NYIA 2014 Annual Conference Review
When you hold a conference at a location that is described as "magnificent" or "awe-inspiring" there is pressure that the actual conference match the surroundings. NYIA took on the task this year in holding the association’s annual event at the Sagamore Resort. According to the feedback we have received, the conference exceeded attendees’ expectations.

This year’s event was held Wednesday, May 28 through Friday, May 30 at the Sagamore Resort in Bolton Landing, New York.

Our post-conference survey indicates that the majority of attendees gave the conference high marks (see charts and comments on page 8). So the objective now is to make NYIA’s 2015 Annual Conference even better. I’m looking forward to the challenge.

Please feel free to share this review with your industry colleagues who may benefit from attending future conferences and spread the word on the value in being a member of the association.

We hope to see you at next year’s Annual Conference in Saratoga Springs, New York at the Saratoga Hilton, Wednesday, May 27 through Friday, May 29, 2015.

Sincerely,

Ellen D. Melchionni, CAE
NYIA President
Because NYIA’s focus is solely New York, we are able to provide our members with timely and relevant information on legislation, regulation and other issues affecting the industry in the state.

NYIA is the oldest state property and casualty insurance trade association in the nation, tracing its roots back to 1882. The current association was formed in 1997 by the unification of the New York Insurance Alliance and the New York State Insurance Association. As the industry changed, stocks, mutuals and cooperatives had far more issues in common than they did differences. It became apparent that New York’s property and casualty insurance industry would be best served by a single voice for the New York industry.

That voice is now NYIA.
Chair’s Introduction

The first annual conference organized by the New York State Insurance Association was held in 1980. This small but influential meeting was the genesis of New York's premier property and casualty event which is now known as the NYIA annual conference.

Now for the first time after 24 years, we have put together a review of this year's annual conference. We hope that you find it useful and interesting.

The theme of this year's conference reflected the state of transition and the challenges facing our industry. NYIA has evolved over the past 130 years and has become the voice of the property and casualty industry. The importance of being a member of NYIA is widely recognized.

We have highlighted the various aspects of the conference program in this review. The 2014 conference agenda demonstrated the multitude of issues occurring in New York related to property and casualty insurance. Session topics ran the gamut from ethics to usage-based insurance to changing weather to hydrofracking. A key focus of the event was legislative and regulatory matters with presentations from key public policymakers.

Featured speakers included Financial Services Superintendent Benjamin Lawsky, Wharton Professor Howard Kunreuther and Republican gubernatorial candidate Rob Astorino.

What will 2015 bring? Whatever issue we face, you can be sure we will analyze and address them at the NYIA annual conference next May 27-29 at the Saratoga Hilton in Saratoga Springs, New York. We look forward to seeing you there.

Sincerely,

Bernard Turi, Esq.
NYIA Chair
Keynote Address

Superintendent Benjamin Lawsky, New York State Department of Financial Services

New York State Department of Financial Services Superintendent Benjamin Lawsky was the keynote speaker and formally opened the event on Thursday, May 29. His address touched on a number of key issues including usage-based insurance, ride sharing services, his continued interest in finding new ways to fight auto insurance fraud, and the need for the Terrorism Risk Insurance Act to be renewed in a meaningful way—ideally permanently and as close to its current form as possible. The Superintendent stressed his commitment to encouraging innovation with his enthusiasm for usage-based insurance products being just the tip of the iceberg.

“New York is not quite yet ‘open for business’ when it comes to property and casualty insurance,” NYIA President Ellen Melchionni said. “I am encouraged by Superintendent Lawsky's focus on innovation and enabling insurance companies to bring products to market that address the needs of today’s consumers. NYIA looks forward to working with the Superintendent and his team to identify other areas that can be addressed to make our state a better place for business and ultimately create a more robust marketplace for consumers.”

Session & Speakers

No Need to Go Undercover: Identifying New York coverage trends

Moderator: Bernard Turi, Senior Vice President, General Counsel & Director of Risk and Reinsurance, Utica National Insurance Group

Panelists: John Kadous, Vice President of Personal Lines, American Association of Insurance Services; Jan Scites, CEO & President, MSO, Inc.; and Kimberly Davis, General Counsel, Underwriters Rating Board

The panel presentation entitled No Need to Go Undercover: Identifying New York coverage trends, was an in-depth discussion on a number of important coverage issues, including flood, cyber risk and hydrofracking. On the issue of flood insurance, the panelists noted an increasing examination by insurers of the feasibility of writing private flood insurance. Hydrofracking ignited a round of interesting observations with the common theme being that numerous claims, reinsurance and coverage issues rise to the forefront when hydrofracking occurs. The panelists all viewed cyber risk as a big issue that is still emerging.
Why Insurance is the Most Misunderstood Industry

Howard Kunreuther, James G. Dinan Professor of Decision Sciences & Public Policy, Co-Director Risk Management and Decision Processes Center, Wharton School, University of Pennsylvania

Howard used flood insurance as a prime example of why insurance is so misunderstood and engaged the audience in a spirited debate about how we can increase understanding as an industry. The problem is that people often rely on intuitive thinking for many decisions. While this thought process, which operates automatically and quickly with minimal effort, works well and efficiently for most decisions it is not effective in dealing with low probability, high impact events such as catastrophes. An important takeaway from this session was the need for the industry and policymakers to employ deliberative thinking, a process that focuses on long-term strategies, when determining how to cope with extreme events such as natural catastrophes.

Ready, Set, Go!: Insurance snapshot

Edouard Vieux, Senior Vice President, Swiss Re; Diane Hyland, Vice President, Treaty Account Executive, General Reinsurance Corporation; Scott Rubenstein, Senior Vice President, Willis Re Inc.; Dirk Smith, Vice President of Engineering, Mutual Boiler Re; and John DeMartini, Executive Vice President, JLT Towers Re

This session included a number of reinsurance representatives who had 10 minutes and two slides to present three key takeaways on one important issue. The group covered significant ground in one hour and provided great information about extreme weather, the changing weather models, the impact of emerging issues, solar power and usage-based insurance.

Town Hall Meeting

Moderator: William Melchionni, Senior State Relations Officer, American International Group, Inc.

Panelists: Assemblyman William Barclay, Assembly Insurance Committee Ranking Member; Senator Neil Breslin, Senate Insurance Committee Ranking Member; and Alison Cooper, Senate Insurance Committee Director

The Town Hall Meeting was yet again an interesting and enlightening glimpse into the New York legislative arena. The panelists provided tremendous insight and perspective on the end of session legislative outlook. The panel fielded questions on a variety of topics including state taxes and fees, auto insurance fraud and tort reform. The tort reform conversation centered on the Scaffold Law and the chances for reform in light of the increased attention on this problem and the fact that it affects a larger audience than contractors and insurance companies—namely small businesses, municipalities and ultimately taxpayers. The panelists also gamely waded into the upcoming state legislative elections in response to a question, observing that there are many uncertain state Senate seat contests with the ultimate results in each house depending on factors such as coattails, turnout and the national mood toward politicians.
Oops: Ethics in claim handling and underwriting

Scott Storm, Partner, Mura & Storm, PLLC

Scott provided an informative and entertaining presentation on the ethical issues that arise in the investigation, evaluation and settlement of claims as well as ethical dilemmas that can come about during the underwriting process and result in litigation. One point stressed by Scott was the need for everyone involved in claims handling and underwriting to be conscientious about making ethics a priority. A problem mentioned in the presentation is the prevalent mind set among a majority of Americans that insurance fraud is justified. A golden rule for claims files and underwriting files is that “anything you write can and will be used against you in a court of law,” so one has to think of how their written observations will be received by a judge or jury.

Small Company Roundtable

Moderator: Steven Coffey, President & CEO, Broome Co-operative Insurance Company

As always, the Small Company Roundtable raised several important issues confronting these companies. The overriding theme was the number and extent of intrusive regulations and legal requirements faced by these vital small businesses. Among the matters brought up for discussion were problems with computer fraud against the companies, new statutory accounting rules for depreciation of computer hardware, and the new enterprise risk management and Own Risk and Solvency Assessment (ORSA) regulations. Persistent problems such as financial examinations and the lack of Department of Financial Services’ general counsel opinions were also identified by the roundtable.

NYIA welcomes input for the 2015 Annual Conference education sessions. Please contact Cassandra Anderson at canderson@nyia.org with all suggested topics.
Conference Report

Breakdown by Company

- Primary Members: 42%
- Exhibitors: 14%
- Subscriber Members: 19%
- Non-members: 14%
- Reinsurer Members: 11%

Reasons for Attending

- Good way to meet peers and learn about the business
- Good way to make business contacts
- Mix of business and pleasure seemed right
- Program topics sounded interesting
- Clients/prospective clients were attending
- Time to mingle is key for many folks. This year the cocktail hour on Wednesday seemed better than in years past where it seemed like no time at all. THANKS and kindly keep in mind for future.
- "Topics were timely and informative. I was able to take quite a bit of information back for future consideration and use."
- "As always, the NYIA staff did an excellent job in organizing the event and helping all attendees stay on track and feel welcome. These events really are an excellent way to stay informed about issues impacting the insurance industry in New York and to create/maintain business relationships."
- "The program, speakers and venue were all wonderful. Excellent work on the part of the entire NYIA team."
- "I thought the games after the dinner were a great idea ... You always do a great job with mixing educational and extracurricular activities. Great job Ellen and Crew! Always a great week."
- "Seen a lot of different state organizations, NYIA is on top of the list."
- "This was my first NYIA conference and I truly enjoyed the mix of education and relationship building. Well done!"
Attendee Survey

- Seventy-three conference attendees responded to the survey, with 60% of the respondents representing primary insurer member companies.

- The majority of respondents said the top reasons they attend the conference are because it’s a good way to make business contacts, to meet peers and learn about the business, and that the mix of business and pleasure seemed right.

- The overwhelming majority of respondents rated nearly all topics and speakers at the conference as good or excellent (with good being a 4 and excellent being a 5 on a scale from 1 to 5).

- Ninety-five percent of the respondents find it valuable/beneficial to have regulators speak at the conference.

- Ninety percent of the respondents find it valuable/beneficial to have legislators speak at the conference.

- Overall, respondents liked the location of the conference—with the majority of respondents rating the Sagamore Resort as excellent (with excellent being a 5 on a scale from 1 to 5).

- Eighty percent of the respondents visited the exhibits at the conference and said they felt the exhibits were helpful or somewhat helpful.

- The majority of respondents would like to continue to see exhibitors at future conferences.

- Twenty percent of respondents participated in the group walk at this year’s conference. Of those who did participate, all indicated enjoying the walk and the treat to ice cream.

- Nearly 25% of respondents downloaded the conference app to their device.

- Ninety-nine percent of the respondents that did download the app found it to be useful.

- The majority of the respondents prefer having both the conference program booklet and the conference app.

Exhibitor Survey

- Nearly 60% responded to the survey.

- Nearly 90% of the respondents thought audience quality was the number one factor in determining whether or not to exhibit at the conference.

- More than 90% of the respondents thought that the number of attendees, cost to participate, and whether or not their clients/prospective clients were attending were also important factors in their decision to exhibit.

- Nearly 80% of the respondents received leads from exhibiting at the conference.

- More than half found the conference to be very beneficial and all respondents felt exhibiting at the conference was at least somewhat beneficial.

- All of the respondents said they would be interested in exhibiting at NYIA’s conference next year.
Golf Tournament

Sagamore Golf Course

Golfers embraced the cool weather and the golf. Thank you to our golf breakfast and golf tournament sponsor Munich Re and Hartford Steam Boiler Inspection & Insurance Company and the golf lunch sponsor Magna Carta Companies. Golf prizes were awarded for Longest Drive and Closest to the Pin Contest (each par 3). The following were the recipients of each award:

**Longest Drive:**
- Men: Brian Tobin
- Women: Maureen Mulcahy

**Closest to the Pin Contest:**
- Hole 3: Dave Cecere
- Hole 8: Jeff Rice
- Hole 11: Jack Whipple
- Hole 14: Duke Horigan
The Chair’s Reception was held on the Shelving Rock Terrace on Wednesday night. The beverages were sponsored by Merchants Insurance Group. The cuisine was sponsored by Guy Carpenter & Company, LLC. Chair, Bernard Turi made no formal remarks, but thanked the sponsors and welcomed everyone to the spectacular Sagamore Resort.
Exhibit Show

Attendees had the opportunity to visit the exhibitors and view their many products and services. Our exhibitors were very generous and donated some amazing door prizes. At the conclusion of the Members’ Meeting the winners received their prizes.

Members’ Meeting & Luncheon

Special Guest Speaker

*Westchester County Executive Robert Astorino, Republican gubernatorial candidate*

The Republican party tapped Westchester County Executive Rob Astorino as the standard-bearer for their party in the 2014 New York State governor’s race. He is in his second term as Westchester County Executive and previously served as a member of the Westchester County Board of Legislators. Astorino also has a substantial background in the private sector, having worked in the radio industry for a number of years during which time he helped found ESPN radio in New York City and then the Catholic Channel on satellite radio. County Executive Astorino won his re-election in 2013 by a 13 point margin in a county with a 2-1 Democratic enrollment advantage. He spoke about the important need for a state government in New York that is truly receptive to business and its concerns.

Exhibitor Door Prizes

*Many exhibitors generously donated raffle prizes. Such as:*

**Exhibiting Company**
- American Institute for CPCU
- Boomerang Recoveries
- The Carlisle Group
- Custard Insurance Adjusters
- e2Value, Inc.
- ECC Horizon
- First Empire Securities
- IDentity Theft 911
- IDP
- Town & Country Computer Services
- WaterStreet Company

**Door Prize**
- Select Education Grant
- A Taste of Texas
- $100 Visa gift card
- $100 Amex gift card; Golf club
- Golf shirt (4)
- Noise canceling headphones
- Slazenger Classic Stand Golf Bag
- Polo shirt
- Bottle of vodka; Bottle of scotch
- $50 Home Depot gift card
- Tablet
Group Walk

Back by popular demand, NYIA scheduled a leisurely walk on Thursday, departing from the lobby of the resort. The walk began at the main hotel where participants picked up their snappy NYIA hat and posed for a group photo. The hour long jaunt took them on a tour of the picturesque Sagamore grounds. It also included a pit stop for ice cream!

Fun, Games and Friendly Competition

After the Banquet Dinner on Thursday, NYIA offered a new fun opportunity. For those looking for something different to do after the banquet on Thursday night, NYIA had just the ticket. Libations and games at the Sagamore Events Center allowed folks to join their peers in playing foosball, mini golf, ping pong, wiffle ball or Wii sports. For those not interested in sports, many expressed themselves in song through karaoke. There was something for everyone.
Banquet Reception

Special thanks to reception sponsor Buffamante Whipple Buttafaro, P.C. for the delicious cuisine.
Banquet Dinner

The Banquet Dinner was held on Thursday, May 28. Chair, Bernard Turi provided welcoming remarks. He thanked our centerpiece sponsor JLT Towers Re and dinner wine sponsor Erie and Niagara Insurance Association.
Distinguished Service Award

Thomas White, President
Community Mutual Insurance Company, an affiliate of Union Mutual of Vermont Companies

At the banquet, Chair Bernie Turi recognized the members in attendance who previously served as chair of NYIA. Everyone applauded those previous leaders for doing such a great job and having a major role in taking the association to where it is today. This recognition was the perfect segue to Bernie's presentation of this year's Chair's Distinguished Service Award.

Thomas White was the recipient of this year's Distinguished Service Award. He served on the NYIA Board of Directors for many years and served as the association's chair in 2002 and 2003. He was instrumental in the merger of the New York Insurance Alliance and the New York State Insurance Association in 1997. He has served on a variety of NYIA committees in his 35-year history with the association and currently serves on the Nominating Committee.

"Tom is incredibly loyal to the industry and NYIA. He has dedicated 35 years to advancing the insurance profession. His steadfast commitment and unwavering conviction in promoting the industry is commendable."

–Bernard Turi, NYIA Chair and Senior Vice President, General Counsel & Director of Risk and Reinsurance, Utica National Insurance Group

Retirement Tribute

Barbara Lynch retiring after 39 years at NYIA

NYIA's office manager, Barbara Lynch will retire this fall after nearly four decades of service to the association. NYIA members and staff paid tribute to Barbara at the banquet. A photo montage, set to Dolly Parton's "Working Nine to Five" played, followed by a compilation of several one minute videos submitted by members and staff. In conclusion, Chair Bernie Turi paid a creative tribute to Barbara with his version of Barbara Ann's Island (set to the theme song of Gilligan's Island).
Sponsors

NYIA would like to thank all the sponsors for their continued support!

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Same Local Knowledge & Expertise

Our change to a consistent global brand name worldwide is an acknowledgement of the global nature of risks and the collaborative solutions that all of Munich Re can provide to minimize their impact. However, each market is unique, and we will continue to provide local expertise to create customized risk solutions that fulfill our clients’ risk needs.

Munich Re is especially responsive to the needs of small regional insurers. Our Resolution Program is our approach to addressing the needs of small regional providers who seek more efficient ways to do business, require stability from their reinsurer in the midst of economic uncertainty, and are interested in exploring opportunities to expand into new areas. For more information, visit our website.


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NYIA would like to thank all the exhibitors for taking part in the Exhibit Show.
Acknowledgement and thanks go to the 2014 Education and Conference Planning Committee for their guidance and leadership:

**Chair, Marlene Benton-Sherwood**  
Fulmont Mutual Insurance Company

**Joanne Andela**  
Otsego County Patrons Co-Op

**Robert Baxter**  
Dryden Mutual Insurance Company

**Steven Coffey**  
Broome Co-operative Insurance Company

**Vivalde Couto**  
American European Insurance Group

**Mark Dombrowski**  
Erie Insurance Group

**Kenneth Hoffarth**  
Fire Districts of New York Mutual Insurance Company, Inc.

**Floyd Holloway**  
State Farm Mutual Automobile Insurance Company

**Craig MacCormac**  
Hartford Steam Boiler Inspection & Insurance Company

**Charles Makey**  
Merchants Insurance Group

**Nicholas Masi**  
Farmers Group, Inc.

**Mark Prechtl**  
Chautauqua Patrons Insurance Company

**Thomas Ruane**  
Security Mutual Insurance Company

**Bernard Turi**  
Utica National Insurance Group

**Thomas White**  
Community Mutual Insurance Company

**Kimberly Davis**  
Underwriters Rating Board

**Paul Dzielinski**  
U.S. RE Corporation

**Brian Flasinski**  
Guy Carpenter & Company, LLC

**Brian Heermance**  
Morrison Mahoney LLP

**Joseph Petrelli**  
Demotech, Inc.

**Heather Shaughnessy**  
Mutual Boiler Reinsurance

**Thomas Spataro**  
Guy Carpenter & Company, LLC

**Edouard Vieux**  
Swiss Re

A special thanks to NYIA’s Officers. (L to R) Steve Coffey, Marlene Benton-Sherwood, Liz Heck and Bernie Turi

For further information regarding the NYIA Annual Conference and your opportunity to participate as a sponsor or exhibitor, please contact:

New York Insurance Association (518) 432-4227  
Sponsorships - Stacey Orlando at sorlando@nyia.org  
Exhibitors - Holly Osborn at hosborn@nyia.org

www.nyia.org/events
NYIA 2015 annual conference

The Saratoga Hilton
Saratoga Springs, New York
May 27–29, 2015

Don’t Forget

• Call for speakers open through January
• Solicitation for sponsors opens October 15
• Solicitation for exhibitors opens October 15
• Registration opens February 1
• Program details updated regularly on the website