting process which currently involves a review of each syndicate’s Individual Capital Assessment (ICA). An economic uplift (currently 35%) is applied by Lloyd’s to agreed ICAs in setting Funds at Lloyd’s at a level that provides a target credit rating (given the balance of several and mutual capital). One of the key roles of the member capital setting process is to help ensure each member derives a similar benefit from the Central Fund per unit of exposure. Hence, the equity of Funds at Lloyd’s, between members, plays a crucial role in capital management.

**Risk horizon**

The member capital setting process is currently based on syndicate ICAs, which are an ultimate assessment of risk. Since there will be no regulatory requirement to complete an ICA after the inception of Solvency II,
Lloyd’s has reviewed the basis for member capital setting.

The ICA is calculated as the level of risk capital required to support the ultimate realisation of losses such that the probability of insolvency is less than 0.5%. Solvency II introduces an SCR risk measure defined as the potential decrease in the net asset value following a one-in-200-year event, over a one-year time horizon.

One of the key differences between an ICA and SCR is the risk horizon. The ICA measures the ultimate emergence of risk whereas the SCR considers risk over one year, with an allowance for the cost of funding future capital. Additionally, there is a difference in the treatment of future business.

For example, if we consider an SCR calculation as at 31 December 2011, a policy written at the end of December 2012 is likely to reduce an SCR whereas the ICA is written at the end of December 2012 is.

The ICA is calculated as the level of risk capital required to support the ultimate realisation of losses such that the probability of insolvency is less than 0.5%. Solvency II introduces an SCR risk measure defined as the potential decrease in the net asset value following a one-in-200-year event, over a one-year time horizon.

As discussed, ensuring capital is held equitably between members plays a crucial part in member capital setting, so it is important to consider how the two calculations differ. For example, if one-year risk capital is always lower than ultimate risk capital by a fixed percentage, an increase to the economic uplift could result in no change to member capital. However, if the one-year and ultimate calculations vary significantly between classes, there will be winners and losers. Lloyd’s needs to consider the reasons for these movements before determining a solution that aligns the member capital setting process with the Lloyd’s business model and risk appetite.

**Findings and critique**

The level of risk emergence over one year compared to ultimate risk recognition can vary substantially between classes. Several methods have been developed over recent years for measuring reserve risk over a one-year time horizon and market studies are now available that show the difference in volatility emergence. The Aon Benfield Insurance Risk Study for 2011 provides an assessment of the one-year and ultimate reserve volatility for major US classes of business based upon company size. The difference between classes of business can be significant. For example, for large companies (> $500m), the one-year and ultimate reserve volatility for property liability are 7.5% and 18.8%, whereas for homeowners, the respective volatilities are 10.5% and 12.2%. This means that for syndicates writing different classes of business, the impact of risk horizon on each member’s capital could be extremely significant.

One key complexity of the Solvency II regime can be traced back to the decision to follow a cost of capital approach to assess the risk margin. A simpler alternative would have been to apply a percentile-based risk margin — this is commonly used by (re)insurers for assessing the loading on top of the best estimate required to reach the fair value of liabilities under a Part VII transfer. The philosophy underlying the risk margin is that, following a one-in-200-year event, an insurer’s risk-bearing capital will have been depleted by an amount equal to the initial SCR. If the remaining available capital is less than the point in time minimum capital requirement, it will be necessary to cease business and transfer the liabilities to a third party.

The key question is what size loading on top of the best estimate of the liabilities will the third party require in order to accept the transfer? Under the cost of capital approach, the third party would quantify the level of risk-bearing capital it will be required to hold in each future year over the lifetime of the liabilities and assess the discounted cost of raising this additional capital.

While this approach is correct from a financial economic standpoint, it creates serious challenges for implementation due to the difficulty in defining the risk margin in terms of future SCRs, since the definition of the SCR already includes the potential change in risk margin during the year. While a number of simplifications have been developed to resolve this apparent circularity, they vary in terms of conservativeness and complexity.

As illustrated in the article on Risk Margins in *The Actuary*, December 2006, the difference between the exact computation of the risk...
margin compared to the ‘proportional’ simplification can be non-trivial for certain classes of business. In Figure 2, we provide a simplified view of the liability paths that contribute towards the initial SCR and risk margin under the cost of capital methodology to illustrate the conditional nature of the calculation.

In order to compare the overall relative conservativeness of the ICAS and Solvency II regime, it is necessary to consider the total resource requirements — the sum of technical provisions and required capital. Some of the key differences between the two regimes can be characterised as:

- The impact of risk horizon on the level of assessed risk capital
- Discounting effect in assessing technical provisions
- Inclusion of a risk margin in the technical provisions. The risk margin may compensate for the effect of discounting, but the net impact will depend on the riskiness and duration of the liabilities.

There are also differences in what is allowed to count towards available capital, which can have a substantial impact on the assessed level of regulatory solvency (while the true economic position is unchanged). The overall balance of the above factors will vary considerably between syndicates, depending on the mix of business.

### Member capital setting under Solvency II

The SCR basis may be considered economically more efficient than an ultimate risk assessment for managing capital needs. The SCR assumes future capital will be raised as risk is expected to emerge, whereas an ultimate assessment requires risk to be collateralised immediately. For Lloyd’s, use of the SCR would assume members continue to have access to, and provide capital to support liabilities until full risk emergence.

A change to this philosophy would result in the risk of members not replenishing capital as required, and posing greater Central Fund risk. In other words, if the economic uplift remained unchanged, additional resources would be required for the Central Fund to maintain the targeted credit rating and existing level of policyholder security (that is, to change the level of mutuality within the market).

The shift in capital from Funds at Lloyd’s to the Central Fund would benefit long-tail writers where the risk emerges slowly. Long-tail writers would derive greater benefit from the Central Fund, as Central Fund contributions are provided by members based on a percentage of premium. This would also allow members to take a ‘bet’ on risks with slow emergence, for example:

- Write a policy with slow risk emergence and therefore low initial capital requirements
- If the risk emerges favourably, continue to meet capital requirements and benefit from the profits
- If the risk emerges unfavourably, do not replenish capital and cap your loss.

The same issue also exists if Lloyd’s were to increase the economic uplift to preserve Funds at Lloyd’s at its current level. This would result in a shift in capital held, within Funds at Lloyd’s, from long-tail writers to short-tail writers who would become overcapitalised.

For these reasons and after consultation with the Lloyd’s Market Association, Lloyd’s decided to continue setting member capital using an ultimate risk horizon. Capital will be determined using the Solvency II balance sheet as a starting point. An ultimate calculation is more in line with setting member capital on an underwriting year basis and will exclude exposures relating to any underwriting year beyond the new business period (for instance, exposures related to unincorporated legal obligations at the year-end balance sheet). This capital requirement will be uplifted to ensure the total resource requirements remain similar to the level currently held.

Figure 3 shows the moving parts of the total resource requirements from the current basis to what may occur under Solvency II in the Lloyd’s market. Lloyd’s argues that this approach maintains a capital structure that is commercially attractive, that continues to provide strong policyholder protection, while also adapting the capital setting process to be in line with market developments.

---

1. SCR is reduced by the economic value of the policy less the cost of funding future capital. This is typically positive for business written to a profitable target

2. It is not actually circularity, since the problem is path dependent and future SCRs are calculated conditional on the historical path of reserve development. However, this exact risk margin calculation can require nested Monte Carlo simulation which is undesirable, and the majority of undertakings are pursuing simplified approaches in their Solvency II internal models.

---

**Figure 3 — Total resource requirements**

<table>
<thead>
<tr>
<th>Now</th>
<th>Solvency II</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uplift to economic requirement</td>
<td>Ultimate risk</td>
</tr>
<tr>
<td>Total 1:200 requirement</td>
<td>SCR</td>
</tr>
<tr>
<td>ICA</td>
<td>Premium debtors*</td>
</tr>
<tr>
<td>UK GAAP technical provisions</td>
<td>Solvency II technical provisions</td>
</tr>
</tbody>
</table>

*and other balance sheet changes
My Week with Marilyn
Clare Whitelam sets the scene for the highly anticipated film out this month

In the summer of 1956 a young man, newly graduated from Oxford, is assigned to work on a British film as a third assistant director. He keeps a journal of his days on set, dramatising the events of one week of his life during this period. So far, so ordinary, but a little more investigation reveals a film radiating with stars of stage, screen and literature.

The writer in question was Colin Clark, younger son of art historian, Kenneth (later, Lord) Clark and the brother of politician and infamous diarist, Alan Clark. Using his father’s contacts and his talents of persistence and flattery, he was hired to work on the film The Prince and the Showgirl (1957).

To say it was a stressful shoot, would be an immense understatement.

The most distinguished actor of the day, Sir Laurence Olivier, took on the lead role of the Prince and that of director, with Marilyn Monroe cast as the showgirl, supplanting Olivier’s then wife, Vivienne Leigh, who had assumed the role in the original play. In 1956 Monroe was undoubtedly the world’s most famous movie actress. She was also something of a mystery — although outwardly happy, she remained vulnerable, insecure and neurotic. Months earlier she had belied her ‘dumb blonde’ status, by marrying the acclaimed intellect and playwright, Arthur Miller. Clark is given the responsibility of attending to Monroe’s every need that included a magnificent manor house in Surrey placed at their disposal — together with a security guard and driver — during the four months of filming.

Olivier co-produced the film with Monroe and initially had high hopes for the partnership. His view quickly soured as Monroe consistently failed to turn up on set on time, remember her lines, follow her cues or take his direction. She relied instead on her own drama coach, Paula Strasberg, a disciple of the method school of acting of which Olivier had little patience. When asked for her motivation in one particular scene, Olivier is famously quoted as telling her: “To finish it without fluffing your lines, darling — and try to be sexy.” Co-star Dame Sybil Thorndike took Monroe under her wing, frequently rebuking Sir Laurence for his bullying tactics. Olivier was presumably unaware of Monroe’s fragile state following a suspected miscarriage, the departure of Miller abroad and the discovery of a diary entry of his in which he complained of being disappointed and embarrassed by her in front of his friends, thus confirming one of her greatest fears.

Clark’s diaries chart the growing friendship between the lowly assistant and the glamorous actress culminating in a week where he helps Monroe escape from the pressures of being a Hollywood icon, introduces her to the delights of England and hints at more than a touch of intimacy. My Week with Marilyn is itself bursting with acting talent. Oscar-tipped actress Michelle Williams plays Monroe, nobly gaining weight in an attempt to mimic Marilyn’s generous curves. Kenneth Branagh is cast as Olivier, with Judi Dench as Dame Sybil Thorndike. Other cast members are equally impressive, including Emma Watson, in her first film since the Harry Potter series, Eddie Redmayne playing Colin Clark, and a starry ensemble including Derek Jacobi, Zoë Wanamaker and Dominic Cooper.

My Week with Marilyn opens in the UK on 18 November 2011.
Solutions for October 2011

October prize puzzle  Do you remember the first time?

1) Any definition of alpha (NATO alphabet reading forward)
2) C (major keys by number of sharps reading forward)
3) Blue (Trivial Pursuit category colours reading up the card)
4) {3,3} (these are the Schlafli symbols for the five platonic solids reading forward. The Schlafli symbol \( p,q \) is defined for a regular polyhedron having \( q \) regular \( p \)-gon faces meeting at each vertex. A tetrahedron has three equilateral triangles around each vertex, thus its Schlafli symbol is \( \{3,3\} \))
5) Vintage or grape harvest (etymology of French Revolutionary months reading backwards)
6) Three and five (twin primes reading forward)
7) First (official nicknames of US states in order of succession to the Union reading forward — other answers are acceptable, but First is the official nickname)
8) 841 (widths of ISO 216 A series paper sizes in mm reading from A4 backwards)
9) Sophia (wives of Kings George I-V reading forward)
10) Volcanic lava (definitions of allowable two letter scrabble words reading backwards)
11) 1444 (years using each Roman numeral exactly once reading forward)
12) Classical (styles of architecture on the reverse of Euro banknotes reading backwards)
13) Norway (countries that have provided Secretaries General of the United Nations reading forward)
14) William Shakespeare (subjects of the portraits numbered one to five in the collection of the National Portrait Gallery reading forward)
15) 5 (decimal expansion of the Euler-Mascheroni constant reading backwards)

Puzzle 484 solutions  Cryptkeeper
November prize puzzle 1 P P i N?

How many of the following alphanumeric cryptograms can you crack? For example, t 12 D o C = the 12 Days of Christmas. As a tie-breaker, you are invited to come up with your own question along the same lines, with creativity being rewarded before obscurity.

1) 1 S o a E
2) 2 N K
3) 3 Q t M M
4) 4 I P
5) 5 P M o t U N S C
6) 2 S o t W a C L; W a B
7) 7 6 T L t B P
8) C t I C o t 2nd M o O
9) 2 2 L i t H A
10) 100 S 1 a Y
11) 18 C i t U B R; 16 R a 2 C
12) 7 S i t C W b t S o L
13) 1 P S b V G i H L; R V
14) 4 S a 7 Y A
15) 1326 P S H i T H
16) 2 D W o t B P; P C a J M C
17) J C 1 1 V 3 S i t S V i t B; J W.’
18) M B a J W w b D o T R o t n B o E 5 0 P N
19) 1 3 9 T C W b G G f A; t M i R U H
20) W I w 1 a 2 0 J H a W M S, ’G C a P a G b n Y H A.’

Terms and conditions

The prize will be awarded for the most complete entry received before the closing date. In the event of a tie, the tie-breaker will apply. The winner’s name will be announced in the next edition. Please note that the puzzles editor’s decision is final and no correspondence will be entered into. We reserve the right to feature the winner’s name and a photo (if supplied) in The Actuary, and to use any tie-breaker entries in future puzzles. Your details will not be passed to any third party in connection with this draw.

Puzzle 485

All of the following (apart from the last one) are clues to words that are at least seven letters in length. How many can you get?

1) Earthenware vessels
2) Breach
3) Breed of dog
4) Royal assistant
5) Glass tube
6) Pensioner
7) Pantomime character
8) More attractive
9) Journalist
10) Decency
11) Ballet move
12) String puller
13) Code of behaviour
14) Model
Puzzle supplied by Peter Davies

Puzzle 486

By using only standard arithmetical operations and following the normal rules of arithmetic — without using any expressions that equal zero — can you make:

1) 30 with five 2s?
2) 243 with three 3s?
3) 1,300 with six 4s?
4) 24 with two 5s?
5) 3 with seventeen 6s?

October prize winner

Congratulations to October’s winner, Lynne Davis

For a chance to win a £50 Amazon voucher, please email your solutions to puzzles@the-actuary.org.uk by 14 November 2011.

Bridge challenge 19

Travel to Vienna

A useful beginners’ guide to playing bridge can be found at www.ebu.co.uk/education/learning/default.htm. Please send any comments you have to Danny McMillan at puzzles@the-actuary.org.uk.

West passes, Partner opens 1NT (12-14) and you bid four hearts.

West plays ♦ AKQJ. After ruffing the fourth diamond, you play A ♥ and both follow. How do you play?

A clue — can you deduce anything about the finesses?

SOLUTIONS AND MORE PUZZLES ONLINE

October solutions can be found at www.TheActuary.com/puzzles. Please send new puzzle ideas to puzzles@the-actuary.org.uk.
Do you ever wonder whether you have picked the right actuarial path, the one that is best for you? If so, help is at hand. To help reassure you, take the test and find out if you can rest easy in your bed tonight, knowing that you’re in the job of your dreams!

The exams are over for another few months now and I hope that they went well for you. Don’t forget your work-based skills essays and learning log. Now is the perfect time to rattle off a couple!

If you landed on:

- **A**: You could be an ideal candidate for capital modelling
- **B**: Are you sure that being an actuary is for you?
- **C**: You were born to work for Lloyd’s syndicate
- **D**: The Government Actuary’s Department could be right up your street
- **E**: Could reserving be your destiny?
- **F**: Pricing seems to fit you well
- **G**: A pensions consultancy would be your perfect workplace
- **H**: You’re set for a career in life insurance
Actuary of the future

Dalisu Dube

Employer and area of work
Etana Insurance, short-term insurance.

How would your best friend describe you?
Charismatic, ambitious, driven and fun-loving.

What motivates you?
The thought of making a difference to a person or group of people within the actuarial community — through my work or social involvement.

What would be your personal motto?
No God, no love. Know God, know love.

Who do you admire most and why?
I’m inspired by any person who has every reason to fail and, despite this, sees opportunity in adversity and makes a success of their lives. I admire vision, self-confidence and ambition that raises a person beyond their assumed limits.

How do you relax away from the office?
I love to travel and see different places and experience diverse cultures. Reading is another way in which I feed these two passions.

What’s your most treasured possession?
My Etana-branded Mini and a selection of music on my iPod (which includes a mixture of soul and classic jazz).

Alternative career choice?
Teacher. This is borne out of the love of learning and imparting knowledge.

If you ruled the world, what would you change first?
I would make education more affordable (possibly even free... somehow).

Books

The Trouble with Markets: saving capitalism from itself
by Roger Bootle

In the early months of 2010, The Actuary printed a review of Roger Bootle’s work of crisis literature, The Trouble with Markets. The book was described as “lucid and fascinating” by its reviewer, Andrew Tjaardstra of Professional Broking. This October it was re-released in paperback with a substantial amount of new material added, all pertaining to the current financial crisis or, more accurately, the one that is now becoming apparent.

In the first iteration of The Trouble with Markets, Bootle began his book by describing the background to, and deep causes of, the first of the current crop of financial crises back in 2008, a combination of “greedy bankers and naive borrowers, mistaken central banks and inept regulators, insatiable western consumers and over-thrifty Chinese savers”. Offering a balanced critique of the free-market system that first engendered the meltdown, Bootle outlined both the positives (the relatively even distribution of benefits across the country) and the glaring negatives (monopoly and insecurity; self-serving, unwieldy financial institutions and an increased propensity for immoral decision-making in the boardroom). A rare thing for a Square Mile insider. This was then followed by a considered appraisal of the crisis as it stood at the time of writing, of quantitative easing in times of great need (his verdict: not a bad thing), analysis of the new economic status quo — looking at the rise of China and their investment in the west alongside other super-saving Asian countries — and a reckoning of the financial sector as a whole, one in which he suggested dramatic reform as a possible way out of deadlock.

Now, two years later, Bootle expands on his original thesis with a wealth of new material, examining, among other things, the apparent fragility of the Euro, the Vickers report and other major events encountered along the road from the last financial crisis. It is to sovereign debt, though, that he devotes a major part of his work, almost 30 pages of new content wherein he looks at the geography of the phenomenon from its naissance in government support of an ailing banking system through the crisis of public finance we’re in today, to the impending Greek default. When looking at instances of past default and the immediate aftermath thereof, he cites not just Argentina and Russia, but calls on a whole host of examples spread across two centuries to make his case — each nation having something different to show for having once been unable to pay their debts.

Though he is quick to point out that we arrived here “less by luck than by judgment” and blames governments for having been “blithely insouciant” in the face of mammoth public-sector debt, Bootle’s inquiry is marked in its cool temper and control. There is also a lesson to be learned in his assertion that “default is not only about what is possible, but also what is desirable”. In some cases, it is greatly so. One is reminded of Mario Blejer, who managed Argentina’s central bank in the aftermath of the world’s largest default, and his statement that “Greece should default, and default big. A small default is worse than a big default and also worse than no default.”

Overview provided by publisher Nicholas Brealey.

CRITICALLY CHALLENGED

We welcome readers’ suggestions of relevant books for our contributors to review or, alternatively, if you would like to submit your own reviews, then please email sharon.maguire@incisivemedia.com
Andrew Turnbull has confirmed the appointment of Peter Ball as managing director of JLT Investment Solutions. The move, which is subject to FSA approval, will see Mr Ball join the executive board of JLT where he will assume responsibility for the Investment Management and Investment Consulting business areas.

Prior to joining JLT, Mr Ball was head of UK Institutional Business at JP Morgan Asset Management, a position he held for 13 years, and, before that, was head of DC business at Fidelity Investments. Mr Ball has also been a senior consultant at Towers Watson.

JLT Investment Consulting has also announced the appointment of Peter Martin as head of manager research. After a long career with Aon Hewitt, Mr Martin has joined JLT as a senior investment consultant, based in JLT’s head office in London.

PartnerRe recently announced that Andrew Turnbull has joined the company in the newly-created position of group strategy and business development officer. Mr Turnbull will report to PartnerRe chief executive officer Costas Mirantis. In this position, Mr Turnbull will help guide the company’s strategic planning and development, including evaluation of business opportunities.

Mr Turnbull has more than 21 years’ experience in the insurance and reinsurance industry in a variety of underwriting and actuarial roles. Most recently he served as chief actuary and chief operating officer of Torus Insurance. Prior to that, Mr Turnbull was the chief operating officer and chief underwriting officer of XL Financial Solutions.

Jamie Willis has joined Mercer as a partner in the retirement practice, working for clients across London and the South East. He was previously a partner in the pension team at Deloitte and specialises in advising corporate sponsors of pensions and employees benefit plans.

Mr Willis has over 20 years’ experience as a consultant working on UK and international clients, helping them determine benefit strategy and manage costs and risks. He will be based in Mercer’s office in Leatherhead, Surrey. Mercer has also appointed Phil Howard as a senior associate in its governance and trustee services group. Based in London, Mr Howard will consult on operational effectiveness, operational risk and evaluation of sourcing options, as well as using his auto-enrolment knowledge to help clients prepare for employer duties starting in 2012.

Before joining Mercer, Mr Howard was the operational information manager at the National Employment Savings Trust (NEST).

Lucida has announced that Ben Bramhall joined the company as a marketing executive, with effect from 1 September. Mr Bramhall joins after seven years at KPMG where he was an associate partner, and prior to that he spent six years at Punter Southall.

MGM Advantage, the retirement income specialist, has announced the appointment of David Gulland to the executive team and board as chief risk officer. He will be responsible for the investment, finance, actuarial, compliance and risk management functions at the company.

Mr Gulland moves to MGM Advantage from Reinsurance Group of America’s (RGA) UK and Irish business, where he was managing director. Prior to joining RGA, he was an associate partner of the actuarial and insurance solutions business at Deloitte. He has extensive experience within the UK life insurance industry, having worked with a diverse portfolio of clients. This has involved numerous statutory roles as actuarial function holder and reviewing actuary, as well as providing strategic advice to boards on corporate transactions, product development and the implications of regulatory change.

Perry Thomas was recently appointed group chief actuary at HSBC, covering all life and general insurance manufacturing and distribution across the world. He was previously CEO of HSBC’s insurance businesses in Ireland.

Barnett Waddingham has added to its corporate team with the appointment of Andrew Vaughan as a partner. He will advise corporate clients on a variety of issues, including risk reduction exercises and accounting matters. Barnett Waddingham has also announced a new appointment in its Liverpool office.

Have you moved?
Please send news of moves, promotions, retirements and appointments to peoplemoves@the-actuary.org.uk

Change of address
Please remember to update your details on the Profession’s website at www.actuaries.org.uk/members/transactions

Forward features in The Actuary
The Actuary’s team welcomes contributions from members or contacts in and around the profession. If you would like to contribute, please contact Tracey Brown at features@the-actuary.org.uk with suggestions.

The full list of 2012 issue themes will become available shortly, visit www.TheActuary.com
HEAD OF ACTUARIAL
£160k - £180k basic + bonus, London
Following an internal promotion this Lloyd's syndicate is looking for a Head of Actuarial to lead their ever expanding team. The successful candidate will work closely with the Board and manage a team of qualified and student actuaries across pricing, reserving and capital modelling. To be considered you should be confident working with and presenting to Board members. This role will suit someone who is ambitious, confident and relishes a challenge.

RESERVING MANAGER
£90k - £120k basic + bonus, London
This boutique insurer is looking for a reserving specialist to lead their expanding team. The role will report into the Chief Actuary and be a significant addition to the team. There will be exposure to pricing and capital modelling and input into the strategic direction of the Group. The right candidate should have a proven reserving background and managerial experience would be a big advantage. There is already sign off to continue to expand the team and this position will be an integral part of the teams growth plans.

M&A ACTUARY
Market leading package, London
Fantastic opportunity to join a company on the acquisition trail in Europe & the US. They are searching for a Life Actuary with experience in either Europe or the US to be able to operate at all levels from forming the M&A strategy to delivering detailed financial models forecasting future cashflows. The right person will have M&A experience and thrive in a challenging, changing and trusted environment where considerable responsibility and ownership will be handed to you from the outset. Foreign language skills highly advantageous.

EUROPEAN POSITION OF THE MONTH:
Head of Economic Capital Management Operations - Insurance
Very competitive salary - circa 200k CHF
Great career perspective in a fast growing environment
Zurich

High Finance Group have a dedicated European Actuarial desk, with roles throughout Europe across Life, Non-Life and Pensions. These roles cover all levels of experience and if you are interested in progressing your career in Europe please contact us for advice. Examples of current roles:

Life
- IFRS Life Reporting Actuary
- Life Risk Analysis Actuary
- Senior Life Reinsurance Actuary

Non-Life
- Reserving Actuary
- Economic Capital Actuary
- Head of P&C Practice - Consulting

Risk
- Financial Risk Manager
- Senior Market Risk Manager
- Consulting - All Levels

www.jobs.the-actuary.org.uk

+44 (0) 207 337 8880

actuarial@highfinancegroup.co.uk
Darwin Rhodes’ well established UK Actuarial recruitment team is based in the heart of the City on Cornhill, and has been helping actuaries find new roles throughout the UK and Europe since 1996. We work across Non-life, Life, Pensions and Investments at all levels from student actuaries to Partner and Chief Actuary.

We offer our clients a range of services including retained search, advertised search and selection, and contingent solutions - on a permanent and contract basis.

Our candidates benefit from our experienced and long serving consultants who offer a consultative, discreet, and 100% transparent service.

For more information regarding contract or permanent recruitment in the UK and Europe please contact;

UK
Ben Whalley:
b.whalley@darwinrhodes.com

Europe
Michael Lixenberg:
m.lixenberg@darwinrhodes.com

Life UK
c.chowne@darwinrhodes.com
a.byrnes@darwinrhodes.com
j.walker@darwinrhodes.com

For a chance to win one of these fantastic prizes, or to discuss any recruitment needs, please make sure you visit the Darwin Rhodes stand between plenaries and workshops.

**ALM Actuary**

London

up to £80,000 + benefits

Reporting to the Head of ALM, this is a key role, supporting all aspects of ALM for with-profit and non-profit business. You will ensure all material aspects of actual ALM practices are reflected on models used, you will manage the investment and asset/liability matching/hedging strategies in place to reduce market and investment-related credit risk and well as provide support to other ALM investigations.

As a qualified actuary, you must have a background in either life office financial reporting (i.e Pillar 1, Peak 2, ICA), ALM or investment management with strong technical and analytical skills. You will need confident relationship building, communication and presentation skills.

Ref: ACC5426

**Life Actuary**

Home Counties

Up to £80,000 + benefits

Award winning life insurance company is seeking an Actuary to perform traditional review and reporting role. You will be liaising with senior management to provide a comprehensive and commercial actuarial service to meet business, regulatory and statutory needs. This will include reviewing reserves, planning, assisting in the production of the ICA and FCR reports, and reviewing and improving department processes and procedures. There is also the potential to manage staff.

We are looking for the successful candidate to be a Qualified Actuary with relevant experience gained in either a life office or consultancy and good project management skills with business and commercial acumen.

Ref: ACC5784

**Opportunities in Economic Capital**

London

£95,000 + excellent benefits and bonus

Be part of a team at the cutting edge of solvency 2 and technical development for this market leading Life Insurer. The role carries a breadth of coverage and will expose you to group issues involving bringing US and non-EU entities into the solvency 2 framework. You will already be able to demonstrate a significant understanding of Economic Capital methodology and market risk calibration. You should possess excellent influencing skills and an ability to gain credibility with senior management. Individuals with backgrounds such as stochastic modelling, ALM and risk hedging programs may also be considered. It is expected that you will be a qualified actuary with some experience post qualification. This is an opportunity to broaden your knowledge base away from core actuarial disciplines.

Ref: AAB5577

**Qualified Actuary**

Hong Kong

£Competitive

Our client is a major international client with offices throughout the UK and Asia. They are looking for a contractor to replace a consultancy that is currently carrying out the work for them. The position is based in Hong Kong and the consultancy is UK based. Ideally they are looking for a recently qualified actuary with UK Pillar 1 and documentation experience. Tax will be reduced and contract length is to be determined. Candidates available at short notice will be of preference and visas will be handled by the employer.

Ref: AJW5778
Corporate Pensions Advisory - London
Attractive Salary & Benefits Package

This international advisory firm is looking to hire an experienced pensions actuary to advise FTSE 250 clients on a range of pensions issues covering funding, risk management and benefit design. This person will lead on projects aligning pension and benefit programmes with the overall company strategy. Candidates will have at least 5 years post qualified experience of advising the management of listed businesses probably from within a Big 4 environment. Candidates will have strong client relationship skills and contribute to the development of the corporate advisory service offering.

Contact anthony.chimisis@ipsgroup.co.uk
+44 20 7481 8686

Corporate De-Risking - London/Manchester
Attractive Salary & Benefits Package

An opportunity to join the specialist pension scheme de-risking arm of this well known consulting firm. The practice designs de-risking and liability mitigation solutions for corporate plan sponsors. They are looking for an experienced pensions actuary with a corporate/employer bias as opposed to trustee focus and with experience of the buyout and de-risking market already under their belt. It is a prerequisite that candidates will have strong experience of ETVs and pension increase exercises and will have run and taken control of all aspects of these projects.

Contact simon.arthur@ipsgroup.co.uk
+44 113 202 1577

Financial Reporting Actuary - London
Attractive Salary & Benefits Package

This Global insurer and reinsurer are seeking a Financial Reporting Actuary to support the Global Specialty strategic business unit. Main responsibilities will include building actuarial valuations, supporting the budget process and dealing with US GAAP, SEC financial requirements and UK GAAP regulatory framework. The successful candidate will have a minimum of three years of post qualified actuarial work experience within the Property and Casualty insurance industry.

Contact ivan.clarke@ipsgroup.co.uk
+44 20 7481 8686

International Consultant - Singapore
Attractive Salary & Benefits Package

This global consulting firm is looking for a an experienced qualified actuary to advise a mix of both international and domestic companies on the design and financial management of their employee benefit schemes. This will involve a combination of working on recurring and one-off projects including M&A, pensions, risk and medical benefits consulting. Candidates will have qualified as actuaries with 3 years experience of advising clients on international benefit programmes either as a lead or support.

Contact anthony.chimisis@ipsgroup.co.uk
+44 20 7481 8686
Actuarial Contractors: Time for Change?

Is it time for change this autumn? Are you getting the most from your agency? OAC is the preferred choice for benefits and winning contracts.

OAC supports its contractors by providing them with PII cover and offering important supplementary benefits such as paid release for CPD, advice from OAC actuaries at any time, and free trial access to Mo.net® financial modelling software.

As an award-winning actuarial and financial services consultancy we pride ourselves on being different to other interim resourcing agencies and for providing the highest professional standards. We fully understand the changing needs and requirements of our contractors, and we are committed to working with them so that they can achieve their personal and business objectives.

Experience the difference yourself and get in contact with us today.

For more information
Colette Lurshay
+44 (0)20 7278 9500
interimresourcing@oacplc.com
oacplc.com/interimresourcing

<table>
<thead>
<tr>
<th>Solvency II - General Insurance Actuaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience: Student Actuaries / Qualified Actuaries.</td>
</tr>
<tr>
<td>Daily rate: Excellent, dependent on experience.</td>
</tr>
<tr>
<td>Duration: 6 months to March 2012.</td>
</tr>
<tr>
<td>Description: Risk Workstream Lead role and External Delivery role. Risk management experience desirable, understanding of ICA and Solvency II, and senior role to oversee risk workstream as part of a wider Solvency II project.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Solvency II Actuaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience: Part-Qualified Actuaries / Qualified Actuaries.</td>
</tr>
<tr>
<td>Daily rate: Excellent, dependent on experience.</td>
</tr>
<tr>
<td>Duration: Initial contracts are for 6 months.</td>
</tr>
<tr>
<td>Description: A number of openings to work in strategy, capital and risk, and predominantly in project work.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Solvency II Actuary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience: Qualified Actuary.</td>
</tr>
<tr>
<td>Daily rate: Excellent, circa £1,000.</td>
</tr>
<tr>
<td>Duration: Initial contract is for 6 months.</td>
</tr>
<tr>
<td>Description: At least 5 years’ PQE. Working in internal model development team, supporting the Pillar 1 workstream.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Solvency II Workstream Lead</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience: Near Qualified Actuary / Qualified Actuary.</td>
</tr>
<tr>
<td>Daily rate: Excellent, circa £1,000, dependent on experience.</td>
</tr>
<tr>
<td>Duration: Initial contract is for 6 months.</td>
</tr>
<tr>
<td>Description: To lead financial reporting and MI workstream of Solvency II programme.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Solvency II - Capital Development Actuary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience: Qualified Actuary.</td>
</tr>
<tr>
<td>Daily rate: £900.</td>
</tr>
<tr>
<td>Duration: Initial contracts are for 6 months.</td>
</tr>
<tr>
<td>Description: Internal model development roles.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Solvency II - Capital Development Workstream Actuary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience: Qualified Actuary.</td>
</tr>
<tr>
<td>Daily rate: Excellent, market rate.</td>
</tr>
<tr>
<td>Duration: 12-18 months.</td>
</tr>
<tr>
<td>Description: At least 2 years’ PQE. Responsible for reporting.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Solvency II - Capital Development Workstream Lead</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience: Qualified Actuary.</td>
</tr>
<tr>
<td>Daily rate: Excellent, market rate.</td>
</tr>
<tr>
<td>Duration: 18 months.</td>
</tr>
<tr>
<td>Description: At least 5 years’ PQE. Responsible for design and delivery of processes for the calculation of Solvency Capital Requirements using internal model.</td>
</tr>
</tbody>
</table>

Solvency II - General Insurance Actuaries
Solvency II Actuaries
Solvency II Actuary
Solvency II Workstream Lead
Solvency II - Capital Development Actuary
Solvency II - Capital Development Workstream Actuary
Solvency II - Capital Development Workstream Lead

Follow us at twitter.com/OACnews

OAC Actuaries and Consultants, a trading name of OAC plc, is a member of the Recruitment and Employment Confederation (REC) and offers the services of an Employment Business.
CAREER LOSING ITS SPARKLE?

High Finance Group are dedicated to offering bespoke career advice to Actuarial professionals across the Life, Non-Life and Pensions industries. We are focused on providing a career management service including CV advice and salary benchmarking with a view to the long term.

GRAEME BRAIDWOOD
Life Insurance Specialist
graeme@highfinancegroup.co.uk
+44 (0) 207 337 8825

JACK ECCLES
Life Insurance Specialist
jack@highfinancegroup.co.uk
+44 (0) 207 337 1207

MARK DAINTY
Executive Search
mark@highfinancegroup.co.uk
+44 (0) 207 337 8816

JAMES KITT
General Insurance Specialist
james@highfinancegroup.co.uk
+44 (0) 207 337 1202

MIRANDA WILKINSON
Pensions Specialist
miranda@highfinancegroup.co.uk
+44 (0) 207 337 8815

020 7337 8800  actuarial@highfinancegroup.co.uk  www.highfinancegroup.co.uk
Enterprise MI Business Analytics Team Lead
(supporting Pricing & Predictive Analytics)
£80k to £90k + bonus + benefits, London

A great opportunity to be involved in a newly established team within this global (re)insurer where you will centralise the numerous pricing tools used across the business.
Suitable candidates will have broad knowledge of General Insurance pricing tools and methodologies, as you will be responsible for ensuring that new tools developed by the team meet business needs by supporting pricing decisions and predictive analytics.
In this role you’ll also:
• Secure Stakeholder input from other key departments within the company.
• Identify interdependencies with other parts of the overall EMI program and with the other strategic initiatives.
• Bring deep business knowledge of the Insurance process to provide guidance to IT team members (some of whom have an actuarial background).
• Actively manage progress made by all team members (business and IT) and ensuring quality by signing-off on the tool design and the final product.
• Engage business end users (includes pricing actuaries across the business) throughout the project lifecycle to ensure that the final product meets their needs.

Valuation Support Actuary x 4 - South Coast - Up to £1000pd - 6 months initially
To design, develop, and document the actuarial valuation process across the organisation.

Pensions:  
Technical Actuary - Up to £70K - London
Responsible for various significant technical matters, working with the consulting actuaries. Very strong VBA programming skills required.
Head of Actuarial Services – Up to £85K – London
Responsible for managing the entire actuarial function and developing the services offered across two offices.
Actuarial Modeller - Up to £55K - London or Scotland
Designing, analysing, and programming pension liability models.

General Insurance:  
Newly Qualified actuary – Up to £100K – London
Varied role including pricing, reserving and capital modelling for a global organisation. Very nearly qualified actuaries will also be considered.

To discuss any of these opportunities, or for a confidential chat about the current market, please give us a call at any of our offices:
Bristol: 0117 973 5553  
London: 0207 717 9450  
Southampton: 0238 037 1721

Or
Email Alex Radway on: alex.radway@recruitment-partnership.com

www.recruitment-partnership.com

Contact Parvinder Matharu
Newton Recruitment
+44(0)1689 862937
parvinder@newtonrecruitment.com
www.newtonrecruitment.com

For current opportunities visit www.eamesconsulting.com

Rob Bullett
Head Of  
Tel +44 (0)20 7092 3237  
rob.bullett@eamesconsulting.com

Rupert Rickard
Managing Consultant  
Tel +44 (0)20 7092 3219  
rupert.rickard@eamesconsulting.com

Zoe Campbell
Senior Consultant  
Tel +44 (0)20 7092 3208  
zoe.campbell@eamesconsulting.com

Dennis Ball
Senior Consultant  
Tel +44 (0)20 7092 3286  
dennis.ball@eamesconsulting.com

Mansi Koshy
Senior Consultant  
Tel +44 (0)20 7092 3283  
mansi.koshy@eamesconsulting.com

Alistair Allan
Senior Consultant  
Tel +44 (0)20 7092 3262  
alistair.allan@eamesconsulting.com
Making the switch to Phoenix could possibly be the best move you’ve ever made. The scope and quality of work, the great environment, the fantastic location and unrivalled levels of exposure – it all adds up to a fantastic proposition and a career development opportunity you’d find hard to beat!

On offer is the chance to join the UK’s largest closed life and pension fund consolidator, which is currently in the midst of implementing a world leading modelling platform, resulting in an exciting challenge for our actuarial team.

**QUALIFIED & EXPERIENCED ACTUARIES**
**NEWLY QUALIFIED ACTUARIES**
**SENIOR ACTUARIAL STUDENTS**

Currently we manage the assets of 11 With-Profits funds and are in the process of converting in excess of 50 actuarial systems into 1 single platform, creating a new industry leading model. So whatever capacity you join us in, you will be developed and have the opportunity to learn new skills. Also, you can look forward to applying and developing your technical expertise, in a unique setting, at the forefront of the reporting landscape.

With the systems transformation, as well as preparation for Solvency II and accelerated reporting procedures, along with a pro-active approach to fund mergers and acquisitions, we can promise that the forthcoming reporting and development agenda will be challenging.

That’s why we’re looking for actuarial professionals at every level. So, whether you’re experienced, newly qualified or progressing through study/exams – isn’t it about time you made the most of your life and pensions background by bringing your skills and expertise to the With-Profits reporting team at Phoenix?

For further information and to apply, simply visit:
[www.phoenixgroupcareers.co.uk/actuarial](http://www.phoenixgroupcareers.co.uk/actuarial)
Senior Consultant – Corporate Pensions, London
Up to £200,000 + bonus  
Ref: JT50959
One of the largest consultancies in the UK is recruiting for a senior retirement specialist with significant corporate consulting experience. Specifically focused in the areas of pension risk and plan design, you will enjoy a broad mix of clients including international and FTSE 100 companies. As an experienced pensions actuary, you will lead diverse projects and operate at a senior level within the organisation.

E: James.Turner@goodmanmasson.com  T: +44 (0)20 7019 8861

Nearly / Newly Qualified Actuary, South West
£45,000-£75,000 + bonus + benefits  
Ref: MP15076
One of the UK’s largest financial services providers is recruiting to expand its Life team with up to 5 additional hires. Candidates will be part, nearly or fully qualified and there is a high degree of flexibility to tailor roles to different skill sets. Whether your expertise is in financial reporting, modelling, product development, pricing or reinsurance, this is a fantastic opportunity to advance your career. Candidates with EV Reporting and Solvency II experience should also apply.

E: Mike.Painter@goodmanmasson.com  T: +44 (0)20 7019 8842

Life Actuary, Bristol / London
Up to £100,000 depending on experience / level  
Ref: GMcGS0349
A growing and transforming life office, centred in a fantastic location in Bristol with additional offices near London, is looking for qualified actuaries to join their New Business, Senior Planning and Financial Risk teams, as well as their Pricing and Project teams. Still studying? Continue with your exams as part of their Group Capital team in Bristol. With the application deadlines approaching, please get in contact asap to be considered.

E: Georgie.McGuinness@goodmanmasson.com  T: +44 (0)20 7019 8863

Contracting Opportunities:
- Life Actuarial Manager, Edinburgh - £750 / day
  In the Product Management team working on company-wide projects in a senior capacity
- General Insurance - Consulting, London - £ Flexible
  Specialist consulting contract work with a leading consultancy on a variety of projects for: Remetrica, Igloo, Reserving, IMV, Capital management - Solvency II implementation
- Life Stochastic Modeller, Financial Reporting Actuary and Prophet Modeller, Midlands - £550-£1200 / day

E: Bradley.Grant@goodmanmasson.com  T: +44 (0)20 7019 8869

Please contact us on 020 7336 7711 or visit www.goodmanmasson.com

Goodman Masson is an equal opportunities employer. Goodman Masson offers the services of an agency for permanent work and an employment business for temporary work.
Channelling our vigour and dynamism to deliver your high-flying aspirations

Introducing Highbrids, an innovative Actuarial recruitment company that is dedicated to providing an excellent service that all who work with us can trust and enjoy.

The concept of Highbrids was created by contractors within the actuarial sector. We have identified a distinctive approach to recruitment for temporary and permanent actuarial roles that means every party benefits.

We will continue to develop and adapt along the way – continuously tailoring our service to the market needs while making the recruitment process highly efficient, hassle-free, and cost-effective for employers.

To discover more about our innovative way of operating, visit: www.highbrids.co.uk

For further information, contact Claudette Asgill or Jahangir Khan on 0208 599 3748

Email: info@highbrids.co.uk
Experienced life actuary needed to deputize for the Chief Actuary at a small insurance company in the City of London. Work permit provided. Salary up to £100k.

Contact Parvinder Matharu
Newton Recruitment
+44(0)1689 862937
e parvinder@newtonrecruitment.com
w www.newtonrecruitment.com

Want to join the thought leaders in the global insurance and reinsurance industry? Got good commercial acumen, great ideas, drive and ambition? Then you’re just our kind of person.

We tailor underwriting solutions to fit markets and customers worldwide, not to mention providing you with an inspiring and supportive environment so you can go from strength to strength. Our actuarial graduate opportunities are wide open to those who want to provide a quality service to support our underwriters.

We’re big on personalities that work well together. And we’re looking for those of you with a 2:1 degree or above. If this still sounds like you, then join us.

You won’t just start a great job but a career where you can help shape our future. You will learn from world leaders in their sectors, receive a competitive salary and a whole host of other benefits.

*All applicants must have citizenship or the right to work in the UK.
Unrivalled contract opportunities

Demand is strong high for high-calibre contractors at all levels, from trainees to senior qualified actuaries, and we continue to look for individuals with an interest in this dynamic and lucrative market to fill a broad range of opportunities all over the UK.

Hazell Carr is preferred supplier to a number of major companies and therefore has some of the best opportunities in the actuarial market at competitive rates. Uniquely, at Hazell Carr you will be liaising with an Associate of the Institute, who has over eight years work experience in the traditional actuarial market and understands what it takes to find the most suitable match between clients and contractors, whilst build rewarding and long-term relationships in the process.

Skills in demand include:

Solvency II and ICA
There is high demand for contractors at all levels with experience in SII, ICA and realistic balance sheet. Specialist roles available for those with a firm grasp of the new solvency framework and associated EIOPA regulations to provide expertise in the development of Pillar 2 methodology.

Life Reporting
Both Solvency II projects and ‘BAU’ teams are looking for all kinds of reporting experience, with specific demand for those with ICA, MCEV and IFRS experience.

Modelling
Qualified and part-qualified actuaries with development expertise, in systems such as Prophet, MoSes and IGLOO required. Senior role also available for a qualified actuary to take responsibility for the design of actuarial models and associated infrastructure.

If you are interested in joining Hazell Carr or would just like to find out more about becoming a contractor, contact us in confidence on 0118 951 3817 or email us at actuarial@hazellcarr.com
More jobs online at www.theactuaryjobs.com

Prudential has over seven million customers and a leading range of products and services. With over 160 years experience, it's our people that ensure we continue to perform. That's why we've put in place a people development programme designed to reward high performance and why we constantly seek out new and exciting talent.

We are currently recruiting the following in Craigforth and London;

- Junior Actuarial Trainees
- Nearly Qualified Actuaries
- Senior Actuarial Trainees
- Qualified Actuaries

To find out more about the roles above and a career with Prudential visit www.pru.co.uk/careers and add your name to our growing list of achievers.

The markets won't promise an easy ride but we can promise you a challenging one.

Join us

A career at Prudential means you will be working at the forefront of one of the UK’s leading life & pensions companies. Prudential has over seven million customers and a leading range of products and services.

With over 160 years experience, it’s our people that ensure we continue to perform. That’s why we’ve put in place a people development programme designed to reward high performance and why we constantly seek out new and exciting talent.

We are currently recruiting the following in Craigforth and London;

- Junior Actuarial Trainees
- Nearly Qualified Actuaries
- Senior Actuarial Trainees
- Qualified Actuaries

To find out more about the roles above and a career with Prudential visit www.pru.co.uk/careers and add your name to our growing list of achievers.

<table>
<thead>
<tr>
<th>Current Contract Vacancies (Various lengths, London and UK Wide)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GENERAL</strong></td>
</tr>
<tr>
<td>Igloo and ReMetrica Contractor</td>
</tr>
<tr>
<td>Capital Modeller</td>
</tr>
<tr>
<td>Reserving Actuary</td>
</tr>
<tr>
<td>Solvency II Actuary</td>
</tr>
<tr>
<td>Solvency II Actuary</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

Rupa Pithiya
Contract Specialist
+44 (0) 207 337 1200
rupa@highfinancegroup.co.uk

Jack Snape
Contract Specialist
+44 (0) 207 337 8810
jack.snape@highfinancegroup.co.uk

The markets won't promise an easy ride but we can promise you a challenging one.

Join us

A career at Prudential means you will be working at the forefront of one of the UK’s leading life & pensions companies. Prudential has over seven million customers and a leading range of products and services.

With over 160 years experience, it’s our people that ensure we continue to perform. That’s why we’ve put in place a people development programme designed to reward high performance and why we constantly seek out new and exciting talent.

We are currently recruiting the following in Craigforth and London;

- Junior Actuarial Trainees
- Nearly Qualified Actuaries
- Senior Actuarial Trainees
- Qualified Actuaries

To find out more about the roles above and a career with Prudential visit www.pru.co.uk/careers and add your name to our growing list of achievers.

Heriot-Watt University is continuing to develop its major new Centre for Financial Risk and Actuarial Modelling with up to 2 new appointments.

The Centre will unify research, knowledge transfer (KT), CPD and teaching in the areas of actuarial science, financial mathematics and risk management. Persons appointed to the new posts will be working in these areas and will have an exceptional record of scholarship and/or professional experience. Key developments include:

- An expanded program of CPD and Knowledge Exchange for the financial services sector
- A new MSc in Actuarial Management (launched in 2011)

Profile of New Posts

One full-time or two part-time appointments at Teaching Fellow/Senior Teaching Fellow/Senior Fellow (equivalent to Assistant/Associate Professor). You will make a major contribution to the new MSc in Actuarial Management, for which professional experience in one of the major actuarial disciplines will be an advantage.

Contact for discussion: Professor Angus Macdonald (+44 (0)131 451 3209, A.S.Macdonald@hw.ac.uk)

Salary: £36,862 - £44,016 or £45,336 - £52,556 per annum

Download an application pack from our website www.hw.ac.uk/jobs or contact the Human Resources Office, Heriot-Watt University, Edinburgh EH14 4AS tel 0131-451-3022 (24 hours) email hr@hw.ac.uk quoting Ref 123/11/A.

Closing date: 31 December 2011.

Heriot-Watt University is a Charity registered in Scotland, SC000278
Acumen Resources is continuing to experience high levels of growth in the interim market across the UK. The highest demand continues to be in London, with good opportunities in other parts of the South East, Bristol and the South West, Birmingham, the North of England and Scotland. Opportunities are available for Interim candidates with the following backgrounds and skills: Solvency II, Prophet and MoSes, valuations, pricing, capital reporting and modelling, ALM, defined contribution within life or non-life companies. With the current level of activity and high demand in the market, daily rates are highly competitive, with demand often outstripping supply in specialist roles. The following is a sample of our current available opportunities:

**Non-Life Interim opportunities**

**£500 to £1,300 per day**  
London  
An outstanding opportunity to join a worldwide consulting firm on an interim basis. The volume of work in its non-life practice has increased significantly and as a consequence they are looking for highly skilled qualified or part qualified actuaries with any of the following skills: Remetrica, Igloo, Reserving, Capital mgt, Solvency II or IMV. The assignments will vary in length and complexity. If you are available for an immediate start or 4–8 weeks away from finishing an assignment, please call us. **Job ref: Interim Consulting/Kirsten MacLeod**

**Solvency II Interim**

**Up to £1,200 per day**  
London  
An international general insurer based in London is looking for talented Solvency II specialists on a contract basis for up to nine months. You will be a qualified actuary with experience of non-life Solvency II. The assignment may extend beyond the initial time frame. **Job ref: J4100**

**Project Actuaries**

**£500 to £1,200 per day**  
London  
A number of exciting opportunities have been created at this organisation that provides a consultancy service to both UK and international clients. Your experience could be from either a life or non-life background. The roles will require different skills. Most importantly you must be able to work effectively as a team and in some instance be able to provide a solid advice and recommendation to third parties. These are exciting non-mainstream opportunities. **Job ref: J 4141**

**Solvency II**

**Up to £1500 per day**  
A global life insurance company is looking for a qualified talented Solvency II specialist to join them on an interim basis for a period of six months, with a possibility of 12. The role will include reporting, risk management and modelling in addition to ad hoc duties. This is a role for a senior Solvency II contractor. **Job ref: 4135**
Immediate Contract Opportunities

GI - Igloo Modellers
6 months,
up to £1,200 per day,
London & Surrey

GI - Reserving Manager
12 months,
£negotiable
London

Life - Prophet Modellers, DFA
6 to 12 months,
up to £1,000 per day,
South East, South West

Life - SII With Profits Worstream Lead
6 months,
up to £1,000 per day,
Surrey

Pensions - DC Actuary
3 months,
up to £900 per day,
Bristol

cloe.roberts@reedglobal.com

For further information on these or other roles please call:
020 7220 4774

Pricing Manager
Midlands, to £55,000
A PQ GI pricing actuary is required to join the Midlands based office of this insurance provider. The role will involve developing and maintaining product pricing, as well as making recommendations on future risk selection and pricing strategies. GI background preferred although those with life experience will also be considered.
nichola.connal@reedglobal.com

Capital and Reserving Actuary
South West, to £90,000
Reserving specialists needed for a non-life provider based in the South East. You will be a nearly /newly qualified Actuary looking to further your career in reserving and capital modelling. The role will include Solvency II and ICA projects, as well as working closely with the pricing team.
nichola.connal@reedglobal.com

capital.modelling@reedglobal.com

Pensions Consultant
Midlands, to £50,000
A small and extremely successful consultancy is looking for actuarial students with previous pensions experience. This role represents an ideal opportunity for a pensions professional to get involved in a wide range of trustee and corporate consulting work. The role will also involve some basic ALM activity.
nichola.connal@reedglobal.com

For further information on these or other roles please call:
020 7220 4774

Over 300 actuarial jobs advertised.  10 years in actuarial recruitment.  Offices in 13 countries.  reed.co.uk/actuarial

Reed Specialist Recruitment Ltd is an employment agency and employment business.
Help needed to build on success

Qualified and Part-Qualified Actuaries

At MGM Advantage, although we’re very proud of our 159 year history, we are even prouder of our achievements in the last few years in which we have become an industry-leading provider of retirement income solutions.

In order to build on this recent success and plan for the future, we are expanding our actuarial team and have a number of exciting permanent opportunities available for both qualified and part-qualified Actuaries in London and Sussex.

We are looking for people who want to make a difference, thrive under pressure, and are willing and able to help build new capabilities in financial reporting, risk management and capital planning. You should have strong interpersonal and communication skills.

So, if you’re ambitious, and would like to be part of a growing team in a company that’s changing the face of retirement, then please email your CV and details of your current salary package and availability to hr@mgmadvantage.com, or call Cat Deheer on 01903 836349 for a chat today.

Visit us at www.mgmadvantage.com
**General Insurance - UK**

**Partner - Consultancy**

**Paul Francis**

London £150,000 + Bonus + Bens

EXCLUSIVE ROLE! A unique opportunity has developed with an extremely innovative management consultancy. They have an established and loyal client base and extremely inventive set of software-led solutions to win new clients and provide market leading data / models.

**Actuarial Specialists**

**Rick Davis**

London £130,000 + Bonus + Bens

A leading consultancy requires senior professionals with broad ranging skills to manage the delivery of key projects and provide innovative thought leadership across the practice. Business development activity is optional and flexi-working is encouraged.

**Strategic Pricing Actuary**

**Rick Davis**

London £110,000 + Bonus + Bens

You will develop the insurance and reinsurance pricing strategy for a leading London Market firm. You will be working closely with the Global Head of Pricing & senior underwriting/management figures. Strong communication skills and professional credibility are essential.

**Reserving Analysts**

**Ben Pitt**

London £60,000 + Bonus + Bens

There is still a huge amount of demand for actuaries of all levels with GI Reserving experience. Several of the top London Market firms are looking to expand their teams across all disciplines. Seize the chance to further your reserving skills across various London Market business classes.

**Risk Modelling Analyst**

**Chris Lee**

London £45,000 + Bonus + Bens

Role availability within the Risk modelling team of a top London Market organisation. Chance to develop your skills whilst working across Capital Management, Risk and Solvency II in a technical, hands-on role. Life & Pensions backgrounds considered.

**Actuarial Analyst**

**Chris Lee**

London £45,000 + Bonus + Bens

Fantastic opportunity to broaden your skill set across Pricing, Capital & Reserving in the London Market. This role will involve working directly with senior actuaries and the Chief Actuary across multiple classes of business. Open to Life & Pensions backgrounds.

**Regional Roles**

**Ben Pitt**

UK Wide £Competitive + Bonus + Bens

We currently have some remarkable opportunities at various experience levels all across the UK. From Actuarial Students to Qualified Actuaries in Pricing, Capital and Reserving in the North, Midlands, South East and South Coast. There may be roles available closer to home than you think!

**ART / ILS Actuary**

**Paul Francis**

London £100,000 + Bonus + Bens

My client is a very entrepreneurial team within a diversified buyer and seller of risk. They do this through a variety of financial vehicles outside of re/insurance framework. You will manage the portfolio of deals and you’ll work closely with Underwriters (ex actuaries). No pricing skills required.

**Irlande & Continentale Europe**

**Reporting Specialist - Life**

**Emma Gilbert**

Zürich CHF 150,000 + Bonus + Bens

Are you an experienced reporting actuary looking for the next step up? An exciting role for a reporting specialist; you will be overseeing global business units of this dynamic, international insurer. In-depth knowledge of Risk Based Capital and individual markets/products is a must.

**Senior GI Actuary**

**Phu Le-Ngoc**

Germany €90,000 + Bonus + Bens

Challenging role that requires strong leadership and management skills. Experience in any of the following topics is highly desirable: Reserving, Risk Management, Solvency II, Capital Modelling, Economic Steering Principles.

**Non-Life Group Risk Actuary**

**Emma Gilbert**

Zürich CHF 140,000 + Bonus + Bens

An excellent next career step for a Junior Actuary looking to gain more from the Solvency II developments. This role oversees the Group Risk policy, liaising internally with global actuarial and risk teams, consulting on the internal models. Experience with ICA and ERM a definite plus.

**Non-Life Capital Modelling Expert**

**Julien Fabius**

Brussels €75,000 + Bonus + Bens

Join this top notch insurance group within their group model implementation team focussing on international implementation of the internal capital model. You will provide support in methodology design activities and challenge methodological and functional specifications.

**General Insurance - UK**

**Rick Davis**

0207 649 9353

rick.davis@ojassociates.com

**Paul Francis**

0207 649 9469

paul.francis@ojassociates.com

**Chris Lee**

0207 310 8542

chris.lee@ojassociates.com

**Ben Pitt**

0207 310 8719

ben.pitt@ojassociates.com

**Life Insurance - UK**

**Clare Nash**

0207 649 9350

clare.nash@ojassociates.com

**Patrick Flanagan**

0207 649 9355

patrick.flanagan@ojassociates.com

**David Parker**

0207 310 8649

david.parker@ojassociates.com

**Patrick McMahon**

0131 278 0133

patrick.mcmahon@ojassociates.com

**Life Insurance - UK**
Ireland & Continental Europe

Financial Reporting Executive  
Clare Nash

London  
£110,000 + Bonus + Bens

My client, a global player, seeks a well qualified actuary to lead and develop a high profile team. You will be responsible for the delivery of Financial and Statutory Reporting while acting as a liaison to both Solvency II and Group Projects teams. Corporate background desirable.

Risk Management Actuary  
Patrick Flanagan

London  
£100,000 + Bonus + Bens

Reporting into the Chief Actuary, you will develop and manage the risk reporting framework, including ICA and economic capital model development. You will have close interaction with the CRO and ALM team to ensure efficient use of risk capital. A newly created opportunity.

Life Actuaries  
Patrick Flanagan

South West  
£90,000 + Bonus + Bens

Are you a qualified actuary with significant Pricing experience? My client seeks candidates with strong relationship management skills to play a key role in their Commercial function. A senior appointment with unrivalled benefits and career development opportunities.

Approaching Qualification?  
Patrick Flanagan

UK Wide  
£75,000 + Bonus + Bens

Are you approaching qualification and thinking of your next career move? I am currently working on an unprecedented number of assignments in Life Insurers, Reinsurers, Consultancies, Credit Rating Agencies, Regulators, Investment firms or the niche buyout firms. Apply now for consideration.

Financial Reporting Actuary  
David Parker

London  
£60,000 + Bonus + Bens

Are you looking for a new challenge? Have you had significant reporting experience? An international insurer is seeking a newly/nearly qualified actuary to join an expanding team covering Peak 1, EV, ICA and Solvency II. Excellent career development opportunity.

Life Reserving  
Phu Le-Ngoc

Germany  
€Competitive + Bonus + Bens

Exciting career opportunities for senior reserving actuaries. Familiarity with MCEV, Solvency II etc. a must. Profound knowledge of IFRS accounting methodologies expected. The international environment requires people with good communication skills.

Part Qualified Actuaries  
David Parker

Midlands  
£50,000 + Bonus + Bens

An established organisation seeks part qualified actuaries with reporting and modelling experience to help develop their expanding team. A great opportunity to gain varied exposure to a variety of cutting edge projects. Dynamic pensions actuaries looking for life experience also considered.

Qualified Actuaries  
Patrick McMahon

Navan, Ireland  
€100,000 + Bonus + Bens

Two exciting roles have become available with my client due to their expansion into new markets including Hong Kong and Dubai. They are looking for Qualified Actuaries on their Product Development and Reporting teams with the opportunity to also be based in Guernsey.

VIPITech Modelling Expert  
Julien Fabius

Brussels  
€75,000 + Bonus + Bens

A leading international insurance group is looking for a VIPITech modelling officer within the model Implementation Team. You will provide MIT support in methodology design activities; contribute and challenge methodological and functional specifications for VIPITech model implementation.

Solvency II  
Patrick McMahon

Dublin, Ireland  
£55,000 + Bonus + Bens

I have a number of excellent opportunities for part and nearly qualified actuaries to be part of Solvency II specific teams. Life Insurers in Dublin are looking for actuaries to help implement their Solvency II programme and assist in the timely and accurate production of actuarial reports.

Life and Momentum Conferences 2011

Oliver James Associates is proud to inform you of our support at the Life Conference and Momentum Conference this year.

Please visit our stand to meet our actuarial team and win some fantastic prizes in our competition. We look forward to seeing you there!
# Actuarial Contract - Life Insurance

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
<th>Location</th>
<th>Duration</th>
<th>Rate/day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group Capital Manager</td>
<td>Rob Bentham</td>
<td>London</td>
<td>6 Months</td>
<td>£1200</td>
</tr>
<tr>
<td>You will manage a team responsible for providing capital expertise and content across all primary Group Finance processes.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sol II Methodology</td>
<td>Kaylash Kukadia</td>
<td>South East</td>
<td>6 Months</td>
<td>£1100</td>
</tr>
<tr>
<td>Our client is looking for a Senior Solvency II, Pillar 1 Actuary to complete work on the Internal Model for FSA approval.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital/Risk Senior Student</td>
<td>Kaylash Kukadia</td>
<td>South West</td>
<td>6 Months</td>
<td>£900</td>
</tr>
<tr>
<td>You will work at Group level with the actuarial &amp; project teams as part of the financial restructuring and M&amp;A activity.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prophet Developer</td>
<td>Rob Bentham</td>
<td>South East</td>
<td>6 Months</td>
<td>£900</td>
</tr>
<tr>
<td>Senior Prophet Developer required to join a busy team. Candidates will ideally have both exposure to With-Profits and Non-Profits products.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior Actuarial Technician</td>
<td>Rob Bentham</td>
<td>Midlands</td>
<td>6-12 Months</td>
<td>£800</td>
</tr>
<tr>
<td>To support the AST project along with the QIS6 project (the next stage of Solvency II). Knowledge of With-Profits will be essential.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Migration Actuary</td>
<td>Ik Onyiah</td>
<td>Scotland</td>
<td>6 Months</td>
<td>£700</td>
</tr>
<tr>
<td>The key purpose of the role is to assist the Actuarial Product Management team with additional actuarial input into an important high-profile project.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actuarial Manager</td>
<td>Ik Onyiah</td>
<td>South East</td>
<td>6 Months</td>
<td>£700</td>
</tr>
<tr>
<td>You will be tasked with suggesting, developing and implementing improvements to the current methods of calculating customer redress.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

# Actuarial Contract - General Insurance

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
<th>Location</th>
<th>Duration</th>
<th>Rate/day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Actuary</td>
<td>Stewart Cherry</td>
<td>London</td>
<td>6-9 Months</td>
<td>£900</td>
</tr>
<tr>
<td>An excellent opportunity for an experienced Capital Actuary (4-5 years) to join a leading Lloyd’s Market insurer to undertake a 6-9 month contract.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserving Actuary</td>
<td>Stewart Cherry</td>
<td>London</td>
<td>6 Months</td>
<td>£800</td>
</tr>
<tr>
<td>A reputable London Market insurer is currently looking for an experienced qualified reserving actuary for a 6 month contract.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remetrica Actuary</td>
<td>Stewart Cherry</td>
<td>London</td>
<td>6-9 Months</td>
<td>£700</td>
</tr>
<tr>
<td>A Remetrica Modeling Actuary is required to join a London Market insurer, focussing on the internal model development for Solvency II.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk Actuary</td>
<td>Stewart Cherry</td>
<td>London</td>
<td>6 Months</td>
<td>£900</td>
</tr>
<tr>
<td>Our client, a London Market insurer, seeks a Risk Actuary (nearly or recently qualified). Must have up to date Risk and Capital experience.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior Pricing Actuary</td>
<td>Stewart Cherry</td>
<td>London</td>
<td>9-12 Months</td>
<td>£800</td>
</tr>
<tr>
<td>A senior pricing actuary with Personal and Commercial lines experience is required for a 9-12 month contract working within the London Market.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserving Actuary</td>
<td>Stewart Cherry</td>
<td>London</td>
<td>6 Months</td>
<td>£600</td>
</tr>
<tr>
<td>Part Qualified Reserving Actuary required for a 6 month contract within a General Insurance Retail Business.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Contact**

- Kaylash Kukadia: 0207 310 8581
- Ik Onyiah: 0207 310 8785
- Stewart Cherry: 0207 310 8651
- Rob Bentham: 0207 649 9351
Do you want to make a difference? The ever-growing strength of Asia’s insurance sector is creating vast amounts of opportunities for actuaries. If you have experience working in an established market (UK, US, Australia...) your profile will be highly sought after. Local candidates in Asia very rarely have the specialised experience that is common practice to the readers of this magazine so it is you who Asia are looking for. To demonstrate this point please feel free to do your own research - a majority of Chief Actuaries, Senior Management, even General Managers in Asia are FIA, FSA or FIAA qualified. No other market in the world will offer such rapid career development and opportunity. If you want to know more please call one of our consultants on the below numbers.

Jonny Plews
Gary Rushton
Alex Ince

Vice President – Life
HK – 3152
My client, one of Asia’s leading rating agencies, requires a senior actuary to join its HK team. A brilliant role to get your name known in the market. A strong knowledge of reporting as well as commercial thinking required.

Qualified Actuaries – Life
Beijing – 4352
We have a number of opportunities for experienced actuaries to add huge value to the insurance sector in mainland China. An emerging market full of long-term opportunities. English and Mandarin skills required.
CONTRACT FUTURES

**ACTUARIAL TEAM LEAD**

**LIFE CONTRACT**

SOUTH EAST

£ market rates

Our client is seeking a qualified actuary to create the body of evidence to demonstrate that its Internal Model satisfies the Solvency 2 tests in support of the Group’s application for Internal Model approval. Realistic balance sheet, ICA and Solvency 2 experience is essential. Take this opportunity to make a difference within a dynamic work environment.

Ref: Star660

---

**SOLVENCY II ACTUARY**

**LIFE CONTRACT**

BRISTOL

£ market rates

Our client is seeking a qualified actuary to work closely with the methodology teams to understand Solvency II requirements and translate these into pragmatic solutions. You will provide actuarial input into the design and delivery of the internal model and financial reporting processes for Solvency II and take a leading role in the parallel reporting of Solvency II results prior to implementation.

Ref: Star658

---

**SOLVENCY II WORKSTREAM LEAD**

**LIFE CONTRACT**

SOUTH EAST

up to £850 per day

Our client is seeking a part qualified or qualified life actuary to re-engineer the finance, actuarial and MI reporting processes for Solvency II whilst providing thought leadership in developing appropriate solutions for the business. You will become the centre of excellence for translating SI reporting requirements and MI requirements into actionable plans, overseeing the transition of new processes, tools and procedures.

Ref: Star632

---

**STRATEGY, CAPITAL & RISK**

**LIFE CONTRACT**

BRISTOL

£ market rates

Our client requires a part qualified life actuary to join its Group Capital team. You will support the delivery of various initiatives within the team and contribute to the production of Board reports. You will also develop processes to ensure the improved efficiency, timeliness and accuracy of future delivery.

Ref: Star659

---

**CONTRACT OPPORTUNITIES**

**NON LIFE**

LONDON

£ contract rates

Leading consultancy offers a range of non-life contract positions to meet the needs of its expanding client portfolio. Excellent opportunities exist for talented part qualified and qualified actuaries with experience and technical expertise in any of the following areas; Remetrica, Igloo, Reserving, Capital Management including Solvency II implementation and IMV. There is flexibility regarding notice periods. Contact us now for more information.

Ref: Star650

---

**SENIOR FINANCE MANAGER**

**LIFE CONTRACT**

LONDON

up to £1,000 per day

Our client is seeking a qualified actuary for its capital reporting team. You will perform capital focussed analysis and review regional plans, forecasts, MI & external reporting data, preparing high quality content and supporting analysis for inclusion in CFO Board Reports. You will also develop, design and implement improved reporting and analytical tools to analyse, for example, interactions and linkages between primary capital and P&L KPIs.

Ref: Star558

---

Please contact us at any time (including evenings and weekends) to discuss vacancies of interest or for an informal discussion regarding your career goals.
Friends Life, a large and successful company with over 5 million customers, has brought together the best from a heritage that goes back over 200 years, with a commitment to integrity and trust, a sensible degree of caution and a reputation for providing solutions that customers can rely on over the long term. We have a broad range of opportunities offering excellent career development potential for talented actuaries and students. Bespoke roles can be created for exceptional candidates and crossover candidates from other actuarial specialisms will be considered.

**HEAD OF REPORTING PROCESS DEVELOPMENT**

LIFE

BRISTOL 2 year fixed-term contract, up to £120k

A qualified actuary is sought to lead a team in the design of the end-to-end financial reporting process, identifying and implementing changes to meet reporting requirements and to achieve required cost savings. The successful candidate will have a high level of knowledge of life insurance business and technology and experience in delivering major improvements in a complex and fast changing environment.  

Ref: Star620

**WITH-PROFITS REPORTING ACTUARY**

LIFE

BRISTOL Up to £70k + benefits + bonus

An excellent opportunity for a qualified actuary with strong technical ability and people management skills to join the Stochastic With-Profits Reporting Team, responsible for producing, analysing and reporting on actuarial calculations and metrics. The role will have particular focus on RBS and Monthly Solvency Monitoring.  

Ref: Star430

**SOLVENCY II ACTUARY**

LIFE

BRISTOL Up to £80k + benefits + bonus

A qualified actuary with knowledge of reporting metrics is required to join the Solvency II Transformation Team. You will be responsible for delivery of Solvency II reporting for the business, working closely with the methodology teams to produce pragmatic solutions, and providing input into the design and delivery of the internal model and reporting processes. The role includes team management and senior stakeholder engagement.  

Ref: Star649

**ESG MANAGER**

LIFE

BRISTOL Up to £90k + benefits + bonus

This is an exciting role to lead a team of technical experts to deliver reporting requirements and ESG outputs. You will work collectively with other departments to develop a firm-wide pool of talent and to ensure ESG modelling is supported by a robust control framework. A thorough understanding of stochastic reporting is desirable.  

Ref: Star648

**UK SENIOR PLANNING MANAGER**

LIFE

BRISTOL Up to £95k + benefits + bonus

A senior actuary (ideally with MCEV knowledge) is required to lead the financial planning team. In this high profile role, you will be accountable for delivering financial plans across a range of financial metrics, and ensuring that they accurately reflect the evolution of the business. You will manage a small team of actuaries and accountants and, through them, you will play an important role in the running of the business.  

Ref: Star459

**GROUP CAPITAL ACTUARIAL STUDENT**

LIFE

BRISTOL Up to £50k + benefits + bonus

A part qualified actuary with strong technical ability and knowledge of the UK regulatory environment is sought to bolster the team’s capability in understanding the business to carry out capital management activity. Following recent acquisitions, the size and complexity of the group means that there are significant opportunities to optimise capital efficiency, involving project work on financial restructuring, Part VII schemes and future M&A activity.  

Ref: Star436

Please contact Lance Randles on 07889 007 861 or lance.randles@staractuarial.com to discuss these opportunities.
Our client is seeking part qualified and qualified actuaries to support the development and running of its syndicate reserving processes. You will also play a key role in client pitches and proposals and contribute to research and development projects.

**RESERVING AND CAPITAL ACTUARY**

**LONDON**

up to £80k + bonus + benefits

Our client has exciting opportunities for talented individuals to work with investment banking clients in the application of modelling skills to a wide variety of assignments. Projects will include stochastic modelling, asset valuation, financial instruments and derivatives and risk management. You will also provide actuarial support to the Solvency II dry run process and the ICA review process. An excellent opportunity to make a difference within this leading London Market company.

**WIDER FIELDS**

**INVESTMENT BANKING SOLUTIONS**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking part qualified and qualified actuaries to join its market leading non-life team. You will work on cutting-edge consultancy projects embracing advanced reserve ranges, stochastic reserving, economic capital, Swiss Solvency Test, Solvency II and Bermudian prudential regime change. This is an excellent opportunity to lead the dialogue with a wide range of clients.

**DEPUTY GROUP ACTUARY**

**LONDON**

up to £100k + bonus + benefits

Our client is seeking a deputy group actuary to provide actuarial input and analyses for clients and for the group, playing a key role in the Solvency II project, managing a number of workstreams. You will also be responsible for pricing and reserving and team development. An excellent opportunity to work within this innovative London Market company.

**DEPUTY GROUP ACTUARY**

**LONDON MARKET**

£ excellent + bonus + benefits

Specialist insurance group seeks a nearly qualified or qualified actuary to manage its capital modelling requirements which will involve calibrating the Dynamic Financial Analysis (DFA) model, and embedding its use within the business. Detailed understanding and experience of DFA modelling and experience of model building within the Igloo (or equivalent) software package is essential.

**CAPITAL MODELLING MANAGER**

**LONDON**

up to £100k + bonus + benefits

Leading insurance group seeks a part qualified actuary to analyse its underwriting risk portfolios, in order to support underwriting, management decisions, internal/external reporting and the catastrophe risk feeds to the DFA. You will take responsibility for monitoring aggregations across the portfolio, on both modelled and model-independent bases. Take this great opportunity to work on a wide range of classes of business within the London market.

**LONDON MARKET RISK MODELLING**

**LONDON**

up to £55k + bonus + benefits

Our client is seeking talented individuals to provide commercial modelling solutions to a wide range of problems including credit risk modelling (both corporate and retail), capital modelling and impairment provisioning. You will also be actively involved in the development of new work opportunities from both existing and new clients. Take this opportunity to use your technical and softer skills in new contexts with new clients.

**WIDER FIELDS**

**RETAIL BANKING SOLUTIONS**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking a nearly qualified or qualified actuary to manage its capital modelling requirements which will involve calibrating the Dynamic Financial Analysis (DFA) model, and embedding its use within the business. Detailed understanding and experience of DFA modelling and experience of model building within the Igloo (or equivalent) software package is essential.

**CAPITAL MODELLING MANAGER**

**LONDON**

up to £100k + bonus + benefits

Our client is seeking talented individuals to provide commercial modelling solutions to a wide range of problems including credit risk modelling (both corporate and retail), capital modelling and impairment provisioning. You will also be actively involved in the development of new work opportunities from both existing and new clients. Take this opportunity to use your technical and softer skills in new contexts with new clients.

**WIDER FIELDS**

**RETAIL BANKING SOLUTIONS**

**LONDON**

up to £80k + bonus + benefits

Exciting opportunities exist for part qualified and qualified actuaries to join its market leading non-life team. You will work on cutting-edge consultancy projects embracing advanced reserve ranges, stochastic reserving, economic capital, Swiss Solvency Test, Solvency II and Bermudian prudential regime change. This is an excellent opportunity to lead the dialogue with a wide range of clients.

**LEAD THE DIALOGUE**

**NON-LIFE CONSULTANCY**

**LONDON**

up to £150k + bonus + benefits

Our client is seeking a nearly qualified or qualified actuary to manage its capital modelling requirements which will involve calibrating the Dynamic Financial Analysis (DFA) model, and embedding its use within the business. Detailed understanding and experience of DFA modelling and experience of model building within the Igloo (or equivalent) software package is essential.

**DEPUTY GROUP ACTUARY**

**LONDON MARKET**

£ excellent + bonus + benefits

Exciting opportunities exist for part qualified and qualified actuaries to join a leading global reinsurance broker. These are client facing roles for actuaries with strong technical and interpersonal skills who can communicate with clarity and conviction. Take this opportunity to work in a dynamic team providing cutting edge actuarial, enterprise risk management and catastrophe modelling expertise to a wide range of clients.

**BROKING ACTUARY**

**NON-LIFE**

**LONDON WITH TRAVEL**

up to £100k + bonus + benefits

Our client is seeking talented individuals to provide commercial modelling solutions to a wide range of problems including credit risk modelling (both corporate and retail), capital modelling and impairment provisioning. You will also be actively involved in the development of new work opportunities from both existing and new clients. Take this opportunity to use your technical and softer skills in new contexts with new clients.

**WIDER FIELDS**

**RETAIL BANKING SOLUTIONS**

**LONDON**

up to £80k + bonus + benefits

Leading insurance group seeks a part qualified actuary to analyse its underwriting risk portfolios, in order to support underwriting, management decisions, internal/external reporting and the catastrophe risk feeds to the DFA. You will take responsibility for monitoring aggregations across the portfolio, on both modelled and model-independent bases. Take this great opportunity to work on a wide range of classes of business within the London market.

**LONDON MARKET RISK MODELLING**

**LONDON**

up to £55k + bonus + benefits

Our client has exciting opportunities for talented individuals to work with investment banking clients in the application of modelling skills to a wide variety of assignments. Projects will include stochastic modelling, asset valuation, financial instruments and derivatives and risk management. You will also provide actuarial support to the Solvency II dry run process and the ICA review process. An excellent opportunity to make a difference within this leading London Market company.

**WIDER FIELDS**

**INVESTMENT BANKING SOLUTIONS**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking part qualified and qualified actuaries to support the development and running of its syndicate reserving processes. You will also play a key role in client pitches and proposals and contribute to research and development projects.

**RESERVING AND CAPITAL ACTUARY**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking part qualified and qualified actuaries to support the development and running of its syndicate reserving processes. You will also provide actuarial support to the Solvency II dry run process and the ICA review process. An excellent opportunity to make a difference within this leading London Market company.

**WIDER FIELDS**

**INVESTMENT BANKING SOLUTIONS**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking part qualified and qualified actuaries to support the development and running of its syndicate reserving processes. You will also provide actuarial support to the Solvency II dry run process and the ICA review process. An excellent opportunity to make a difference within this leading London Market company.

**RESERVING AND CAPITAL ACTUARY**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking part qualified and qualified actuaries to support the development and running of its syndicate reserving processes. You will also provide actuarial support to the Solvency II dry run process and the ICA review process. An excellent opportunity to make a difference within this leading London Market company.

**WIDER FIELDS**

**INVESTMENT BANKING SOLUTIONS**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking part qualified and qualified actuaries to support the development and running of its syndicate reserving processes. You will also provide actuarial support to the Solvency II dry run process and the ICA review process. An excellent opportunity to make a difference within this leading London Market company.

**RESERVING AND CAPITAL ACTUARY**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking part qualified and qualified actuaries to support the development and running of its syndicate reserving processes. You will also provide actuarial support to the Solvency II dry run process and the ICA review process. An excellent opportunity to make a difference within this leading London Market company.

**WIDER FIELDS**

**INVESTMENT BANKING SOLUTIONS**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking part qualified and qualified actuaries to support the development and running of its syndicate reserving processes. You will also provide actuarial support to the Solvency II dry run process and the ICA review process. An excellent opportunity to make a difference within this leading London Market company.

**RESERVING AND CAPITAL ACTUARY**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking part qualified and qualified actuaries to support the development and running of its syndicate reserving processes. You will also provide actuarial support to the Solvency II dry run process and the ICA review process. An excellent opportunity to make a difference within this leading London Market company.

**WIDER FIELDS**

**INVESTMENT BANKING SOLUTIONS**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking part qualified and qualified actuaries to support the development and running of its syndicate reserving processes. You will also provide actuarial support to the Solvency II dry run process and the ICA review process. An excellent opportunity to make a difference within this leading London Market company.

**RESERVING AND CAPITAL ACTUARY**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking part qualified and qualified actuaries to support the development and running of its syndicate reserving processes. You will also provide actuarial support to the Solvency II dry run process and the ICA review process. An excellent opportunity to make a difference within this leading London Market company.

**WIDER FIELDS**

**INVESTMENT BANKING SOLUTIONS**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking part qualified and qualified actuaries to support the development and running of its syndicate reserving processes. You will also provide actuarial support to the Solvency II dry run process and the ICA review process. An excellent opportunity to make a difference within this leading London Market company.

**RESERVING AND CAPITAL ACTUARY**

**LONDON**

up to £80k + bonus + benefits

Our client is seeking part qualified and qualified actuaries to support the development and running of its syndicate reserving processes. You will also provide actuarial support to the Solvency II dry run process and the ICA review process. An excellent opportunity to make a difference within this leading London Market company.
### HEAD OF ACTUARIAL SERVICES
**BIRMINGHAM**
£ excellent + significant bonus

Dynamic pensions consultancy seeks Scheme Actuary to take successful Birmingham based team to the next level. You will have strong technical and client management skills and will know how to get the best out of your people. This role offers excellent career development opportunities. Contact us now for further details.

Ref: Star644

### DIRECTOR
**INVESTMENT RISK SOLUTIONS**
LOCATION UPON APPLICATION
up to £300k

Fantastic opportunity for a candidate with investment consulting experience to lead the investment capability within a pensions risk management team which provides advice to clients on the optimum use of capital to fund pension liabilities. Potential client assignments include developing and delivering stochastic asset liability models, implementing derivative based strategies and longevity swaps.

Ref: Star634

### ALM SPECIALIST
**RISK CONSULTANCY**
**LONDON**
£ excellent + bonus + benefits

Leading consultancy seeks nearly qualified or qualified actuary with ALM experience to be a key member of a cutting edge risk solutions team. The successful candidate will be pro-active and resourceful and will build, run and review asset liability models in order to provide the best possible client advice.

Ref: Star615

### STRATEGIC RISK CONSULTING
**PENSIONS**
**LONDON**
£ excellent + bonus + benefits

Leading pensions consultancy seeks qualified actuary to join a high-quality team providing project based risk solutions to flagship corporate clients. The successful candidate will design and implement a wide range of risk management strategies and thrive in a corporate, deal-closing culture.

Ref: Star610

### AHEAD OF THE PACK
**PENSIONS CONSULTANCY**
**LONDON**
£ excellent + bonus + benefits

Market leading pensions consultancy seeks high calibre actuaries to join its cutting-edge de-risking team that is set to change the pensions landscape. You will have strong experience of providing innovative risk mitigation advice to pension schemes and the motivation to take your career and the pensions market to the next level.

Ref: Star609

### LEAD A NEW LONDON OFFICE
**PENSIONS**
**LONDON**
£ excellent + significant bonus potential

Growing pensions consultancy seeks (aspiring) Scheme Actuary to build and lead new London based team. You will have strong client-facing and team management skills and a proven track record of success. This is a great opportunity to fast track your career.

Ref: Star606

### INTERNATIONAL PENSIONS CONSULTING
**NEW YORK**
up to $250k + bonus + benefits

Our client is seeking a qualified actuary to be responsible for sales, client management, business operations and people management for the Eastern and Canadian divisions of its International business. You will contribute to the development of plans and budgets, delivering planned performance and ensuring divisional units generate revenue, profit and market share growth.

Ref: Star590

### CORPORATE PENSIONS
**LONDON**
up to £300k package

Our client is seeking a qualified pensions actuary to apply consulting expertise in the areas of pension risk management and plan design for global companies. You will help clients achieve their evolving business objectives by aligning their pension plans accordingly, serving as the project lead and ensuring the progress of the team against established objectives and quality standards. A great opportunity to join this leading global professional services company.

Ref: Star551
MAKE A POSITIVE IMPACT

Solvency II Manager
London, £90-120,000 + car + bonus + benefits

Working within the group function of this global insurer, you will be required to support the development of the group’s Solvency II modelling capabilities. This includes developing the methodology for the business unit’s Solvency II and economic capital modelling and supporting future development in accordance with Group standards; providing the necessary technical/actuarial advice. To be successful, you’ll be a qualified life actuary, ideally with solid PQE, with risk modelling research, Solvency II and/or risk and capital modelling experience. Team management experience is advantageous. Ref: 1432787
kevin.smith@hays.com or 020 3465 0147

Qualified Pensions Actuary
London, to £100,000 + benefits + bonus

A forward-thinking UK wide pensions consultancy is undergoing an internal process restructure and is looking to acquire two qualified actuaries to serve corporate clients and develop new business by delivering value-added consultancy services to existing clients. The roles will both be based in its London head office and will see you mentoring less experienced members of the team. This employer of choice has a strong team culture where success is directly reflected by the members of the team. Ref: 1508905
samantha.maskell@hays.com or 020 3465 0147

Life and Non-Life Qualified Consulting Opportunities, London, Amsterdam, Madrid, Munich and Zurich, £excellent + bonus + benefits

Working for this global Big 4 consultancy, you will provide first class delivery of client engagements and leadership to small technical teams. You’ll be required to build and maintain strong relationships with both internal and external contacts and illustrate your commercial edge as well as technical ability. Opportunities exist at manager, senior manager and director level. As a qualified actuary, you will have previous experience of working in the life assurance industry or life consultancy. Knowledge of UK or overseas reporting methodologies is advantageous. Local language skills required. Ref: 1500936
kevin.smith@hays.com or 020 3465 0147

Pensions Actuarial Analysts
Various UK locations
Up to £40,000 dependent on experience

Due to growth and internal promotion this national organisation is looking to fill several analyst level opportunities for offices across the UK including London, Surrey, Edinburgh, Birmingham and Manchester. You will be working alongside a qualified actuary calculating, interrogating and researching schemes for a market leading pensions consultancy offering an excellent career path and competitive package. As a minimum you will have gained some actuarial experience within the UK pensions arena and have successfully passed some of the CT series exams. Ref: 1523090
samantha.maskell@hays.com or 020 3465 0147

For further information or to apply for any of these vacancies, visit hays.co.uk and enter the relevant job reference number.

hays.co.uk
### Actuary – New Markets – Beach Life

**Channel Islands / Ireland**  
£Exc pkg + relocation

Establish & develop new reporting frameworks in new jurisdictions. Exciting opportunity for a nearly / newly qualified actuary in life insurance reporting. Join this international insurer expanding into new markets, work closely with the AFH and oversee change. Relocation + bonus & benefits Ref:11101

### Change Sectors to Life Solvency & More

**South West**  
£40-65K

Brilliant new opportunity to maximise your potential & change career direction from pensions or investment into life insurance. Solvency, capital, valuation & pricing roles available with this award winning firm renowned for staff training, development & investment. Min 1+ yrs UK actuarial exp. needed. Ref:11107

### Pricing Actuarial Analyst

**London & Home Counties**  
£45-80K

New role for a part qual pricing analyst to deliver new business quotations for life, health & annuity products plus develop pricing bases & models. If you are making good exam progress with strong analytical skills join this market leader that encourages innovation & personal development. Ref:11102

### Sexy Risk, Capital & Solvency

**London or South Coast**  
£55-115K

Innovation & cutting edge annuity & investment products have made this insurer one of the sector’s growth stories. This is a terrific chance to join a dynamic risk, capital & solvency team. You’ll need a life valuations or capital background. Flexi working possible. Contractors considered. Ref:11108

### GI Pricing in the Midlands

**Midlands**  
£30-55K + benefits

Lead a small team responsible for proposing & monitoring prices for a range of personal lines products. This leading non-life insurer is expanding its pricing department & seeks part qual/nearly qualified GI actuary to undertake analysis, develop premium rating structures & examine risk. Ref:11103

### Move Into Life Consultancy

**London**  
£45-95K

Enhance your skills & join this award winning consultancy recognised for staff care, training & development. Achieve your ambitions & maximise your career potential. Exciting, cutting edge projects & terrific team environment. Part qual or newly qual life actuaries should apply. Min 2 yrs exp. Ref:11109

### Financial Risk / Capital Modelling

**East Anglia / London / Berks**  
£60-100K

Specialise in financial risk modelling work - capital models, ICA & Solvency 2. Exciting role for individual with 3/4+ yrs GI experience who would relish interesting projects & a variety of technical work. If you have strong financial modelling, apply now to join a world leader in non-life insurance. Ref:11104

### Broaden your skills set

**London**  
£40-65K + exc bens

Duties for this key advisory role include asset & liability modelling, supporting the pensions scheme actuaries, liaising closely with the investment team & mentoring new students. Would suit p/q or newly qual actuary seeking to join dynamic team to broaden their skills. Good Excel needed. Ref:11110

### Non Life Opportunities

**London / Berkshire / Surrey**  
£35-70K + bens

Vibrant roles - join a small friendly team pricing both personal & commercial lines (motor, household, travel, business insurance etc). Here you’ll liaise with others, use leading edge software, prepare actuarial analyses, undertake investigations & forecast future claims liabilities. Ref:11105

### Reserving Reserving Reserving

**London**  
£50-110K

Commercial lines reserving manager & 2 snr analysts needed for this global non life insurance & reinsurance leader. Tremendous chance to enhance your skills & work with UK & international offices. Liaise closely with solvency team & underwriters. Help guide new students. Dull it isn’t. Ref:11111

### DC Investment

**London**  
£45-90K + bens

Great opportunity for an enthusiastic entrepreneurial individual to join a growing team in a growing market. Join innovative DC investment team working with UK & international clients. Deliver investment advice with a view to advancing into a lead consulting role within a short time. Suit a part qual or qual investment or pensions actuary with the ambition to succeed. Ref:11106

### Risk Management & Pricing

**London**  
£Excellent

Global risk & reinsurance leader has a technical pricing role where you’ll liaise with brokers to fix rates for the deal making process. Use your interpersonal & actuarial skills in this vibrant front office environment. Terrific training. Brilliant career potential. GI skills needed. All levels considered. Ref:11112

---

To apply for any of these vacancies please phone 020 8420 1818, and speak to Peter or Norma or apply online at www.actualsearch.co.uk or email jobs@actualsearch.co.uk.
Manager – Life Consulting
North West
This is a varied role in the Manchester practice of a prestigious consultancy. You will lead important work streams for major client projects and manage niche technical and professional teams. Current projects include SI1, capital and risk management and some M&A activities. Applicants will need strong technical post-qualification experience, excellent communication skills, and the drive to deliver excellent client service. Call Jan on 0208 544 0451 for more information. Job ref: J4174

Assistant Product Manager – Enhanced Annuities
South East
Niche insurer has an exciting opening in its product management team for annuity products. You will work with the experienced product manager to monitor the positioning of the company’s existing annuity products and to help develop new products in the range. You will need previous experience of product positioning and management and ideally a good knowledge of annuities products and markets. This role will particularly suit former actuarial students who have decided not to continue with the exams. Job ref: J4158

European Product Development Actuary
London
This is an exciting role within an international market leader, in their product development team. Based in London, the role will have a European focus and you will be working with local branches to develop innovative product variations. You will have oversight of pricing processes and models for the London team and you will liaise with many other departments in bringing products to market. You will need post-qualification experience, ideally in a pricing or product development environment. European language skills will be an advantage but are not essential. Job ref: J3988

Senior Manager – Pricing and Underwriting
Paris
Reporting to the commercial pricing lead, you will be responsible for the management and leadership of the Underwriting, Underwriting risk management and pricing standards within the region and to support the regional commercial business in the delivery of the regional operating plan. This will involve providing technical direction regarding pricing, profitability and risk management for new and in-force business in region and to act as the “trusted adviser” for the commercial business. You will be a qualified actuary with significant post-qualification experience. Job ref: J4032

Senior Actuarial Manager
North England
You will lead a large economic capital reporting team and also work closely with the Solvency II programme on a number of dry run exercises. You will offer expert advice on economic capital reporting processes and methodology. You will work closely with, and regularly present to, key stakeholders including the Chief Actuary and the Finance Director. Job ref: J4166

Part-Qualified Actuary
London
A leading niche consultancy is looking for a nearly/newly qualified actuary to provide high-quality pensions actuarial and consultancy support. Working closely with both principals and the client’s senior consultant to ensure effective and timely provision of actuarial and consultancy services. The ideal candidate will have a proven track record gained within a pension actuarial consultancy and have 3 to 5 years’ experience. Job ref: J4164
**Pricing Actuary, Nearly/Newly Qualified**
*Thames Valley*
This is a prominent position in a growing general insurer, part of a major international group. You will be encouraged to put your own stamp on the development of the department and grow your team. You will provide pricing analysis, and support the budget and planning processes across all lines. This is a great role to accelerate your career development now your exams are out the way.  
*Job ref: J4177*

**Reserving Co-ordinator**
*London*
Reporting to the reserving manager, the successful candidate will be part of the UK reserving unit, which has responsibility for setting reserves for their various trading entities (subsidiaries, branches and their syndicates at Lloyd’s). The role will suit a PQ actuary or someone just on the cusp of qualifying. Candidates will come from a reserving background and will preferably have had some experience of the Lloyd’s/London insurance market; however, those with an excellent track record in other actuarial disciplines may also be considered.  
*Job ref: J4026*

**Senior Investment Associate**
*London*
A great opportunity to join a DC investment team has arisen in a well-known consultancy. Duties will include providing support to the lead consultants in delivering investment advice to clients. Provide written research to advise clients accordingly and support ongoing business management tasks. You will have experience in DC and DB investment strategy and are likely to be nearly/newly qualified actuary.  
*Job ref: J4162*

**Nearly/Newly Qualified Pensions Actuary**
*London*
Our client a leading niche consultancy is looking for a newly/newly qualified actuary to provide high-quality pensions actuarial and consultancy support to the pension consultancy. Working closely with both principals and the client’s senior consultant to ensure effective and timely provision of actuarial and consultancy services. The ideal candidate will have a proven track record gained within a pensions actuarial consultancy is required.  
*Job ref: J4163*

**Corporate Actuarial Manager**
*London*
You will join an integrated team within this general insurer, providing pricing, reserving, performance monitoring and capital management services across all lines of business and throughout Europe. The career opportunities are outstanding, due to the company’s geographical coverage, the breadth of lines of business, and the extended remit of the department.  
*Job ref: J4156*

**Risk Management Actuary**
*Dublin*
Our expanding client is recruiting for a nearly/newly qualified actuary to join its Solvency II team. The role will include developments to the internal model and embedding business-as-usual risk management. The role will involve regular reports to the CRO.  
*Job ref: J4128*

**Reserving Manager**
*London*
The successful candidate will be part of the UK reserving unit, which has responsibility for setting reserves for its various trading entities (subsidiaries, branches and their syndicates at Lloyd’s). The role will suit a qualified actuary with previous management experience. Candidates will come from a reserving background and will preferably have had some experience of the Lloyd’s/London insurance market; however, those with an excellent track record in other actuarial disciplines may also be considered.  
*Job ref: J4173*

**Insurance consulting**
*Paris*
Prestigious consultancy is looking to boost its Paris insurance team. In particular, it has opportunities for experienced P&C modellers and qualified life consultants. Fluency in French and English is essential. Call for more details.  
*Job ref: J4062, J4063*

**Investment Manager**
*South East*
A key investment and business leadership role in a specialist insurance company. You will ensure that investment, client and commercial interests for the product line are optimised to build upon this well-established and growing fund range. You will have the investment manager selection experience and commercial acumen to ensure the range becomes a market leader. This will entail enhancing the mix of strategies, continually improving the advisor line-up to deliver market leading performance and supporting the promotion of the fund range to achieve dramatic improvements in its commercial success. You are likely to be a qualified actuary with strong client-facing experience in the investments arena.  
*Job ref: J4184*

**Senior Capital Modelling Analyst**
*London*
You will join an expanding capital modelling team, carrying out challenging work in this major general insurer, which has a strong European presence. You will have passed your CT exams, and have strong experience in a similar role. Career opportunities are excellent, in a firm that is known for developing talent.  
*Job ref: J4185*
Time to turn a corner?

The Actuarial Recruitment Company
www.the-arc.co.uk

Call us anytime including evenings and weekends on 020 7717 9705 or email enquiries@the-arc.co.uk

General Insurance
Andy Clark BSc FIA
0781 333 7891
andy@the-arc.co.uk

Life, pensions, investment
Chris Cannon BA
0771 122 8449
chris@the-arc.co.uk

All other enquiries
Roger Massey BSc MBA FIA
0781 398 9016
roger@the-arc.co.uk

A fresh approach