

**Retirement Design and Pricing (DP) Exam
November 2007
Canada, Segment B**

Exam
Instructional Objectives
1. The candidate will be able to apply/synthesize the various methods used to value a pension plan for the purposes of the valuation.
Learning Outcomes
<p>The candidate will be able to:</p> <p>a) Differentiate between the various purposes for valuing pension plans:</p> <ul style="list-style-type: none"> i) Budgeting ii) Funding iii) Accounting iv) Solvency v) Termination/wind-up vi) Economic value <p>b) Perform periodic valuations of ongoing plans, calculating normal cost and actuarial liability, using the variety of cost methods for budgeting, funding, accounting and measuring economic value.</p> <p>c) Analyze and communicate the pattern of cost recognition that arises under a variety of funding and asset valuation methods.</p> <p>d) Perform valuations for special purposes, including:</p> <ul style="list-style-type: none"> i) Plan termination/windup ii) Solvency valuations iii) Open group valuations <p>e) Assess the impact of using various cost methods in a given context.</p>
Syllabus Resources
<i>Pension Mathematics for Actuaries</i> , Anderson , Third Edition, Ch, 1-4, 6, 7
Exam
Instructional Objectives
2. The candidate will be able to analyze/synthesize the factors that go into selection of actuarial assumptions.
Learning Outcomes

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Given a context and/or data, the candidate will be able to: a) Evaluate actual experience, including comparisons to assumptions b) Adjust current assumptions, given past experience and trends
Syllabus Resources
R-D609-07 (Formerly 8P-21-00): Pension Funding Exercises (background only)

Exam
Instructional Objectives
3. The candidate will be able to evaluate the actuarial considerations in plan options and administrations.
Learning Outcomes
The candidate will be able to: a) Assess the gain/loss from options offered, including: <ul style="list-style-type: none">▪ Postponed retirement▪ Early retirement▪ Option factors
Syllabus Resources
R-D119-07 (Formerly 8P-23-00): Actuarial Equivalent Benefits