



### Ondřej Bušta

Management Consultant  
 Born: 27.12.1975  
 Insurance Engineering  
 (academic degree: "Master")  
 University of Economics, Prague

### Career Development, Education, Languages

- ▶ Current Com-PASS Advisory s.r.o. – managing director  
 Tools4F – consulting company  
 main areas of competence include non-life insurance, in particular pricing of MTPL and CASCO insurance using GLMs, business consulting and mergers and acquisitions) - partner, actuarial expert
- ▶ 2011-2013 in-pact k.s. – organizační složka
- ▶ 2002-2011 KPMG, actuary (5/2006-7/2006 KPMG UK)
  - Responsible for development of advisory products within CEE actuarial group
- Since 2001-2002 Prague hospital
  - in charge of preparation of various healthcare statistics
- ▶ Languages: Czech, English, Russian (basic skills)

### Competencies and Skills

- ▶ Financial reporting and modeling
  - IFRS for insurers
  - US GAAP for insurers
  - IAS 19
  - Embedded Value
- ▶ Non-life pricing using GLMs
  - Profitability studies
  - Market arbitrage
  - Segmentation
- ▶ Methods & tools
  - SPPS, and other statistical software
  - SQL, MS Access
  - Experience with actuarial projection package MoSes
- ▶ Solvency II
  - Internal models
  - Evaluation of reinsurance effectiveness (EVA, RAROC measurement)
  - Stress and scenario testing
  - Governance

### Motto:

- ▶ "Each modelling should lead to a simple business solution."

**Project Experience Highlights**

<b>2012-current</b>	<b>Market price monitoring</b>
	<p>Providing a regular motor business market price monitoring for 4 companies on Czech insurance market.</p> <ul style="list-style-type: none"> <li>• Definition of database approximating market segmentation.</li> <li>• Communication with brokers.</li> <li>• Analysis and interpretation.</li> </ul>
<b>06/2017-09/2017</b>	<b>MTPL price optimization</b>
	<p>Price optimization for a Czech insurer.</p> <ul style="list-style-type: none"> <li>• Market price monitoring.</li> <li>• Risk model update (GLM).</li> <li>• Price optimization (Rate-book construction &amp; impact study).</li> </ul>
<b>07/2017-10/2017</b>	<b>MTPL pricing project using GLM</b>
	<p>Development new MTPL of tariff for Czech insurer.</p> <ul style="list-style-type: none"> <li>• New segmentation design.</li> <li>• GLM modeling.</li> <li>• Rate-book construction</li> </ul>
<b>07/2017-09/2017</b>	<b>MTPL pricing project using GLM</b>
	<p>Development new MTPL of tariff for Hungarian insurer.</p> <ul style="list-style-type: none"> <li>• New segmentation design.</li> <li>• GLM modeling.</li> <li>• Rate-book construction</li> </ul>
<b>05/2017-06/2017</b>	<b>Household pricing project</b>
	<p>Review of pricing assumption with portfolio experience for Slovak insurer.</p> <ul style="list-style-type: none"> <li>• Comparison of portfolio data with pricing assumptions.</li> <li>• Comparison of portfolio data with market price monitoring and publicly available data.</li> <li>• Recommendation about pricing changes for product department.</li> </ul>
<b>06/2017-07/2017</b>	<b>Development of tariff for medical insurance</b>
	<p>Preparation of and testing of experience data for pricing a product for new line of the business for Slovak insurer.</p> <ul style="list-style-type: none"> <li>• Review of publicly available sources on claims frequency and severity.</li> <li>• Preparation of product pricing inputs, comments on limitations and risks for the pricing.</li> </ul>
<b>04/2017-06/2017</b>	<b>Tariff optimization for MTPL and Casco insurance</b>
	<p>Preparation of pricing strategy for MTPL and Casco</p> <ul style="list-style-type: none"> <li>• Market price monitoring.</li> <li>• Market benchmarking.</li> <li>• Market penetration reporting.</li> <li>• Price optimization.</li> </ul>

<b>12/2016-03/2017</b>	<b>Risk valuation of fleet business – Casco and MTPL</b>
	Development of risk neutral tariff for Top 5 Czech insurer.
	<ul style="list-style-type: none"> <li>• GLM modeling.</li> <li>• External data utilization (payment morale, turnover, industry etc..).</li> <li>• Pure risk premium construction.</li> </ul>
<b>11/2016-08/2017</b>	<b>MTPL renewal strategy setting</b>
	Selection of optimal retention strategy for Czech insurer.
	<ul style="list-style-type: none"> <li>• GLM modeling of renewal offers.</li> <li>• Selection of renewal strategy for in-force business.</li> <li>• Ongoing administration of renewal offers.</li> </ul>
<b>05/2016-current</b>	<b>Statutory and SII reserving</b>
	Acting as reserving actuary for 2 Czech Insurers.
	<ul style="list-style-type: none"> <li>• Calculation of statutory and SII provision.</li> <li>• Comparison reserving assumptions with pricing assumptions.</li> <li>• Communication with regulator.</li> </ul>
<b>07/2016-09/2016</b>	<b>MTPL development of regional segmentation model (GPS smoothing)</b>
	Development of new regional segmentation for Top 5 Czech Insurer.
	<ul style="list-style-type: none"> <li>• Attritional claims modeling (GLM).</li> <li>• Large claim modeling (GLM)</li> <li>• Pure risk premium model.</li> </ul>
<b>04/2016-07/2016</b>	<b>MTPL development of regional segmentation model (GPS smoothing)</b>
	Development of new regional segmentation for Czech insurer and placing it on the market.
	<ul style="list-style-type: none"> <li>• Market price monitoring.</li> <li>• Risk modeling (GLM).</li> <li>• Price optimization (Rate-book construction &amp; impact study).</li> </ul>
<b>11/2015 -11/2015</b>	<b>Technical review of business plan</b>
	Review of business plan for non-life company on Czech market.
	<ul style="list-style-type: none"> <li>• Review business plan assumption.</li> <li>• Market benchmarking.</li> <li>• Presentation of the results to owners.</li> </ul>
<b>10/2015 – 12/2016</b>	<b>MTPL renewal strategy setting</b>
	Selection of optimal new business volume and retention strategy for Top 5 Czech insurer.
	<ul style="list-style-type: none"> <li>• Selection of renewal strategy for in-force business.</li> <li>• Selection of optimum new business pricing strategy – optimal balance between P&amp;L result and premium volume.</li> <li>• Ongoing administration of renewal offers.</li> </ul>
<b>07/2015- 01/2017</b>	<b>MTPL renewal strategy setting</b>
	Selection of optimal new business volume and retention strategy for Czech insurer.
	<ul style="list-style-type: none"> <li>• Selection of renewal strategy for in-force business.</li> <li>• Selection of optimum new business pricing strategy – optimal balance between P&amp;L result and premium volume.</li> <li>• Ongoing administration of renewal offers.</li> </ul>

<b>05/2015-09/2015</b>	<b>Casco pricing project using GLM</b>
	Development new Casco of tariff for top a 3 insurer in Slovenia.
	<ul style="list-style-type: none"> <li>• New segmentation design.</li> <li>• GLM modeling.</li> <li>• Rate-book construction</li> </ul>
<b>05/2015-06/2015</b>	<b>MTPL price optimization</b>
	Price optimization for a Czech insurer.
	<ul style="list-style-type: none"> <li>• Market price monitoring.</li> <li>• Risk model update (GLM).</li> <li>• Price optimization (Rate-book construction &amp; impact study).</li> </ul>
<b>02/2015-05/2015</b>	<b>MTPL price optimization</b>
	Price optimization for a top for a top 10 Slovak insurer.
	<ul style="list-style-type: none"> <li>• Market price monitoring.</li> <li>• Price sensitivity measurement.</li> <li>• Price optimization (Rate-book construction &amp; impact study).</li> </ul>
<b>01/2015-06/2015</b>	<b>MTPL pricing project using GLM</b>
	Development new MTPL of tariff for Czech insurer.
	<ul style="list-style-type: none"> <li>• New segmentation design.</li> <li>• GLM modeling.</li> <li>• Rate-book construction</li> </ul>
<b>08/2014-current</b>	<b>MTPL renewal strategy setting</b>
	Selection of optimal new business volume and retention strategy for Czech insurer.
	<ul style="list-style-type: none"> <li>• Selection of renewal strategy for in-force business.</li> <li>• Selection of optimum new business pricing strategy – optimal balance between P&amp;L result and premium volume.</li> <li>• Ongoing administration of renewal offers.</li> </ul>
<b>07/2014-09/2014</b>	<b>MTPL price optimization</b>
	Price optimization for a top 3 Czech insurer.
	<ul style="list-style-type: none"> <li>• Market price monitoring.</li> <li>• Price sensitivity measurement.</li> <li>• Price optimization (Rate-book construction &amp; impact study).</li> </ul>
<b>04/2014-07/2014</b>	<b>MTPL tariff development</b>
	MTPL tariff development for top a 3 insurer in Slovenia.
	<ul style="list-style-type: none"> <li>• Risk valuation.</li> <li>• Rate-book construction.</li> <li>• Impact study.</li> </ul>
<b>02/2014-05/2014</b>	<b>MTPL tariff development</b>
	MTPL tariff development for a Czech insurance company.
	<ul style="list-style-type: none"> <li>• Risk valuation.</li> <li>• Market price monitoring.</li> <li>• Price optimization.</li> <li>• Rate-book construction and comparison with current tariff &amp; impact study.</li> </ul>
<b>06/2013-12/2013</b>	<b>Reinsurance evaluation project</b>

	Setting up underwriting limits for XL reinsurance for insurance group.
	<ul style="list-style-type: none"> <li>• Development of evaluation methodology.</li> <li>• Development of evaluation tool (spreadsheet).</li> </ul>
<b>07/2013-09/2013</b>	<b>Support in development of tariff in Casco insurance</b>
	Casco insurance tariff development for a top 10 Slovak insurer.
	<ul style="list-style-type: none"> <li>• Risk valuation.</li> <li>• Profit testing.</li> </ul>
<b>06/2013-07/2013</b>	<b>Technical review of business plan</b>
	Review of business plan for non-life company on Czech market.
	<ul style="list-style-type: none"> <li>• Review business plan assumption.</li> <li>• Market benchmarking.</li> <li>• Presentation of the results to owners.</li> </ul>
<b>06/2013-07/2013</b>	<b>Development of tariff for household insurance</b>
	Preparation of and testing of experience data for pricing a product for new line of the business for Slovak insurer.
	<ul style="list-style-type: none"> <li>• Review of publicly available sources on claims frequency and severity.</li> <li>• Preparation of product pricing inputs, comments on limitations and risks for the pricing.</li> </ul>
<b>01/2013-08/2013</b>	<b>Development of tariff for broker channel</b>
	Development of individual tariff for broker channel.
	<ul style="list-style-type: none"> <li>• Rate book construction.</li> <li>• Project coordination and implementation.</li> </ul>
<b>08/2013-12/2013</b>	<b>MTPL pricing project using GLM</b>
	Development of easy understandable internet tariff for top 3 insurer in Slovenia.
	<ul style="list-style-type: none"> <li>• Definition of tariff design.</li> <li>• Rate-book construction and comparison with current tariff &amp; impact study.</li> </ul>
<b>08/2013-11/2013</b>	<b>Market entry support</b>
	MTPL tariff design for a company entering the Slovak market
	<ul style="list-style-type: none"> <li>• Market profitability evaluation.</li> <li>• Market benchmarking.</li> <li>• Definition of tariff segments.</li> <li>• Rate-book construction.</li> </ul>
<b>06/2013-08/2013</b>	<b>Feasibility study of new segmentation approach in MTPL</b>
	Proposal for new tariff approach including impact study for a top 3 Czech insurer.
	<ul style="list-style-type: none"> <li>• Definition of tariff design.</li> <li>• Market price monitoring</li> <li>• Price sensitivity measurement.</li> <li>• Rate-book construction and comparison with current tariff &amp; impact study.</li> </ul>
<b>01/2013-05/2013</b>	<b>MTPL pricing project using GLM</b>
	Complex pricing project for a top 3 Slovak insurer
	<ul style="list-style-type: none"> <li>• Market price monitoring delivery</li> </ul>

	<ul style="list-style-type: none"> <li>• Price sensitivity measurement.</li> <li>• Segmentation model development.</li> <li>• Price optimization software development.</li> </ul>
<b>08/2012-10/2013</b>	<p><b>SII implementation and actuarial support</b></p> <p>Support in various position in risk management department for top 10 Czech financial services company.</p> <ul style="list-style-type: none"> <li>• Economic capital reporting.</li> <li>• Implementation of Group technical standards.</li> <li>• Support in pension fund licensing.</li> </ul>
<b>12/2009 – 12/2010</b>	<p><b>MTPL pricing using GLMs</b></p> <p>Complex pricing project based on market arbitrage for a top 5 Czech insurer.</p> <ul style="list-style-type: none"> <li>• Leading and coordination of the work of different teams.</li> <li>• Definition of the scope and deliverables of the work.</li> <li>• Conducting and facilitating discussions between actuaries, sales force and management.</li> <li>• Presentation of results to management.</li> </ul>
<b>04/2009 – 07/2009</b>	<p><b>Support in development of a new product</b></p> <p>Preparation of and testing of experience data for pricing a new product to be launched in multiple countries.</p> <ul style="list-style-type: none"> <li>• Review of publicly available sources on claims frequency and severity in different countries.</li> <li>• Preparation of extracts of relevant data sets for the product pricing, definition of common formats of the acquired data, comments on limitations and risks for the pricing.</li> <li>• Support for technical modeling and testing.</li> </ul>
<b>5/2009 – 9/2009</b>	<p><b>Effectiveness of retail distribution channels</b></p> <p>Testing various combinations of products, distribution networks and incentives.</p> <ul style="list-style-type: none"> <li>• Analysis of the current profitability of different channels and effectiveness of current incentive schemes from the perspective of desired KPIs.</li> <li>• Formulating new strategy maintaining growth and eliminating inefficiencies.</li> <li>• Preparation of supporting data for decision making.</li> </ul>
<b>10/2010 – 12/2010</b>	<p><b>Reinsurance modeling</b></p> <p>Modeling impact of various reinsurance scenarios to KPIs</p> <ul style="list-style-type: none"> <li>• Conduct and coordinate the process of building mathematical models for modeling reinsurance.</li> <li>• Definition and testing of input data.</li> <li>• Visualization of results, definition of the optimum strategy.</li> <li>• Development of verification tool for Solvency II internal model.</li> <li>• Summary presentation to management.</li> </ul>
<b>06/2008 – 08/2008</b> <b>05/2003 – 09/2003</b>	<p><b>Company valuations using Embedded Value</b></p> <p>Valuation of holding companies in multiple countries on EV basis</p>

- Coordination of the whole valuation process.
- Leading discussions between actuaries, business and management.
- Evaluation and testing of modeling results.
- Management presentation.

---

**06/2009 – 08/2008 Peer reserve review**

---

Independent review of the technical provisions of a holding company for the group regulator.

---

- Evaluation of the best estimates and implicit prudence margins in the carried statutory provisions.
  - Sensitivity analysis to different assumptions, adequacy testing.
  - Management presentation.
- 

**2000-2010 A number of major due diligence projects**

---

In-charge of actuarial due diligence for various investors.

---

- Reserve reviews.
  - Actuarial valuations of the target.
  - Market analysis.
  - Assessment of the risk of the planned transaction.
-