

## BOARD OF DIRECTORS

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# Insurance Tax Conference, Inc.

*In its Fourth Decade of Service to the Insurance Industry*

**4438 Romero Drive  
Tarzana, California 91356  
Tel: 818.343.4369  
Fax: 818.757.1120**



September, 2009

Dear Insurance Tax Professionals:

This year marks the 34<sup>th</sup> Annual Federal Tax Seminar presented by the Insurance Tax Conference. Once again, the ITC has assembled an outstanding group of speakers to discuss developments and developing trends in the federal tax law of importance to the insurance industry.

Randolf H. Hardock of Davis & Harman LLP will again present the Washington Update. His presence in Washington, DC allows him to keep abreast of developments and to reflect upon the implications of those developments for our industry. His presentation as our keynote speaker promises to be informative and insightful.

We will also have eleven separate breakout sessions, providing a broad array of subjects of interest to our attendees. These breakout sessions will include panels presenting both a Life Insurance Company and Products Tax Primer and a P&C Company Tax Primer. Other breakout panels will focus on such varied topics as Ethics in the Conventional and Electronic World; Executive Compensation; P&C Reserves; Life Reserves; Products; Investments; International; State and Local Taxes - Above and Below Line Impacts; and Penalties.

General sessions will focus on a Life and Property and Casualty Company Update; the Impact of the Economy on the Insurance Industry; Tax Accounting; and Corporate Restructuring.

Our final session will discuss Conference Tax Away Jewels. The panelists will follow up and expand on issues raised during the earlier sessions. They will also answer questions that have been presented in advance from attendees. Time permitting, they will also take questions from the floor.

Finally, there will be breaks between many of the sessions; a reception; and luncheons which will afford you the opportunity to interact and exchange ideas with other conference attendees.

The Board of the ITC and I look forward to seeing you in Chicago.

Sincerely,

*Dick*

Richard Bromley  
ITC President and Chairman of the Board

## SEMINAR INFORMATION

### ◆ CHICAGO MARRIOTT O'HARE HOTEL - CHICAGO, ILLINOIS

A special rate of \$164.00 for both single and double rooms has been arranged. To make your hotel registrations, call Marriott reservations at any of the following numbers:

**1.800.228.9290, 866-614-8407 or 1.773.693.4444**

by Wednesday **October 14, 2009** for our special rates. After that date, reservations are on a first come, first served basis only. Specify that you are attending the:

#### **Insurance Tax Conference 34<sup>th</sup> Annual Seminar**

at the Chicago Marriott O'Hare Hotel. **Reserve early, as a result of the number of ITC Seminar registrations, the Marriott might become completely filled.** Once reservations are confirmed, changes can be made by calling the phone number above. Hotel reservation cancelled by 3:00 p.m. the date of scheduled arrival qualify for a refund.

### ◆ SEMINAR INFORMATION

In light of the economy, the ITC has retained last year's seminar cost, including our Thursday reception and lunch on Thursday and Friday, at \$550.00 per registrant. In addition, there will be no late charge imposed for registering near in time to or at the Seminar. If more than one person in your company will be attending, you may send one check for the total number of registrations, but **individual registration forms must be submitted.** However, if your Registration isn't **received by October 19, 2009**, you might not be listed in the ITC's Directory. If not, you will be listed in the Seminar Notebook as an additional attendee, if possible. Refunds can be made if **a written request** for a refund is **received no later than October 19, 2009**. After that time no refunds can be made but substitutions of attendees will be accepted. For more information regarding administrative policies such as complaint and refund, please contact our offices at 818.343.4369.

### ◆ COMPANY DUES

Seminar registrations **CANNOT** be accepted **unless the company dues of \$150.00** are paid. **Only one dues payment is required for each company or firm for each year.** Contact your authorized representative or call us to verify whether the dues have been paid as they might have been paid in conjunction with the April, 2009 seminar. If the company dues are not paid before the Seminar, you will not be allowed to attend until someone from your company or firm pays the dues personally at the Seminar.

### ◆ AIRPORT TRANSPORTATION

Free shuttles are available to and from Chicago's O'Hare Airport approximately every 15 to 20 minutes, from 5:00 a.m. to midnight. From midnight to 5:00 a.m. you should call the hotel (773.693.4444) and they will send a shuttle to pick you up. Once you have retrieved your luggage, you can easily access the SHUTTLE CENTER by following the "Bus/Shuttle Center" signs to the Hotel Pickup area. Taxi and limo services are also available at your own cost.

### ◆ PROFESSIONAL CONTINUING EDUCATION CREDIT

Professional Continuing Education Reports will be forwarded to attendees based on the sessions that they attend. Attendees will have their badges scanned to confirm attendance. For CE or MCLE credits questions, contact the Executive Secretary so he has enough time to discuss the requirements with your State.

### ◆ NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY (NASBA) SPONSORSHIP

The Insurance Tax Conference is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State Boards of Accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417. Web site: [www.nasba.org](http://www.nasba.org). The Field of Study is Taxation. The program level is Overview. The delivery method is Group-Live. There are no prerequisites and no advanced preparation is required. A total of up to 12.5 CPE credit hours are available, if all sessions are attended. Even though we are registered with NASBA, it is your responsibility to verify whether your State accepts NASBA registration and if your state requires pre-approval of the Seminar. For information regarding administrative policies



such as complaint and refund, please contact us at 1.800.343.4369. By attending the Seminar, a participant should learn general and specific information concerning the taxation of the insurance industry.

◆ **CONTINUING LEGAL EDUCATION**

Program registrants can also secure continuing legal education by attending the Insurance Tax Conference seminars. Generally, the Insurance Tax Conference Seminars are approved for continuing legal education credits by the States of California, Illinois, New York and Pennsylvania. If an attendee desires continuing legal education credits in any other states, the attendee can do one of two things. First, they can contact the desired state directly to see if they can secure continuing legal education credit on their own. Second, they can contact Insurance Tax Conference personnel and ask them to have the Seminar approved for continuing legal education credit. This second alternative usually takes much longer than the first, so an attendee might want to try the direct contact alternative first. The Insurance Tax Conference 34<sup>th</sup> Annual Seminar will provide a total of 10.5 hours of continuing legal education credit, on a 60 minute hour basis, with one (1) of those hours approved for ethics.


◆ **HARDSHIP POLICY**

Program registrants who are unable to afford the registration fee for any ITC course or activity due to a financial hardship may request a full or partial waiver of the registration fee. A letter requesting a waiver of either the full registration fee or a portion of the registration fee must be filed at least ten (10) days before the course or activity begins and no later than the date that the registrant pre-registers. That letter needs to state the reason for the registrant's interest in the course or activity, as well as proof of income or an explanation of the financial hardship, and it must be signed by the requesting registrant. That letter must be accompanied by a completed course registration form. Full and/or partial scholarships will be awarded on a space-available basis, with preference given to applicants in order of date submitted. No requests for registration fee reductions will be accepted at the door. The ITC may waive or reduce the registration fee for the ITC courses at its discretion.

# PROGRAM

**Thursday, November 5, 2009**

8:30 a.m. - 8:45 a.m. - Thursday	
<u>WELCOME AND INTRODUCTIONS</u>	
<b>MODERATOR</b>	<b>Insurance Tax Conference President</b>
<b>Richard Bromley</b> <i>Foley &amp; Lardner LLP</i> Chicago, IL	

8:45 a.m. - 9:35 a.m. - Thursday	
<u>WASHINGTON UPDATE</u>	
Our speaker will present a report on items of importance to the insurance industry concerning the technical, economic and revenue aspects of federal legislation.	
<b>MODERATOR</b>	<b>SPEAKER</b>
<b>Richard Bromley</b> <i>Foley &amp; Lardner LLP</i> Chicago, IL	<b>Randolf H. Hardock</b> Managing Partner <i>Davis &amp; Harman LLP</i> Washington, DC 

9:45 a.m. - 12:45 p.m. - Thursday

**Each Attendee Should Choose One Track or the Other**

Concurrent Track - A - 1

Each of the Following Sessions Is 75 Minutes

9:45 a.m. - 11:00 p.m. - Thursday

**LIFE INSURANCE COMPANY AND PRODUCTS TAXATION PRIMER**

This panel will review the fundamentals of income taxation of life insurance companies and products for those attendees who either have little knowledge of the subject or who need a refresher on these issues.

**MODERATOR**

**Tom Quinn**  
*Tom Quinn Consulting*  
St. Pete Beach, FL

**SPEAKERS**

**R. Lee Christie**  
*Sidley Austin LLP*  
Chicago, IL

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**Fred von Rueden**  
*Deloitte Tax LLP*  
Chicago, IL

11:00 a.m. - 11:30 a.m. - Thursday

**BREAK FOR CONCURRENT TRACK A - 1 ATTENDEES**

11:30 a.m. - 12:45 p.m. - Thursday

**PROPERTY AND CASUALTY COMPANY TAXATION PRIMER**

This panel will present an overview of federal income taxation applicable to non-life insurance companies. Ideal for professionals with limited exposure to the non-life company tax environment.

**MODERATOR**

**Robert Gorey**  
*R. Gorey Consulting*  
Andover, MA

**SPEAKERS**

**Kevin Owens**  
*Ernst & Young LLP*  
Washington, DC

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**Gregory L. Stephenson**  
*SMART Business Advisory and Consulting, LLC*  
Great Falls, VA

9:45 a.m. - 12:45 p.m. - Thursday

**Each Attendee Should Choose One Track or the Other**

Concurrent Track - A - 2

Each of the Following Sessions Is 50 Minutes

9:45 a.m. - 10:35 a.m. - Thursday

**PENALTIES**

The panel will discuss current IRS procedures and practices with respect to the imposition of penalties on corporate taxpayers, focusing on the accuracy related penalties and those applicable to tax shelters. The panel will also address how companies respond to proposed penalties and the experience of insurers in challenging proposed penalties.

**MODERATOR**

**Joseph F. McKeever, III**  
*Davis & Harman LLP*  
Washington, DC

**SPEAKERS**

**Thomas A. Cullinan**  
*Sutherland, Asbill & Brennan, LLP*  
Atlanta, GA  
- - - -  
**Susan E. Seabrook**  
*Latham & Watkins LLP*  
Washington, DC

10:35 a.m. - 11:05 a.m. - Thursday

**BREAK FOR CONCURRENT TRACK A - 2 ATTENDEES**

11:05 a.m. - 12:05 p.m. - Thursday

**ETHICS IN THE CONVENTIONAL AND ELECTRONIC WORLD**

This panel will discuss ethical issues lawyers, accountants and company personnel must be aware of when providing solutions to insurance company problems and the preparation of insurance company returns.

**MODERATOR**

**Tom Quinn**  
*Tom Quinn Consulting*  
St. Pete Beach, FL

**SPEAKERS**

**Janette M. Lohman**  
*Thompson Coburn LLP*  
St. Louis, MO  
- - - -  
**William T. Lundeen**  
*Ernst & Young LLP*  
Chicago, IL

12:05 p.m. - 12:55 p.m. - Thursday

**PRODUCTS**

This panel will discuss product tax issues associated with the design, issuance and administration of life insurance and annuity contracts.

**MODERATOR**

**Thomas M. Ronce**  
*Pacific Life Insurance Company*  
Newport Beach, CA

**SPEAKERS**

**Brian King**  
*SMART Business Advisory and Consulting, LLC*  
Farmington, CT

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**Mark Griffin**  
*Davis & Harman LLP*  
Washington, DC

12:55 p.m. - 1:45 p.m. - Thursday

**LUNCH FOR ALL ATTENDEES**

1:45 p.m. to 2:35 p.m. - Thursday

**IMPACT OF THE ECONOMY ON THE INSURANCE INDUSTRY**

The insurance and financial services regulatory systems are receiving unprecedented focus as a result of the economic crisis. This panel will discuss economy-driven actions taken or under consideration by regulators, proposals for overhaul of the system, and potential business and tax ramifications.

**MODERATOR**

**Anne Simpson**  
*Allstate Insurance Company*  
Northbrook, IL

**SPEAKERS**

**Stephen W. Broadie**  
*Property Casualty Insurers Assoc of America (PCI)*  
Des Plaines, IL

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**Bobbi O. Anderson**  
*Sidley Austin LLP*  
Chicago, IL

2:45 p.m. - 4:00 p.m. - Thursday

**LIFE, HEALTH AND PROPERTY AND CASUALTY COMPANY UPDATE**

This Panel will present a discussion of insurance tax developments in the past 12 months affecting life and property and casualty companies.

**MODERATOR**

**Lawrence Friedman**  
*Locke Lord Bissell & Liddell LLP*  
Chicago, IL

**SPEAKERS**

**Pamela Biesecker**  
*Nationwide Insurance Company*  
Columbus, OH

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**Craig L. Pichette**  
*KPMG LLP*  
Chicago, IL

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**Kirk Van Brunt**  
*Locke Lord Bissell & Liddell LLP*  
Washington, DC

4:00 p.m. - 4:30 p.m. - Thursday

**BREAK FOR ALL ATTENDEES**

4:30 p.m. - 5:20 p.m. - Thursday

**TAX ACCOUNTING**

This panel will discuss current issues and update on tax accounting developments in GAAP, STAT and IFRS.

**MODERATOR**

**Susan K. Leonard**  
*PricewaterhouseCoopers LLP*  
Los Angeles, CA

**SPEAKERS**

**Thomas Gibbons**  
*Pacific Life Insurance Company*  
Newport Beach, CA

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**James L. Mannello**  
*Deloitte LLP*  
New York, NY

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**Frank Svoboda**  
*Torchmark Corporation*  
McKinney, TX

5:30 p.m. - 7:00 p.m. - Thursday

**MEET AND GREET RECEPTION FOR ALL ATTENDEES**

**Friday, November 6, 2009**

8:00 a.m. - 9:40 a.m. - Friday

**Each Attendee Should Choose One Track or the Other**

Concurrent Track - B - 1

Each of the Following Sessions Is 50 Minutes

8:00 a.m. - 8:50 a.m. - Friday

**PROPERTY AND CASUALTY COMPANY RESERVES**

**Are you ready for that next IRS review of your Company reserves?** Our distinguished panel will discuss best practices and practical tips to facilitate your Company's Exam readiness. These insights will reflect each panelist's actual audit experience in their respective roles as the Company Actuary, the Consulting Actuary and the Tax Professional.

**MODERATOR**

**SPEAKERS**

**Dawn Cummings-Fritz**  
*Zurich North America*  
Schaumburg, IL

**Brian Z. Brown**  
*Milliman, Inc.*  
Brookfield, WI

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**Bradley J. Kiscaden**  
*Markel Corporation*  
Deerfield, IL

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**Richard F. Riley**  
*Foley & Lardner LLP*  
Washington, DC

8:50 a.m. - 9:40 a.m. - Friday	
<b><u>INVESTMENTS</u></b>	
This panel will present an update of investment topics and developments of interest to the insurance industry.	
<b>MODERATOR</b>	<b>SPEAKERS</b>
<b>Kim Sellers</b> <i>KPMG LLP</i> Dallas, TX	<b>Alan Fu</b> <i>Prudential Financial Group</i> Newark, NJ - - - - <b>Mark Price</b> <i>KPMG LLP</i> Washington, DC

8:00 a.m. - 9:40 a.m. - Friday	
<b><u>Each Attendee Should Choose One Track or the Other</u></b>	
Concurrent Track - B - 2	
Each of the Following Sessions Is 50 Minutes	
8:00 a.m. - 8:50 a.m. - Friday	
<b><u>LIFE COMPANY RESERVES</u></b>	
This panel will present a discussion focusing on implementation issues related to tax reserving under VACARVM and recent developments affecting taxes under principle based reserves. Several other current tax reserving issues involving controversies with the IRS will also be discussed.	
<b>MODERATOR</b>	<b>SPEAKERS</b>
<b>Charles D. Friedstat</b> <i>Friedstat Consulting</i> Chicago, IL	<b>Thomas A. Campbell</b> <i>Hartford Life</i> Simsbury, CT - - - - <b>Peter Winslow</b> <i>Scribner, Hall &amp; Thompson, LLP</i> Washington, DC

8:50 a.m. - 9:40 a.m. - Friday	
<b><u>INTERNATIONAL</u></b>	
This panel will present an International Update focusing on recently passed or pending legislation or regulatory developments.	
<b>MODERATOR</b>	<b>SPEAKERS</b>
<b>Stephen Collier</b> <i>Genworth Financial</i> Richmond, VA	<b>David A. Schenck</b> <i>PricewaterhouseCoopers LLP</i> Washington, DC - - - <b>David Brockway</b> <i>Bingham McCutchen</i> Washington, DC

9:50 a.m. - 10:40 a.m. - Friday	
<b><u>Each Attendee Should Choose One Track or the Other</u></b>	
Concurrent Track - C - 1	
The Following Session Is 50 Minutes	
<b><u>STATE AND LOCAL TAXATION - ABOVE AND BELOW THE LINE IMPACTS</u></b>	
This panel will discuss "big picture" state tax developments that every federal tax practitioner should be following and will review new state legislative proposals, discuss developments in combined reporting and nexus, and overview the Multistate Tax Commission's latest project.	
<b>MODERATOR</b>	<b>SPEAKERS</b>
<b>Edward M. Burgh</b> <i>Burgh, Balian &amp; Bergstein, LLP</i> Studio City, CA	<b>Tracy D. Williams</b> <i>Sidley Austin LLP</i> Chicago, IL - - - <b>Philip M. Zinn</b> <i>PricewaterhouseCoopers LLP</i> New York, NY

9:50 a.m. - 10:40 a.m. - Friday

**Each Attendee Should Choose One Track or the Other**

Concurrent Track - C - 2

The Following Session Is 50 Minutes

**EXECUTIVE COMPENSATION**

The panel will provide a brief overview of the existing legal landscape regarding executive compensation. The discussion will cover recent and anticipated regulatory and legislative developments, including the recently released self-correction rules for Internal Revenue Code section 409A-governed arrangements and the various rules and restrictions on executive compensation for recipients of federal TARP funds

**MODERATOR**

**Joseph F. McKeever, III**  
*Davis & Harman LLP*  
Washington, DC

**SPEAKERS**

**Catherine Creech**  
*Ernst & Young LLP*  
Washington, DC

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**Seth Perretta**  
*Davis & Harman LLP*  
Washington, DC

10:40 a.m. - 11:10 p.m. - Friday

**BREAK FOR ALL ATTENDEES**

11:10 a.m. - 12:00 noon - Friday

**CORPORATE RESTRUCTURING**

Corporate restructurings involve transactions within corporate families that do not constitute changes of control within the meaning of the Insurance Holding Company System Regulatory Act. Such transactions are usually designed to realign strategically important lines of business, limit enterprise risk, reduce capital costs or accomplish market entries or exits. Internal entity, asset and reinsurance transactions will be reviewed.

**Moderator**

**D. Timothy Tammany**  
*CIGNA Corporation*  
Philadelphia, PA

**Speakers**

**Seth L. Rosen**  
*Debevoise & Plimpton LLP*  
New York, NY

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**Julie Goosman**  
*PricewaterhouseCoopers LLP*  
Atlanta, GA

12:10 p.m. - 1:00 p.m. - Friday

**CONFERENCE TAKE AWAY JEWELS**

This final session will allow all of the attendees to exchange ideas with speakers and with the other attendees to secure the gems that might come from the various panels.

**Moderator**

**Richard Bromley**  
*Foley & Lardner LLP*  
Chicago, IL

**Speakers**

To be chosen by the Moderator from speakers on other panels

1:00 p.m. - 2:15 p.m. - Friday

**LUNCH FOR ALL ATTENDEES**

Take away boxes will be available for anyone who has an airplane connection that does not allow them time to have lunch at the Marriott and wants to take lunch with them to the airport.



# SEMINAR REGISTRATION

Name \_\_\_\_\_

## ITC Thirty-Fourth Insurance Tax Seminar

### Page 2 - Seminar Choices

#### Continuing Education Credits Choices

PLEASE LET US KNOW IF YOU NEED **CONTINUING EDUCATION CREDIT TYPE**

Yes

I need  NASBA (Accounting) and/or  Legal Education Credits

No  - I do not need CPE

**PLEASE NOTE:** If you need CPE credits and you DO NOT check the boxes above, your badge might need to be reissued at the seminar registration desk and will **delay your registration** and might even result in the **loss of some Education Credits**. All attendee will need to have their badges scanned before **each seminar session attended**.

#### Concurrent Session Choices

- |  |    |   |
|--|----|---|
| <input type="checkbox"/> A - 1 Sessions<br>Life Company Primer<br>P & C Company Primer | or | <input type="checkbox"/> A - 2 Sessions<br>Penalties<br>Ethics<br>Products        |
| <input type="checkbox"/> B - 1 Sessions<br>P & C Company Reserves<br>Investments       | or | <input type="checkbox"/> B - 2 Sessions<br>Life Company Reserves<br>International |
| <input type="checkbox"/> C - 1 State and Local Taxation                                | or | <input type="checkbox"/> C - 2 Executive Compensation                             |

#### Food Service Choices

- I will **NOT** attend the Thursday night reception.
- I will **NOT** attend the Friday Buffet lunch.

#### Seminar Attendance

Years at company/firm \_\_\_\_

Years in the insurance industry \_\_\_\_

Number of ITC Seminars Attended \_\_\_\_



INSURANCE TAX CONFERENCE

ADDITIONAL MEMBERS - 2009 - 2010

**PLEASE PRINT OR TYPE INFORMATION  
BE SURE TO PROVIDE COMPLETE INFORMATION  
FOR EACH ADDITIONAL MEMBER**

Name \_\_\_\_\_  
Title \_\_\_\_\_  
Company \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Phone: (     )                      Fax: (     ) \_\_\_\_\_  
E-Mail: \_\_\_\_\_



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E-Mail: \_\_\_\_\_

**ADD ADDITIONAL PAGES, IF NECESSARY**