



Finance, Banking & Insurance Department News

Fall 2011

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Message from the Chair

The primary objective of the Department of Finance, Banking and Insurance is to develop leaders for the business, government and educational communities. To accomplish this objective, our twenty faculty members focus on providing theoretical concepts and practical applications. My colleagues use their diverse educational and professional experiences in banking, finance, risk management, underwriting, real estate, brokerage, financial planning and law to prepare students for life outside of our classrooms.

Despite the difficult economic and budgetary conditions, there have been recent significant accomplishments in the department over the last academic year.

- ◆ Teaching multiple sections of Personal Finance as part of the General Education curriculum to improve financial literacy among our students
- ◆ The addition of ASU MBA alum Brian Hart to our faculty who teaches Introduction to Finance and supervises internships
- ◆ Approval of our new course titled International Insurance Markets
- ◆ Successful fundraising efforts for our 4th endowed professorship
- ◆ The Brantley Risk & Insurance Center raised over \$300,000 during the past fiscal year
- ◆ Leading student education experiences to New York, London, Charlotte, Washington, D.C. , Vancouver, Orlando , Asheville, Wrightsville Beach and Nashville, TN
- ◆ Successful recertification of CFP® courses
- ◆ It has been a very tumultuous year in the stock market; however, the Bowden Investment Group's performance is still leading the market. As of the end of August the Bowden Investment Fund has a positive return of 0.98% year-to-date versus a loss of 1.77% for the S&P 500 index.
- ◆ The Finance, Banking & Insurance Advisory Board has undertaken four initiatives including increasing internship opportunities, mentoring students, expanding the department's social media presence and facilitating interaction between financial professionals and our majors.



Congratulations to the 12 students accepted into the Bowden Investment Group for Fall 2011. Participation in the Bowden Investment Group is a real world, hands-on security analysis and portfolio management opportunity.

Students are selected to participate in the group based on their academic standing, finance background, and their interest in investments and financial analysis. The group

typically travels to New York to visit Wall Street firms and investment professionals.

The group is led by Dr. Delbert Goff with the assistance of Mr. David Thompson. Mr. Thompson is a retired general partner & CFO of WEDGE Capital Management, LLP and generously donates his time to the Bowden Investment Group.



2011-2012 Bowden Investment Group



Dr. Delbert Goff, Mr. David Thompson

The 2010 Appalachian State University Insurance Symposium

The primary mission of the Brantley Risk and Insurance Center is to support the Risk Management and Insurance major at Appalachian State University. Two additional goals are to assist the industry in the design and delivery of continuing education programs and also to help educate the public as to the role of insurance in modern life. In support of these external goals, the Brantley Center held its first Insurance Symposium in 2008. The topic was Coastal Insurance Issues and the event was very successful. This led to thoughtful discussion among stakeholders and an examination of the coastal insurance market. Eventually a legislative task force was formed. The symposium has been referenced during task force meetings and has created quite a bit of positive exposure for the Brantley Center and Appalachian State University.

The 2010 Insurance Symposium on Workers' Compensation was held in Winston Salem. An impressive group of speakers participated including North Carolina Insurance Commissioner Wayne Goodwin; Bob Hartwig, President, Insurance Information Institute; Mike Plavinsky, President & CEO, Montgomery Insurance; Pam Young, Chair of the North Carolina Industrial Commission; and Doug Berger, North Carolina State Senator.

Nearly 225 registrants attended the symposium on August 2nd and over seventy qualified for continuing education credits. The large audience attracted numerous employer representatives, insurance agents, regulators, medical providers, and attorneys. Feedback from the audience members was very positive and most attendees appreciated hearing from the diverse group of speakers representing stakeholders with different perspectives and backgrounds.

Insurance Commissioner Wayne Goodwin, who was on a regulatory panel session, shared his thoughts on the value of the event. "It was an honor to participate in this year's ASU Insurance Symposium. Workers compensation is a large piece of North Carolina's insurance industry, and I'm glad that there were so many interested parties at the symposium who could reflect on and offer suggestions for the current system. Thank you to Appalachian State University for their continuing efforts and interest in our industry and the work of the Department of Insurance."

Insurance Jeopardy

Appalachian sealed the rivalry in Insurance Jeopardy by winning the final challenge with UNCC. The trophy has been retired to its permanent home in the Brantley Risk & Insurance Center. Future Insurance Jeopardy matches will include East Carolina for a three way competition. Insurance Jeopardy is sponsored by the North Carolina Surplus Lines Association and streamed live over the Internet. This year's match will be held on November 17, 2011.

Neil Annas, President of Granite Insurance Agency and member of the Brantley Center Advisory Board, agreed. "For a second time the Appalachian State University Brantley Risk and Insurance Center has taken a lead role in exploring issues that are important to the insurance industry in North Carolina. First with coastal property insurance issues, and now with Workers' Compensation. The Symposium offered an opportunity for the multiple players in the work comp system to share their thoughts and perspectives on how well the current system was working. But what I found more interesting were the ideas each brought about opportunities to improve the system. This symposium was an essential first move toward looking at opportunities to improve our industry."

Lew Ebert, President and CEO of the North Carolina Chamber added "An efficient and effective workers' compensation system is very important to North Carolina's business climate. The symposium that Appalachian State hosted was a great opportunity for business leaders and public officials to focus on how we can make improvements to benefit both employees and employers."

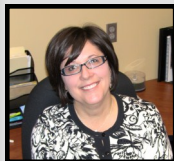
We believe this symposium helped create a productive dialogue among the stakeholders in searching for ways to improve the Workers Compensation system in North Carolina. Patrick Hannah, Assistant Vice President & Sr. Regional Director of Public Affairs for the Liberty Mutual Group sums up the event with "The symposium was truly a collaboration. It proves that when the academic community, industry and government work together positive change can be made for the citizens of North Carolina."

Mike Plavinsky, President and CEO of Montgomery Insurance and member of the Brantley Center Advisory board was the Keynote Luncheon speaker. David Marlett is Chair of the Department of Finance, Banking and Insurance and manages the Insurance Symposium Series. For additional information regarding the Symposium, contact Dr. David Marlett at 828-262-2849 or marlettdc@appstate.edu.

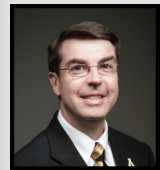


**Mike Plavinsky (l) and
David Marlett (r)**

Personnel News

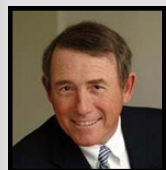


Michelle Boisclair—Congratulations to Michelle Boisclair on her new position as Director of Career Services in the Walker College of Business. We will miss having her just around the corner as Associate Director of the Brantley Center. Michelle will be a valuable resource to our College of Business majors. Her office is located in 2019A Raley.

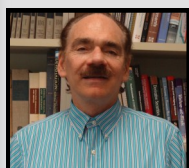


Greg Langdon —Welcome to Mr. Greg Langdon in his new position as Assistant Director of the Brantley Center. Greg comes to us from the Admissions Department and has been a member of the Appalachian community since 1992. Greg received his undergraduate and masters degree from ASU as well. Greg's office is in 3058 Raley.

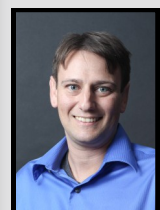
Faculty News



Dr. Harry Davis, NCBA Professor of Banking spoke at the 19th annual CIMRO Conference at the Omni Parker house in Boston, MA on June 13. This is the national convention for CIMRO which is the Credit Industry Marketing Representative Organization. Dr. Davis continues to be very active with speaking engagements around the state as well as the Oklahoma, South Carolina, Kansas, Virginia and Tennessee Bankers annual meetings. In addition, he spoke at the Directors' College sponsored by the NC Commissioner of Banks and the FDIC, and at numerous shareholder meetings for community banks in NC.

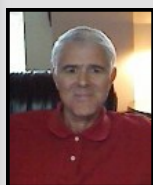


Dr. Leigh Dunston, will again be serving as moderator for the Business Ethics Conference in the fall and continues to mentor students as they develop their career paths.



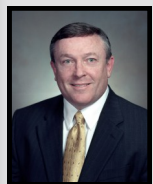
Dr. Jeffrey Hobbs recently had four papers accepted for publication. "Financial Derivatives, the Mismanagement of Risk, and the Case of AIG" examines the roles played by deregulation and derivatives in the financial crisis, and will be published this summer in the CPCU e-Journal. "A Suggested Exercise for Teaching Arbitrage" provides guidance for teaching both simple and complex forms of arbitrage in the classroom and will be published in the *Journal of Financial Education*. "E-Government Utilization: The Impact of Reputation and Security on Adoption" and "The Role of Security and Trust in the Adoption of Online Tax Filing" examine citizens' participation in online government initiatives and will respectively be published in the *Journal of Cases on Information Technology* and *Transforming Government: People, Process and Policy*.

Additionally, another paper, "Reexamining Stock Return When Investors Disagree" has been accepted for presentation at the annual conference of the Financial Management Association in October.

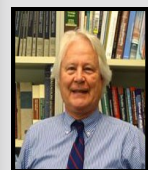


Dr. Terrill Keasler taught the MBA preparatory class, Corporate Finance, through the William and Ida Friday Center for Continuing Education at UNC, Chapel Hill. He represented the College at the AACSB conference on applied assessment in Tampa, Florida.

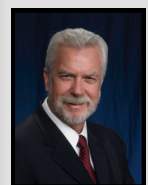
Additionally, he has had several publications in recent years in refereed journals in various areas of finance. He also has several projects in progress.



Mr. Greg King, a retired executive from State Farm Insurance, volunteers his time to co-teach FIN 3072, Personal Property & Liability Insurance. He also serves on the boards of two Florida domestic property insurers and provides guidance to the political action committee COFA, Committee of Florida Agents.



Dr. Ric Mattar was the recipient of the ASU Student Government Association 2010-2011 Faculty Appreciation award. He was also elected Chairman of the Watauga County Citizens' Plan Action Committee and re-elected Chair of the Watauga County Planning Board. Ric has served on the Planning Board since 1990 and has been Chair since 1998.



Dr. Charles Oswald, a member of Walker College of Business and Williams Graduate School faculties at Appalachian, has been engaged as counsel to Coal Train Productions for their new movie "Return of the Killer Shrews" (see KillerShrewsMovie.com) to be produced in Los Angeles for release this year (see also CharlesOswald.com).

Club Advisors



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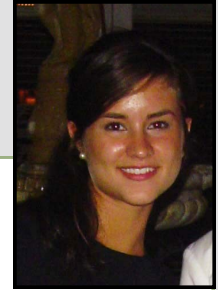
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Finance, Banking & Insurance

Advisory Board Focus

Allison Boyle

Occupation – Assistant Vice President;
Bank of America - Finance
Support for Consumer Banking Products Planning and Reporting



As a Finance and Banking/Risk and Insurance graduate of Appalachian State in 2008, I'm happy to be working in Credit Card and Deposits Finance at Bank of America in Charlotte and to be a part of the Finance Advisory Board. Appalachian tremendously helped to launch my career at Bank of America and continues to be a great source of guidance. As a junior and senior, I attended FSA events where Bank of America along with other companies came to speak about their internship and analyst program opportunities. From there, I was able to complete the Finance Management Associate Program internship and analyst program that allowed me to experience several different areas of corporate finance. The wide range of skills and knowledge I acquired at Appalachian such as financial analysis, Excel functions and critical thinking, put me on an even playing field with students from UNC- Chapel Hill to UVA and enabled me to be successful as a full time finance associate. I still look back at notes I have from classes I took at Appalachian to help understand some issues I encounter at work. Appalachian's Finance Department is a program that prepares students incredibly well to enter a corporate setting and succeed on all levels.

FIN 3531 International Insurance Markets

This course is designed to expose students to international business concepts with particular emphasis on the insurance industry.

The course included travel to London on March 5-12, 2011. While in London, students visited and heard presentations from insurance brokers, companies, Lloyds of London, and reinsurers. The overriding design of the course is to follow the insurance transaction from main street USA through the standard markets, surplus lines markets, and reinsurance markets to ultimate risk-bearers abroad.

The course involved study of legal, political, regulatory, and cultural environments. Students learned about the British legal system and history, gained insight on regulatory and legal issues faced by brokers and insurers at the international level, became familiar with currency exchange and experienced business etiquette in the United Kingdom.

Additionally, the class was asked by the American Association of Managing General Agents (AAMGA) to write and produce a video promoting careers in the Surplus Lines Insurance industry. They pulled it off with much help from the Theatre and Dance department and the Interactive Video Services department. The video will be featured at AAMGA's Annual Convention opening ceremo-

nies and AAMGA plans to send the video to universities country-wide for use in their career development centers.



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