



Allstate®

You're in good hands.



Actuarial Careers What Allstate Has to Offer

Topics

What is a P&C actuary?

Allstate at a glance

Actuarial career development

Meaningful work

Professional Actuarial Societies

In the United States and Canada, there are two organizations that confer credentials on practicing actuaries:

- **Society of Actuaries (SOA)**

- Life Insurance, Annuities, Health Insurance, Pension Plans, etc
- SOA founded in 1889
- 22,000 members

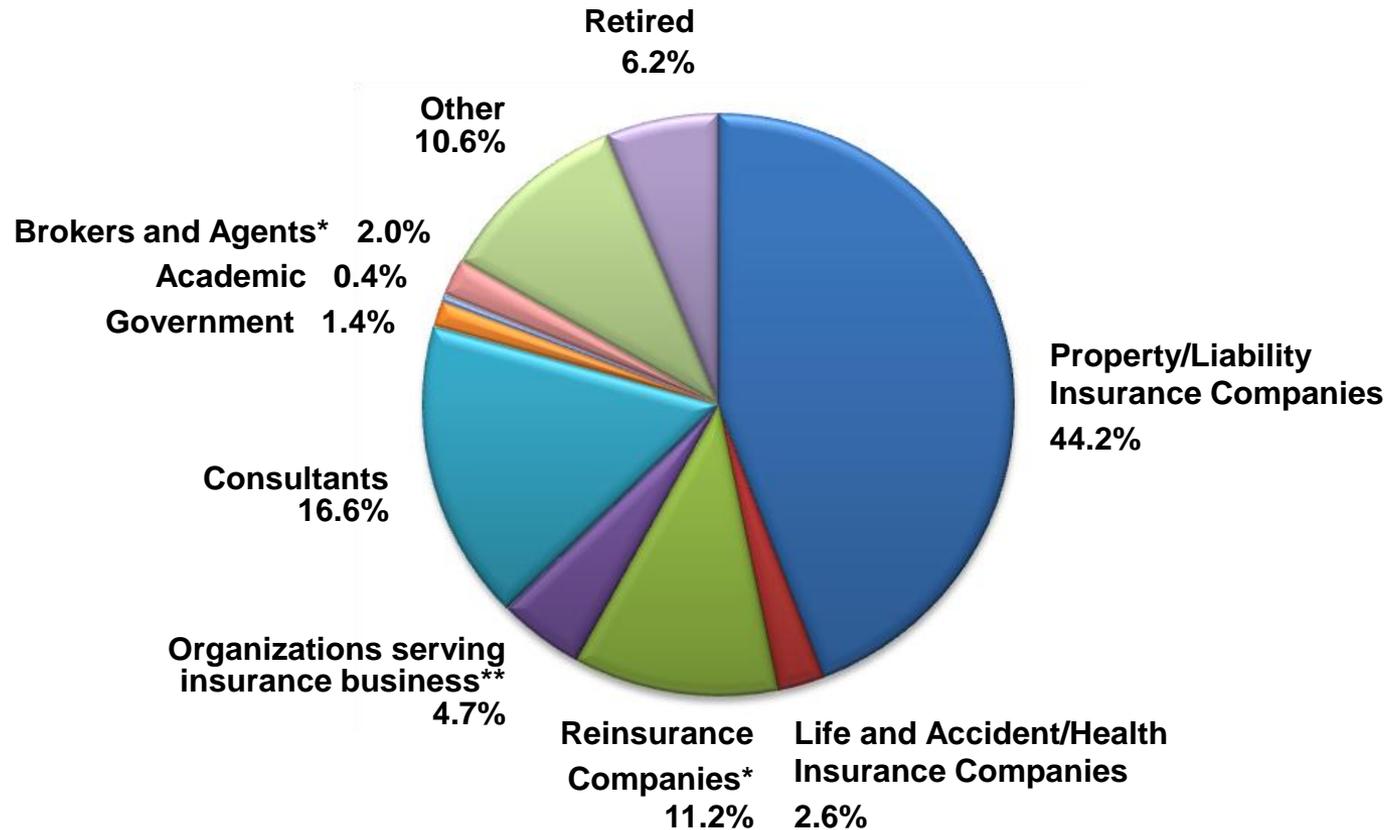


- **Casualty Actuarial Society (CAS)**

- Property and Casualty Insurance: Auto, Homeowners, Workers Compensation, and others
- CAS founded in 1914
- 5,400 members



CAS membership by employment type



* Category created in 1989

** Formerly Bureaus and Associations

Source: CAS Yearbook and Proceedings

What types of insurance do casualty actuaries work in?

- Personal lines (Auto, Homeowners, Renters, Boats, Motorcycles, etc).
- Commercial lines (auto and property of small businesses)
- Worker's compensation
- Medical malpractice
- Lloyds of London
- Professional liability
- Natural and man-made disasters
 - Hurricanes
 - Earthquakes
 - Terrorism



CAS exam structure

CAS 1 = SOA P – Probability

CAS 2 = SOA FM – Financial Mathematics

CAS 3L* = SOA MLC – Life Contingencies

CAS 3F = SOA MFE – Financial Economics

CAS 4 = SOA C – Actuarial Modeling

CAS 5 – Basic Ratemaking and Reserving

CAS 6 – Regulation and Financial Reporting

Online Course 1 – Risk Management and Insurance Operations

Online Course 2 – Coverage Analysis, and Insurance Accounting, Law, & Regulation

Course on Professionalism

VEE Requirements

CONGRATULATIONS! You are now an Associate of the Casualty Actuarial Society!

CAS 7 – Advanced Techniques in Unpaid Claim Estimation, Insurance Company Valuation, and Enterprise Risk Management

CAS 8 – Investments and Financial Analysis

CAS 9 – Advanced Ratemaking, Rate of Return, and Individual Risk Rating Plan

CONGRATULATIONS! You are now a Fellow of the Casualty Actuarial Society!

* This exam is not identical to SOA MLC

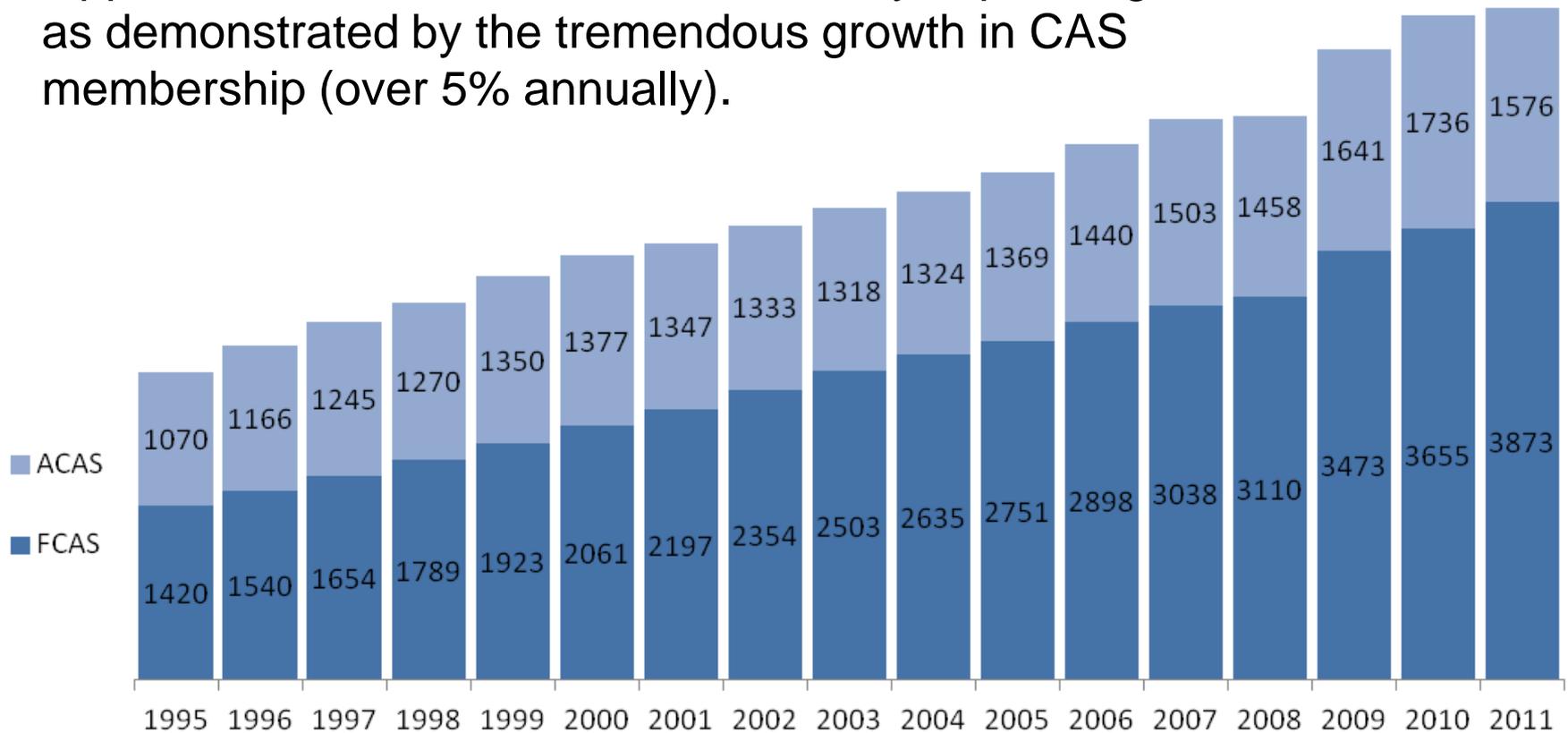
Why take exams and obtain a designation?



- Vastly expanded career opportunities
- Enhanced networking opportunities
- Industry committee involvement
- Provide expert testimony
- Continuing education opportunities
- Sign financial statements
- Professional development
- Personal satisfaction
- Significantly enhanced compensation

CAS membership growth

Opportunities for actuaries are constantly expanding, as demonstrated by the tremendous growth in CAS membership (over 5% annually).



Source: CAS Yearbook and Proceedings

Commitment to career



- **Only 40-45% successfully pass each exam**
- **Study time commitment typically ranges from 150 to 300+ hours per exam**
- **Global competition**
- **Average time to complete – 5-8 years**
- **Temporary pain for long-term gain**

Degrees/majors

- Undergraduate degree in Actuarial Science, Math, Statistics, Economics
- Other fields include Engineering, Risk Management, Finance, etc.
- Ideal course curriculum – VEE Credits (required for ACAS designation)
 - Corporate Finance
 - Economics
 - Applied Statistical Methods

The actuarial profession is consistently ranked in the top 5 professions based on employment outlook, income, environment, physical demands and stress.

Knowledge/skills

- Strong analytical and problem solving skills
- Specialized math knowledge
- General business knowledge (economics, finance, etc.)
- Strong communication and leadership skills
- Strong computer skills (Excel, Access, databases)
- Basic understanding of insurance industry is a plus



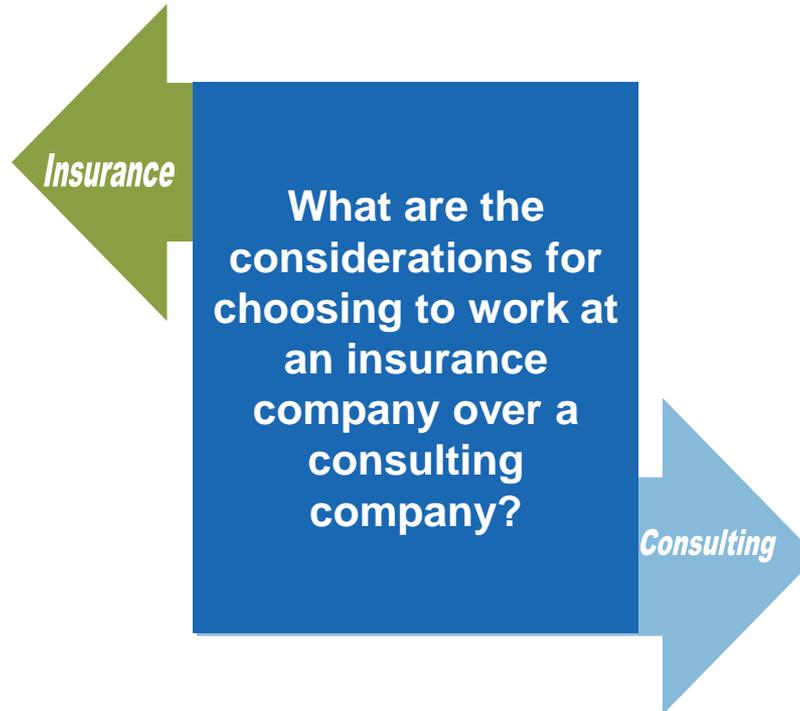
P&C vs. Life



- Social trends (legislative policies, lawsuits, judicial changes, customer lifestyles) affect P&C pricing more directly and rapidly
- Catastrophe models are developed to predict the impact of future hurricanes and earthquakes on P&C insurance
- Average industry P&C salaries higher
- Mortality tables in life insurance change gradually over time; P&C is dynamic
- Investment analysis in life insurance plays a much more significant role than in P&C

Insurance company vs. consulting

- Better life/work balance
- More realistic study environment
- Comprehensive training program at Allstate!
- Team environment
- Strong communication skills



- Demanding deadlines; client service; longer hours
- Potentially more difficult study environment
- Typically less time for training opportunities
- Team environment
- Strong communication skills

P&C Actuarial Example

- Situation: You are an Allstate pricing analyst responsible for setting rates for New York automobile insurance. You receive a bulletin from the NY Department of Insurance requesting information on how the effects of rising gas prices are reflected in your company's Auto rates.
- What do you consider?
- Consider an Allstate customer, Joe Smith, who fills up his tank of gas once a week. A few months ago it cost him \$50. Now when he fills up it costs him closer to \$75. How does Joe react?

P&C Actuarial Example

- Joe #1: Joe can choose to drive the same amount and simply absorb the increased cost on his budget for fuel.

What happens to Joe's chance of getting in an accident?

- Joe #2: Joe can choose to drive less in order to use less fuel and reduce the potential for increased cost for fuel on his budget.

What happens to Joe's chance of getting in an accident?

- Joe #3: Joe can purchase a more fuel-efficient vehicle so that he can drive the same amount and consume less gas so that his fuel budget remains constant.

What happens to Joe's chance of getting in an accident?

Topics

Allstate at a glance

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Allstate at a glance

\$33 billion in revenue in 2011



Largest publicly held personal lines insurer in U.S.



More than 70,000 professionals made up of employees, agents, and staff



Allstate's Awards and Recognition



Top 100 in Global 2000 Companies

– *Forbes* magazine (2006-07)

America's Most Admired Companies

– *Fortune* magazine, Allstate ranked no. 5 in Property & Casualty Industry in 2007, 2009, 2010

100 Best Companies for Working Mothers

– *Working Mother* magazine, 21-year award winner and Hall of Fame inductee (1990, 1992-10, 2012)

Top Company for Executive Women

– *National Association of Female Executives (NAFE)* (2000-01, 2005-12)

Allstate's Awards and Recognition



Top 50 Companies for Diversity

– *DiversityInc* magazine,
7-time award winner (2001-07)

Top 25 Noteworthy Companies for Diversity

– *DiversityInc* magazine (2008, 2010)

50 Best Companies for Latinas to work

– *LATINA Style* magazine, Award winner for 14th
consecutive year (1998-12)

Top 10 Companies for African Americans to work

– *DiversityInc* Magazine, 5-time award winner
(2003-07)

Top 10 in Chicago's Largest Public Company

– *Crain's* magazine (2007-08)

Social responsibility at Allstate

- Inspiring Excellence, Embracing Diversity
- Innovating and Advocating for Consumers
- Protecting the Environment
- Named one of America's "100 Best Corporate Citizens" by CRO Magazine
- Working at the Heart of Our Communities
 - The Allstate Foundation provided \$17.8 million to organizations across the country
 - \$5.8 million raised by Giving Campaign in 2010
 - National leader in teen driving safety programs
 - Major funder of domestic violence prevention programs
 - Numerous volunteer opportunities

**Commitment to strong principles
and the highest ethical standards**



Allstate®

Foundation



Allstate®

You're in good hands.

Topics

Actuarial career development

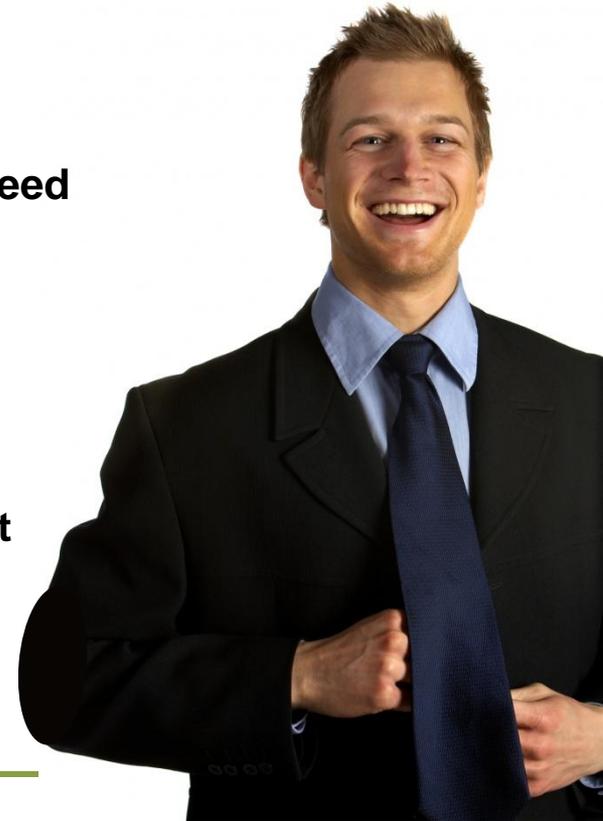
What is a P&C actuary?

Allstate at a glance

Meaningful work

Best-in-class actuarial training program available to both interns and full-time hires!

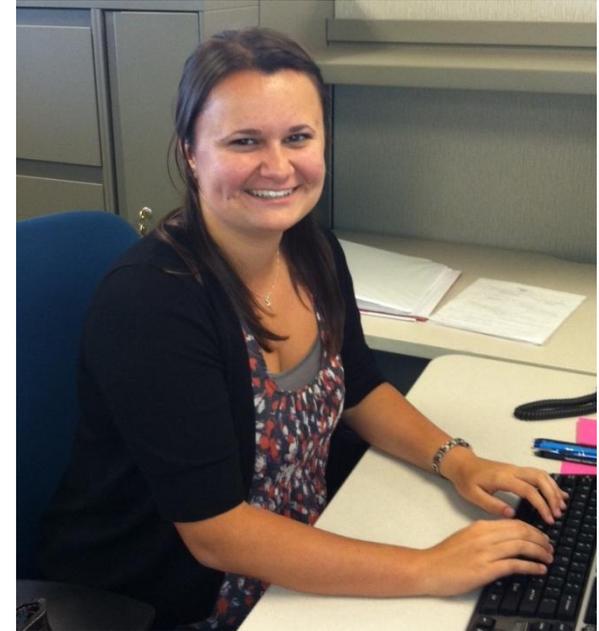
- We provide over 40 “just-in-time” classroom-style training sessions to develop your actuarial skills
 - General insurance knowledge
 - Fundamental actuarial theory
 - How to determine the statewide indicated rate level need
 - Trends, loss development, catastrophes
 - Current rate level
 - Credibility
 - Expenses and profit
 - How to develop appropriate rates for a given segment
 - Allstate actuarial methods and computer applications
 - How you fit in as an actuary at Allstate
- Regular team discussions with dedicated managers



“The training program taught me so much about the actuarial profession. I went from thinking I wanted to be an actuary to confidently knowing I wanted to be an actuary, and that I had the foundation I needed.” - A.S. - 2010 Actuarial Intern

Actuarial Internship Program

- A traditional Allstate Actuarial Internship is 12 weeks in length.
- Interns receive best-in-class training, and work on real projects that affect Allstate's bottom line.
 - In 2012, interns were each given an opportunity to work with full-time pricing managers and analysts on 4-6 different projects.
- Interns learn and work as a team, and enjoy numerous team outings throughout the summer.



Allstate is the best place to start and grow your actuarial career!

Career / Advancement Opportunities:

- Flexible
- Many different career paths within the company
- Determined by individual interests

Training:

- Rapid development of transferable skills that can take you anywhere

Actuaries have held senior leadership roles in our company:

- Finance
- Field Offices
- Research
- Product Management
- Variety of other roles

Allstate actuaries have held key leadership positions in the profession:

- Exam Chair
- CAS Board of Directors
- Actuarial Standards Board
- Midwestern Actuarial Forum



Allstate
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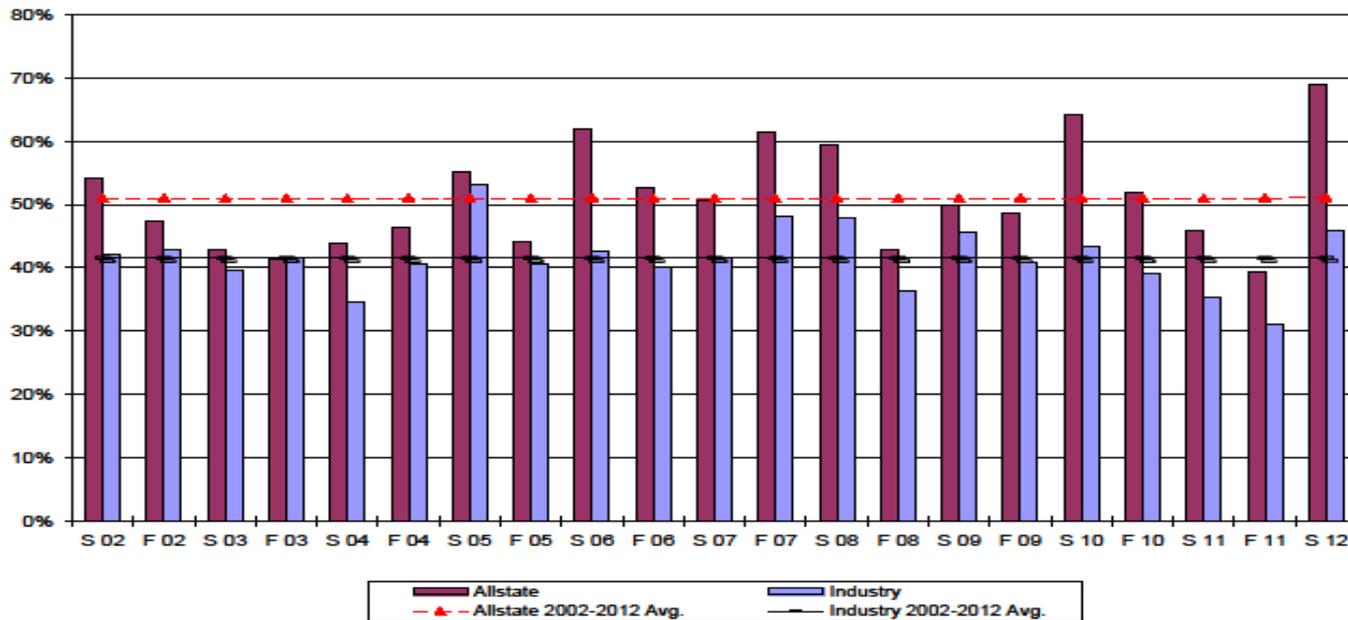
Exam support for full time employees

- Up to 120 hours of work time allocated for exam preparation
- Study material provided and exam fees paid
- Seminar attendance
- Off-premises study time for qualifying candidates
- Study groups available
- Industry-leading rewards for exam success



CAS Actuarial Exam Statistics – 2002-2012

ALLSTATE INSURANCE COMPANY CAS Actuarial Exam Statistics Spring 2002 - Spring 2012



Topics

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Career development

Meaningful work

Allstate is an industry leader

Allstate's actuarial expertise is sought out by:

- Industry organizations
 - Allstate plays a leading role in industry-specific issues
- Insurance regulators
 - 51 separate regulatory bodies
- State governments
 - opportunity to testify before state legislatures
- Federal government



Real project work



- Analyze past events to predict future events
- Evaluate costs and risks – is our anticipated premium enough to cover our anticipated losses?
- Evaluate a company's overall financial condition
- Participate in decisions that shape company direction and philosophy
- Evaluate and manage catastrophe exposure to control risk
- Investigate reinsurance options

Environment

- Life/work balance
 - Flexible work schedules
 - On-site fitness facilities
 - Intramural activities
 - Ability to stay connected remotely
- Diverse workforce/employee networking groups
- Business casual dress code
- Collaborative team environment
- Robust recognition program
- Team outings
- Volunteering and community service opportunities
- Easy access to Chicago



Chicago... Just 21 miles from Allstate



Networking

- Mentor program
 - Each intern and new hire can be matched with a mentor
 - Mentor acts as a coach, guide, and a project resource
 - Mentee gains valuable information regarding actuarial career, actuarial work at Allstate, and the social aspects of Allstate
- Young Professionals Organization (YPO)
 - Engage in mentoring and coaching opportunities
 - Network with peers and leadership
 - Partner with leadership to assist in shaping Allstate for the future
- Access to actuarial and business leaders
 - Lunches
 - Approachability



Compensation and benefits

Competitive pay:

- Entry-Level Analysts up to \$62,000+ depending upon exams passed and internships completed
- Interns receive approximately 75-80% of entry-level salary
- Long-term earning potential at top of the industry
- Pay for performance
- For full time employees, salary increases for passing exams
- Sign-on bonuses

Competitive benefits:

- Full time – comprehensive benefits package (401k savings plan AND pension plan, medical, dental, vision, generous paid time off, etc)
- Intern
 - Paid transportation to and from internship for non-local candidates (if Northbrook is over 30 miles from permanent residence)
 - Housing stipend available for non-local candidates

Find Your Future at Allstate

- Best in class actuarial training program
- Best place to start and grow your actuarial career
 - 12-week intern program, including 40+ training sessions, real project work, and team outings.
- Exam support and incentives
- Meaningful work
- Life/work balance
- Young, diverse environment
- Mentoring/networking
- Competitive compensation and benefits
- Industry leading company
- Social Responsibility



Contact Us!

- For more information about Allstate, visit www.allstate.com
- To apply online, visit www.allstate.jobs and search for Job Number NOR00700.