Welcome to the Fall 2012 issue of our newsletter, "Exposure and Information." E & I is directed to our academic community, membership, donors, and prospective members. Through this publication we will keep you informed about our history, services, recent acquisitions and activities, as well as, events from the School of Risk Management, Insurance and Actuarial Science, the Center for Professional Education, and the Ellen Thrower Center for Apprenticeship and Career Services.

Davis Library Celebrates it’s 111th Anniversary, Oct. 10th, by Richard Waller, MSLS, MA

The Kathryn & Shelby Cullom Davis Library’ at St. John’s University, Manhattan Campus, had its roots in the Insurance Society of New York (I.S.N.Y.), which was founded in 1901. The main purpose of I.S.N.Y. was to create a Library for its members: “The objects of this Society shall be educational and social, primarily in connection with, or relating to insurance; the acquiring and holdings of books, maps, plans, surveys and papers relating to insurance and general literature, and the establishing and maintaining of a suitable place for a reading room, library and for social meetings, and for any other purposes incidental to, or in aid of, the main objects of the Society”.

The Library opened its doors to the general public on Thursday, October 10, 1901 with six hundred books and twenty insurance magazines subscriptions. From 1901 until 1909 the Library didn’t have a permanent location, it went from warehouse to office, and back to storage again. In April 1909 the Society re-established at 84 William Street. “The books and furniture were taken from storage and an effort was made to make the Library ‘go.’

Since its early days, the Library has served as a site for insurance lectures. Over the years, I.S.N.Y. developed a curriculum based on these lectures. This ultimately led to the
creation of The School of Insurance, followed by the College of
Insurance, the predecessor to St. John's School of Risk
Management.

Many individuals and organizations have contributed to the
Library's success and growing collection during the 20th
century. Throughout its history, the Library has served
students, faculty, staff and sponsors, as well as insurance
industry practitioners. In 1974, Shelby Cullom Davis and his
wife Kathryn secured the Library's future with a major
endowment and the Library was renamed in their honor.

With the merger of The College of Insurance and St. John's
University in 2001, The Davis Library became part of the St.
John's University library system. Today, the Davis Library
remains one of the world's most comprehensive risk, insurance,
and actuarial science collections. It is a place for study,
learning, research and insight.

Understanding Life Insurance Is Harder Than Ever
by Glenn S. Daily, CFP®, ChFC, CLU

Life insurance has never been easy to understand, but two product development
trends are making it even harder. First, insurance companies and agents have
been promoting indexed universal life, which provides a guaranteed minimum
interest rate with the potential for higher returns from equity markets. Insurers
use derivatives to hedge their obligations, and the future interest credits to your
policy will depend on the future cost of hedging. This adds another element of
uncertainty to the future premiums and policy values, and it also makes it harder
to identify good policies.

Second, insurers are adding long-term care and critical illness riders to life
insurance policies. These typically pay out a portion of the death benefit or an
additional amount if you satisfy the specified triggers. Economic theory favors combination products,
but theory provides no guidance on how to determine if a particular insurance policy offers good
value for your money.

In both cases, you face a choice of buying one of today's policies or buying convertible term
insurance today and waiting to see if tomorrow's policies have more appeal for informed buyers.

Glenn S. Daily is a fee-only life insurance advisor and a longtime member of the Davis Library. His
website is glenndaily.com.

Nikolas Von Bomhard, Chairman of the Board of Management, Munich Re
Group to be Honored by St. John's University's School of Risk Management
as "2012 Insurance Leader of the Year."
St. John's University's School of Risk Management (SRM) will honor Nikolaus von Bomhard, Chairman of the Board of Management of Munich Re, as the "2012 Insurance Leader of the Year" at its 18th Annual Insurance Leader of the Year Award Dinner. The event will take place on Wednesday, January 16, 2013, at 6 p.m. at the Marriott Marquis in New York City. Mike McGavick, Chief Executive Officer, XL Group plc, will serve as Honorary Chairman of the dinner. Proceeds of the dinner will support the University's SRM students and programs.

"The Insurance Leader of the Year accolade is traditionally awarded to an industry leader for distinguished achievement over a long career, or for special achievement in the year of recognition," commented Brian Duperreault, President and Chief Executive Officer of Marsh & McLennan Companies, Inc., and Chairman of the SRM Board of Overseers. "In all respects, Nikolaus von Bomhard measures up to the highest standards of past awardees. Munich Re throughout the world has always represented the qualities of professionalism, strength and stability required by clients of our industry - whether institutional or individual. He is widely admired for his corporate stewardship in service to all Munich Re stakeholders; and in these testing economic times his wise counsel on both corporate matters and issues impacting public policy is widely acknowledged."

Brandon W. Sweitzer, Dean of the School of Risk Management, also had high praise for this year's honoree. "Nikolaus is a champion of those qualities that St John's University and its School of Risk Management strives to instill in its students at all times: ethical leadership, steadfast determination and a thoughtful approach to all important matters at hand," said Sweitzer. "We are delighted to honor him with this Award, and our students will benefit not only by learning from his example, but will be aided directly by the generosity displayed by those of his global industry colleagues who will assemble to celebrate him and his leadership of Munich Re."

The Award Selection Committee is chaired by Ellen Thrower, Ph.D., Professor Emerita and Retired Executive Director, St. John's University's SRM, and includes George Bernstein, Esq. of The Bernstein Law Firm, P.L.L.C. (Washington, D.C.); Robert P. Hartwig, Ph.D., President of the Insurance Information Institute; Joseph Mauriello, Retired Deputy Chairman and COO of KPMG LLP; Michael J. Morrissey, President and CEO of the International Insurance Society; Patrick J. Shouvlin, Retired Partner of PricewaterhouseCoopers LLP; and Peter B. Walker, Director of McKinsey & Company (New York). The "Insurance Leader of the Year Award," presented annually since 1995, recognizes the contributions of outstanding individuals whose leadership in the worldwide insurance and financial services industry sets them apart from their peers. Last year's recipient was Evan G. Greenberg, Chairman and CEO of ACE Limited.

The School of Risk Management was founded in 1901 as the Insurance Society of New York and over the years evolved into The College of Insurance (TCI). In June 2001, TCI merged with St. John's University, becoming a school of The Peter J. Tobin College of Business. Located in New York City's downtown financial district, SRM awards undergraduate, M.B.A., and M.S. degrees in the insurance, risk management and actuarial science disciplines. Through its Center for Professional Education, SRM also provides education, training and consulting services to the industry, governments and regulators worldwide.

**The Contribution of the Property-Casualty Insurance Industry to the New York Economy: 2012 and Beyond. Ernest Goss (principal investigator) and Lawrence Pistell ([New York]:NY First, 2012)**

In the insurance community, there is a general awareness that spreading risk and paying losses contribute significantly to society. However, there is only limited awareness of the tangible contributions that property-casualty insurance makes to the economic health of a particular state.

This ground-breaking study, The Contribution of the Property-Casualty Insurance Industry to the New York Economy: 2012 and Beyond, is sponsored by NY First, and executed by Dr. Ernest Goss...
and his team at Goss & Associates.

As you will see, Goss & Associates measure direct and indirect property/casualty economic impacts all the way down to the legislative level for New York.

The study is an "eye opener" because it illuminates just how extensive the contributions of the property-casualty insurance industry are to the state. Like a series of concentric rings radiating outwards in a pool of water, property-casualty insurance creates jobs, investments, self-employment income, and savings, among other benefits.

Working with Ismael Rivera-Sierra, the Director of the Kathryn and Shelby Cullom Davis Library at St. John's University's School of Risk Management, the study team identified Dr. Goss as the leading researcher using the input-output modifiers to model economic impact (see Appendix B and C).

Dr. Goss was selected on the basis of his numerous other major economic impact studies, and his own independent university affiliation, Creighton University in Nebraska. Once the project was assigned, input from the team involved minor clarifications and amplifications to data, and some minimal reformatting. The study itself is entirely the creation of Dr. Goss and his team.

Everyone involved with this important undertaking hopes that people inside and outside the property-casualty insurance industry will benefit from the findings.

At St. John's University's School of Risk Management, we are looking forward to adding The Contribution of the Property-Casualty Insurance Industry to the New York Economy: 2012 and Beyond to our library resources.

Lawrence Pistell Senior Associate Director of Corporate & Industry Relations Center for Professional Education St. John's School of Risk Management, Insurance, and Actuarial Science New York, New York 10007

Click here for a link to the study in PFD format

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**Two New Faculty Members join the School of Risk Management**

The School of Risk Management, Tobin College of Business, St. John's University is pleased to announce the addition of two key new members to its faculty staff. Dr. Paul L. Walker, Professor, Accounting and Dr. David Pooser, Assistant Professor, Risk Management and Insurance join an exceptional group of educators.

Dr. Walker obtained his Ph.D. from University of Colorado, Boulder in accounting. He has taught at University of Virginia, University of Colorado and held a Visiting fellowships at London School of Economics and University of Canterbury. His professional work includes notable companies such as Ernst & Young, KPMG, and First National Bank of Dallas. Dr. Walker was a consultant and researcher for the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. This research was the foundation for COSO's Enterprise Risk Management Framework. He has also a consulted for several companies on Enterprise Risk Management (including NYSE/NASDAQ companies and the Federal Reserve Bank), and is widely published.

Dr. Pooser holds a Ph.D. in risk management & insurance from Florida State University and performs research in the areas of insurer risk and performance, enterprise risk management, and catastrophes. He has taught risk and insurance courses at Florida State University and at Ludwig-Maximilians University in Munich, Germany. Next month, David will present "The Effects of Advertising Expenditures on the Demand for Life Insurance" at the Southern Risk & Insurance Association conference.

"We are delighted to welcome these two scholars to or program", says Dr. W. Jean Kwon, Manton Endowed Chair Professor & Faculty Chairperson, Risk Management, Insurance and Actuarial

The new book, "The Faith of Leap: Embracing a Theology of Risk, Adventure and Courage", discusses the nature of risk and stretching the boundaries of the 21st century Christian Church. Missions are seen as the essential adventure that helps create "communitas" or close fellowship among people bound together on a common journey with a common cause. This work deals in depth with the importance of overcoming "risk aversion" in church mission and how the pursuit of safety and security can be ironically debilitating to the long-term health of the organization. The principles of collaborative risk the authors gather from sociology, science, business, and history are seen as energizing, catalyzing, even revitalizing tools for vibrant Christian communities and these same principles certainly have broader application to non-religious institutions as well. This book is highly recommended.

Davis Library Membership

We are a private, membership library. You are invited to purchase an annual subscription with one of the world's leading research libraries, that for over a century has proven to be an invaluable tool for targeted industry research. Membership fees are used for the acquisition and preservation of library resources. For an application and a detailed summary of library privileges you may visit our Web site at www.stjohns.edu/davislibrary or click here to download. If you have any questions about annual membership, please contact Ricky Waller~ (212) 277 5136 | email davislibrary@stjohns.edu.

Regards,

R. Waller

Ricky Waller
Membership Coordinator
St John's University

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