

Best Estimate net of reinsurance in Life and Non-Life Insurance

Context & Goals

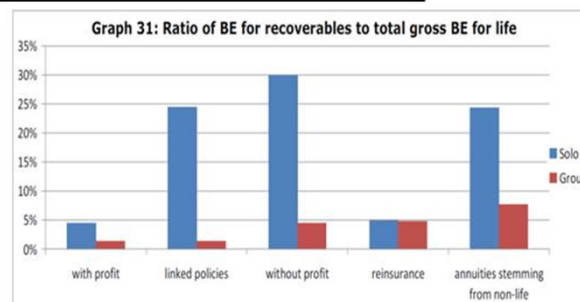
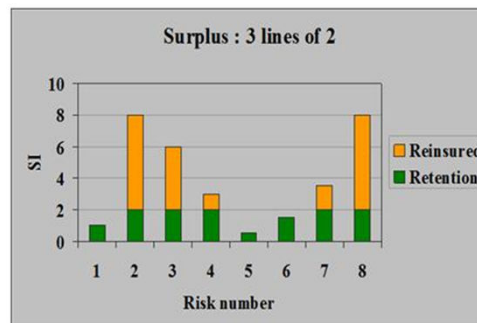
- Estimation of reinsurance recoverables is at the basis of computation of the best estimate of reinsurance
- This training was organized by the Luxemburgish Association of Actuaries (ALAC)
- This training was then performed in-house for several of our clients

Benefits

- Practical examples of computations
- Possible discussion /exchange about difficulties with other companies
- Alignment in interpretation of principles

Deliverables

- Set of slides with the methodology
- Examples in Excel



	1	2	3	4	5		1	2	3	4	5	
2006	1	1.133.387	1.252.036	1.440.908	1.509.537	1.416.687	2006	2	3	3	3	
2006	2	2.392.832	2.710.684	2.917.337	2.784.755	2.936.595	2007	2	3	3	3	
2006	3	954.431	1.092.432	1.168.615	1.149.498	1.250.768	2008	3	3	3	3	
2007	4	901.500	1.007.378	1.011.652	1.075.342	0	2009	3	3	3	3	
2007	5	1.112.396	1.084.622	1.118.550	1.128.300	0	2010	2	2,4	2,4	2,4	
2007	6	1.214.020	1.327.759	1.377.055	1.334.965	0	CL Coef	1,2	1	1	1	
2008	7	1.155.320	1.126.470	1.104.990	0	0	Cumulative Pattern Per UW Year					
2008	8	2.707.417	2.729.861	2.632.411	0	0	2006	1	2	3	4	5
2008	9	1.007.855	1.583.913	1.499.133	0	0	2007					
2009	10	4.834.820	5.215.080	0	0	0	2008				1	1
2009	11	1.041.330	1.083.270	0	0	0	2009			1	1	1
2009	12	1.208.190	1.214.090	0	0	0	2010		1,2	1,2	1,2	1,2
2010	14	2.400.000	0	0	0	0	2010					
2010	15	2.200.000	0	0	0	0						

Agenda

- Life
 - Solvency II principles
 - Most common reinsurance treaties in Life Insurance
 - Practical applications
 - Difficulties faced during QIS5
- Non-Life
 - Best Estimate claim provision vs premium provision
 - Cash-Flows and default of reinsurers
 - Most common reinsurance treaties in Non-Life Insurance
 - Simplified methods
 - Deterministic individual methods
 - Introduction to stochastic individual methods