

EDUCATION COMMITTEE OF THE SOCIETY OF ACTUARIES (SOA)

INTRODUCTORY STUDY NOTE

EXAM SESSION: SPRING 2023

EXAM: INDIVIDUAL LIFE AND ANNUITIES—LIFE FINANCIAL MANAGEMENT, CANADA

DATE: Tuesday, May 9, 2023; Time scheduled with Prometric Test Center

1. The examination will consist of four hours of written-answer questions worth 80 points.
2. The SOA has established a [recommended order for each fellowship track](#)

This order is NOT mandated. Each candidate will determine the appropriate sequence based on factors including readiness to sit for an exam, exam administration schedules, or study time available. However, the Education committees believe that these recommendations provide the most effective guide for candidate success. An examination/module may assume familiarity with material that is covered in any requirement that is recommended to come before that examination or module.

3. The Syllabus material includes textbooks, online readings, and the study notes listed in the Appendix. Study notes listed with an asterisk (*) will also be included in the Revision set of study notes. The Appendix also may contain additional important information regarding this exam. A complete listing of the Syllabus and Learning Objectives is located in this exam's home page on the SOA Web site.
4. Several [book distributors](#) carry some or all of the textbooks for the Society of Actuaries exams.
5. Any changes in the Syllabus for this exam will be published under "Updates" in this exam's home page on the SOA Web site.
6. [Past exams, solutions and case studies](#) are available on the SOA Web site.
7. There is no case study for this examination.
8. The candidate should be very familiar with the Learning Objectives. These Learning Objectives are the first ingredient in developing the syllabus and also guide the examination committee when writing questions. The Learning Objectives set out the cognitive level needed to pass this exam. You will notice that the candidates are expected to "analyze," "explain," "calculate," "describe," "apply," etc. While studying the syllabus material, candidates may want to refer back to the Learning Objectives to remain focused on the goals of the exam.
9. The examination questions for this exam will be based on the required readings for this exam. If a conflict exists (in definitions, terminology, etc.) between the readings for this exam and the readings for other exams, the questions should be answered on the basis of the readings for this exam.

10. Candidates may ONLY use these battery or solar-powered Texas Instruments models: BA-35, BA II Plus*, BAII Plus Professional*, TI-30Xa, TI-30X II* (IIS solar or IIB battery), and TI-30X MultiView* (XS solar or XB battery). Candidates may use more than one of the approved calculators during the examination.

Calculator instructions may not be brought into the exam room. During the exam, the calculator must be removed from its carrying case so the supervisor can confirm that it is an approved model. Candidates using a calculator other than the approved models will have their exams disqualified.

Candidates can purchase calculators directly from: [Texas Instruments](#), Attn: Order Entry, PO Box 650311, Mail Station 3962, Dallas, TX 75265, phone 800/842-2737.

The memory of the **BA II Plus, BA II Plus Professional, TI-30X II and TI-30X MultiView calculators will need to be cleared by the examination supervisor upon the candidate's entrance to the examination room.*

11. A list of various [seminars/workshops](#) and [study manuals](#) appears on the SOA Web site. These seminars/workshops and study manuals do not reflect any official interpretation, opinion, or endorsement of the Society of Actuaries or its Education Committee.

Please note that the Education Committee expects candidates to read the material cited in the *Syllabus* and to use other material as a complement to the primary sources rather than a substitution for them.

12. The Society of Actuaries provides study notes to persons preparing for this examination. They are intended to acquaint candidates with some of the theoretical and practical considerations involved in the various subjects. While varying opinions are presented where appropriate, limits on the length of the material and other considerations sometimes prevent the inclusion of all possible opinions. These study notes do not, however, represent any official opinion, interpretation or endorsement of the Society of Actuaries. The Society is grateful to the authors for their contributions in preparing study notes.

The American Academy of Actuaries, the Canadian Institute of Actuaries, the Conference of Consulting Actuaries, and the Society of Actuaries jointly sponsor various examinations administered by the Society of Actuaries.

APPENDIX

Study notes for this exam

| Code | Title |
|-------------|---|
| LFM-106-07 | Chapter 4 of <i>Insurance Industry Mergers & Acquisitions</i> |
| LFM-138-16 | Prudential Financial, Inc.: Stockholders' Equity and Balance Sheet Leverage |
| LFM-141-18 | IFRS 17 Insurance Contracts—IFRS Standards Effects Analysis |
| LFM-143-20 | Fundamentals of the Principle-Based Approach to Statutory Reserves for Life Insurance |
| LFM-144-20 | The Modernization of Insurance Company Solvency Regulation in the U.S.: Issues and Implications |
| LFM-148-20 | Theory of Risk Capital in Financial Firms |
| LFM-149-21 | Insurance Contracts, Sections 1.1, 3.5 & 5.1-5.10 and Figures IG 2-1 & IG 2-2 |
| LFM-151-22 | IAIS—International Capital Standard, ComFrame, Holistic Framework for Systemic Risk in the Insurance Sector |
| LFM-603-13 | OSFI Guideline D-9 -Source of Earning Disclosure (Life Insurance Companies) |
| LFM-620-14 | OSFI Guideline E-15: Appointed Actuary—Legal Requirements, Qualifications and Peer Review |
| LFM-632-23* | OSFI Guideline B-3: Sound Reinsurance Practices and Procedures |
| LFM-634-23* | CIA Standards of Practice: Practice-Specific Standards for Insurers, Jan. 2023 |
| LFM-635-13 | OSFI Guideline E-16: Participating Account Management and Disclosure to Participating Policyholders and Adjustable Policyholders |
| LFM-636-20 | OSFI Draft Guideline A-4: Regulatory Capital and Internal Capital Targets |
| LFM-641-19 | OSFI Guideline: Own Risk and Solvency Assessment (E19) |
| LFM-645-23* | OSFI Guideline—Life Insurance Capital Adequacy Test (LICAT) |
| LFM-649-22 | IAN 100—International Actuarial Note 100: Application of IFRS 17 Insurance Contracts |
| LFM-650-20 | FASB in Focus: Accounting Standards Update No. 2018-12: Targeted Improvements to the Accounting for Long-Duration Contracts Issued by Insurance Companies |
| LFM-655-21 | IFRS Standards Exposure Draft—Amendments to IFRS 17 |
| LFM-656-21 | In Transition: The Latest on IFRS 17 Implementation |
| LFM-657-22 | The IFRS 17 Contractual Service Margin: A Life Insurance Perspective |
| LFM-658-23* | Chapter 2 of <i>Risk Adjustments for Insurance Contracts Under IFRS 17</i> |