



## LOMA Society of Greater New York Newsletter

*Recipient of all five LOMA Outstanding Society Awards from 2006-2011*

**Vol. VI, Issue III    November 2011**

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### **OFFICERS**

#### **President**

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#### **Vice President**

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Cecilia Stoute, FLMI, ACS, AFSA, AIAA  
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#### **Immediate Past**

#### **President**

Claudine R. Jessamy, FLMI, ACS  
(914) 846-3863

### **BOARD MEMBERS**

Eileen Breen, FLMI, AIRC, AIAA, ACS, MCM

Martin J. Brophy, FLMI, ACS, CLU

Milagros Centeno, FLMI

Marlon Fearon, FLMI, ALHC, ACS

Jean Hauser, FLMI, CLU, ChFC

Vicki Hughes, FLMI, CPCU, ARE

Michael Khalil, FLMI, FFSI, PCS, AAPA, AIAA, AIRC, ARA, CLU, ChFC

Erin Marshall, FLMI, ACS, AIRC, ARA

Karen O'Keefe, FLMI, ACS

Susan Treacy, FLMI, ACS, AIAA, CLU, PMP

Bruce A. Weis, FLMI, ACS, ARA

James Woodman, FLMI, ACS

## **A Message from the Society's President Fred Lorthioir, CMA, FLMI**

Fall is here, winter is around the corner, and 2012 will be here before you know it. The LOMA Society of Greater New York is closing our 68<sup>th</sup> year.

This was another exceptional year for the Society. We sponsored four General Meetings, plus our traditional Annual Conference. In total, our meeting attendance exceeded five hundred people, which is greater meeting attendance than last year. Now that the Society has raised the bar on meeting attendance, I would like to increase our 2012 meeting attendance. I hope that you will help us meet this goal.

I am excited about next year because, once again, we have an exceptional team that is ready to put together another year of outstanding events. Also, I congratulate all newly elected Officers and Directors, with special recognition to Robert Klotz who is new to the board, as well as Eileen Breen and Erin Marshall, both elected to their first full three-year term.

The Society wrapped up this year's USO fundraising effort at the Annual Conference. Jean Hauser, of Guardian Life Insurance, hit the cover off the ball. Under her leadership, the Society raised \$2,808 for the USO. This includes a generous match from her employer.

If you are interested in being more active within the Society, perhaps by joining one of the Society's committees, please reach out to one of our Board Members or myself. We are particularly looking for assistance with our Social Media efforts, such as Facebook and LinkedIn. If you have any experience in either of these applications and are willing to help our Strategic Planning Committee with our launch, please reach out to me directly.

Last but not least, I wish all of you a happy, healthy, and prosperous New Year.

Fred Lorthioir  
MrFredl@aol.com

## 4<sup>th</sup> General Meeting Guardian September 7, 2011

Following are highlights from the meeting:

**Michael Ferik, FSA, Senior Vice President, Individual Life  
Guardian Life Insurance Company of America**

**Topic – “The Resurgence of Whole Life”**

- ◆ Michael opened his presentation by showing the audience statistics:

*2007–2010 Compound Annual Growth Rates by Product Type*

Overall down by 7%

Universal Life (UL)	- 8%
Variable Universal Life (VUL)	-28%
Term	-5%
Whole Life (WL)	+8%

\*\* Through the first six months of 2011, the industry is up by 4%, Whole Life is up by 10% \*\*

Historical Market Share by Product

<b>1980</b>	<b>Product</b>	<b>%</b>
	Term	18
	WL	82
<b>1985</b>	WL	47
	Term	11
	VUL	4
	UL	38
<b>1990</b>	WL	54
	Term	13
	VUL	7
	UL	26
<b>1995</b>	WL	46
	Term	15
	VUL	15
	UL	24
<b>2000</b>	WL	23
	Term	23
	VUL	36
	UL	18

2005: We saw lots of Whole Life resurgence, up 24%.

2010: Whole Life was up to 30%.

**Environment – Stock Market Where the Money is**

Perception is that the ‘New Economy’ will continue to drive growth. Equities should fund Insurance. The demand is for VUL - a product of the future.

**Booming Stock Market**

- 1975–1999 the market looked like a moneymaking machine.
- Impacts to the boom – Demutualization – Gaining access to capital markets
- Mutual Life companies offer Whole Life dividends

Consumers were attracted to Variable Life over Whole Life. The illustrative values on a Variable Life look great, while Whole Life has an “old fashioned” design whose stability and low risk was a hard sell. No one was asking for Whole Life and it may be a while before people ask for it again.

**Personal Economics**

People tend to overemphasize their experience in projecting future performance; they tend to dislike loss more than they enjoy gain. They enjoy stable returns and get out of the market after it has declined.

**Universal Life vs. Whole Life**

2000 vs. 2010

- Low premiums
- Fully guaranteed
- Simple policy to sell
- Requires high level of reserves per dollar of premium
- Many companies have increased premiums over the last few years and some companies have pulled secondary guarantee UL products

The current decade has helped Whole Life. Mutual companies are positioned to meet the market demand in the form of Mutuality:

- Participating policyholders over company stockholders
- Corporate profits can be paid on the back end into Whole Life in the form of dividends

**Why Whole Life**

- Pay a premium, receive a death benefit
- Built-in guarantees
- Low volatility
- Relatively strong returns
- Balance of cash value and guarantees

Consumers get beat down by the market and want something steadier, including the financial strength of the insurance carrier.

**LOMA Society of Greater New York**  
**68<sup>th</sup> Annual Conference**  
**Battery Gardens**  
**October 20, 2011**

## OVERVIEW

“Unprecedented? The World is Not Flat: Social Media In 2011” was the theme of the Society’s Annual Conference at the Battery Gardens on Thursday, October 20, 2011.

The attendees enjoyed a cocktail reception before Fred Lorthioir, Society President, opened the business portion of the meeting. Fred welcomed attendees to the 68<sup>th</sup> annual meeting. In 2011, the Society sponsored four general meetings, exceeding 2010 in total number of attendees—over 500 attendees at our meetings.

The Finance Committee’s proposal to keep the 2012 dues at \$30, the same amount as in 2011, was passed.

Fred reminded everyone that the Society is supporting the USO of NY. The funds raised have been used to purchase pre-paid phone cards for the soldiers overseas. He recognized board members and committee chairs for their hard work and dedication to the Society, as they are the “backbone of the LOMA events.”

## LOMA

Ted Hatcher from LOMA recognized new designees in attendance and presented the following:

### *LOMA Life Insurance Industry Update*

- Life insurance sales in 2011 are flat compared to 2010
- Focus on new consumer groups including Gays, Lesbians, Hispanics, and Asians
- Middle Market remains under insured and under sold
- Universal Life is making a comeback – step up options
- Better service and fulfillment: price no longer a differentiator. “What kind of service am I going to get?”
- Policies issued quicker
- Social Media
  - Consumers use this medium to share their experiences; positive and negative
- Cutting edge technology: companies are investing in IT resources
- Annuities have come back to the forefront
  - Fixed and Variable sales are up
  - People are looking for a safe place for their money
  - Financial Institution sales are up
  - Bank sales surged up 48%
- New retirement products are in the pipeline
- 10,000 Baby Boomers a day turn 65

*What's Ahead for the Industry?*

- The great revenue hunt – committees are looking at entitlements and tax deductions
- Stability of Insurers – people see that insurers around for over 100 years are strong
- More regulations as a result of the recession of 2008
- There is growing concern with long term low interest rates – Japan scenario
- “Occupy Wall Street” movement – something will come out of people’s fears and concerns
- 2012 elections

*What's Ahead for LOMA?*

- More courses in N2K (Need to Know) format – delivery methods change as people change
- Functional mapping – LOMA works directly with companies to fill the knowledge gaps

John Boomer presented Blaine McDonald with the 2011 Walter J. Leonard Memorial Scholarship in the amount of \$2,500. Blaine is a student at St. John’s University School of Risk Management. She was also awarded this award last year.

**ELECTIONS**

Claudine Jessamy, Immediate Past President and Nominating Committee Chair, presented the following candidates for the 2012 Board of Directors:

2012 President	Frederick Lorthioir, TIAA-CREF, Retired
2012 Vice President	Elaine Rogers, New York Life
2012 Secretary	Robert Klotz, New York Life
2012 Treasurer	Cecilia Stoute, New York Life
2012 – 2014 Director	Eileen Breen, MetLife
2012 – 2014 Director	Emily Feldman, MetLife
2012 – 2014 Director	Vicki Hughes, Prudential
2012 – 2014 Director	Erin Marshall, Swiss Re Life & Health

The candidates were elected. Claudine swore in the candidates with the Oath of Office.

## **GUEST SPEAKER**

Stephen Selby, Director Regulatory Services, LIMRA

Following is a recap of Stephen's presentation:

- Big change is the way we deal with things
- We benefit from disruption, which creates change
- We are used to disruption and we deal with it
- Groups are able to organize by using Twitter (limit 140 characters/message) and Facebook
- Conversations are about listening: who is listening to you/following you on Facebook
- When you live through change, you don't understand the value of it. For example, it may take 200 years to get the full perspective of Facebook
- Get the message to the right people at the right time
- Social media never forgets
- Library of Congress saves all Tweets
- Tweets have a half-life of 3 hours
- Long memory, short half-life to get your message out there
- United conversation using hash tags (# followed by common word, example #lifeinsurance)

### Regulators and Social Media

- We may not like them, but we should "like" them anyway
- Regulators understand disclosure
- FINRA has multiple feeds (Twitter)
- FINRA Regulatory 10-06 is the key document
- Regulatory disclosure is slowing:
  - Social Media, Social Business, Social Good

We have good stories to tell, so why don't we tell them using social media.

## *2011 LOMA Outstanding Society Award*

It is our pleasure to inform you that, for the sixth consecutive year, the **LOMA Society of Greater New York** has won Outstanding Society Awards in all five categories:

- **Communications & Public Relations**
- **Community Service**
- **Education**
- **Membership**
- **Special Achievement**

Congratulations to all of the Greater New York Society members!

We look forward to making it happen again!



The Outstanding Society Awards (OSAs) are given each year to recognize LOMA Societies that fulfill the defined criteria. Each award is based on the Society's activities over the previous year. Winning Societies were recognized and presented with OSA medallions at LOMA's 2011 Annual Conference and Conferment on September 11th in Montreal, Canada.

# *Congratulations!*

***REMARKS HONORING MARTY BROPHY, FLMI, ACS, CLU  
MADE BY KATHY MILLIGAN, FLMI, ACS, VICE PRESIDENT, EDUCATION AND TRAINING, LOMA  
AT THE LOMA ANNUAL CONFERENCE GENERAL SESSION, SEPTEMBER 13, 2011***

“Barbara Francis recognized the 2011 Outstanding LOMA Societies. One LOMA Society that has been in the top tier, consistently earning this distinction, is the LOMA Society of Greater New York. One of their long-time members, Marty Brophy, is retiring from Prudential this fall.

Marty has served on the Board of the LOMA Society of Greater New York continuously since 1985. He was president in the mid-1990s and has served in other roles—official and unofficial—always supporting and facilitating the great work of that fine group.

I am told that at Prudential, Marty is known as ‘Mr. LOMA’ for his tireless efforts to recruit fellow employees to take LOMA exams, and to participate in the LOMA Society.

Marty, you exemplify professionalism! The LOMA team joins me in thanking you for all that you have done to help and support LOMA, and we salute you for the positive impact you have made through your dedicated service to your company and our industry.

Please stand Marty, and let us all honor you with a round of applause as wish you a wonderful retirement!”

**REMARKS HONORING KAREN O'KEEFE, FLMI, ACS  
MADE BY FRED LORTHOIR, FLMI, CMA**

“I want to take time to thank Karen O’Keefe from New York Life, who is rotating off the Board this year. Karen has been on the board since 2009. For the past few years, Karen has chaired our Membership Committee. If you came to one of our meetings, it is likely that Karen greeted you, checked you in, gave you your nametag, and collected your meeting fee. Behind the scenes, Karen also kept track of our membership rolls, sent out invitations and reminders, collected dues, and performed countless other duties. She will be sorely missed. So when you see her, please extend a warm thank you for a job well done.”

**Financial Report: January 1, 2011 through October 31st, 2011**

Check Book Balance 12/31/2010	\$ 17,389
Income	
Member Dues	7,620
Meeting Fees	13,060
Total Income	\$ 20,680
Expenses	
Meeting Expenses	15,677
Walter Leonard Memorial Scholarship Fund	2,180
Miscellaneous	2,907
Total Expenses	\$20,765
Net Income (Deficit)	(\$85)
Check Book Balance 10/31/2011	\$ 17,304

**New LOMA Designees: July 2011 – October 2011**

<b>New Designees</b>	<b>Designations</b>	<b>Company</b>
Aaron Strassburger	ARA, FLMI	New York Life Ins. Co.
Alanna Ginley	ALMI	New York Life Ins. Co.
Ann Marie Thompson	ALMI	Ins. Dept. of New York
Anup Babu	FLMI	IBM Global Services India
Atul Patel	ALMI	Cognizant Technology Solutions
Blaise Shindledecker	ALMI	New York Life Ins. Co.
Brian Mannix	AFSI	New York Life Ins. Co.
Brindha Kumarasamy Kasthuri	ALMI	Cognizant Technology Solutions
Carlos Beckford	ALMI	New York Life Ins. Co.
Carolyn McGrath	FLMI	Prudential Financial
Charlton Tabuteau	ACS, ALMI	New York Life Ins. Co.
Christine Mavour	FLMI	Ins. Dept. of New York
Clarice Ma	ACS, ALMI, FLMI	Church Life Ins. Corp.
Courtney Williams	ARA, FLMI	Ins. Dept. of New York
Edgar Castro	ALMI	Prudential Financial
Evan Smith	ALMI	New York Life Ins. Co.
Gaurav Munot	AFSI	TATA Consultancy Services
Jaime Winnicki	ALMI	MetLife-Enterprise General Agency
Karla San Emeterio	ACS, ARA, FLMI	New York Life Ins. Co.
Kate Steffanelli	ALMI	A.M. Best Co.
Manash Chakravarty	ACS	Cognizant Technology Solutions
Marcia Davy	ALMI	Ins. Dept. of New York
Mary Farley	ACS	Amica Mutual Ins. Co.
Michael Carroll	FLMI	New York Life Ins. Co.
Natalia Postrigan	ACS	Swiss Re Life & Health America, Inc.
Natalie Matelsky	ACS	New York Life Ins. Co.
Patricia Jenkins	ACS	MetLife, Inc.
Rebecca Herr	ALMI	New York Life Ins. Co.
Sermin Keswani	ARA	Swiss Re Life & Health America, Inc.
Stacy Isons	ALMI	SBLI USA Mutual Life Ins. Co., Inc.
Stacy Kelner	ACS	New York Life Ins. Co.
Surupa Basu	AAPA	Cognizant Technology Solutions
Thiru Arasan Dayalan	ACS	Cognizant Technology Solutions
Tory Ragsdale	FFSI	New York Life Ins. Co.
Venkatesan Venugopal	ALMI	New York Life Ins. Co.

2011 Society Committees	Chair
Archives	Bruce Weis
Audit	James Woodman
Community Affairs	Jean Hauser
Education & Scholarship	Vicki Hughes
Finance	Cecilia Stoute
Membership	Karen O'Keefe
Nominating	Claudine Jessamy
Public Relations & Communication	Emily Feldman
Program Planning	Elaine Rogers
Strategic Planning	Marlon Fearon
Technology	Frank Roosma
Society Representative to LOMA	Claudine Jessamy
LOMA International Society Committee	CO-Chair: Susan Treacy

The LOMA Society of Greater New York circulates this newsletter to Society's Members and Associates. We value your input and comments, as well as your story suggestions.

Please send any correspondences to [efeldman@metlife.com](mailto:efeldman@metlife.com).

Special thanks to the Newsletter Committee Members: Emily Feldman, Marty Brophy, Moulinath Chakrabarty, Fred Lorthioir, Maria L Ricciardi, Bob Klotz, Allen Jones, and Adianec Ross

Visit our Website at [www.LOMAGNY.org](http://www.LOMAGNY.org)