

EDUCATION COMMITTEE OF THE SOCIETY OF ACTUARIES (SOA)

INTRODUCTORY STUDY NOTE

EXAM SESSION: SPRING 2021

EXAM: GENERAL INSURANCE - RATEMAKING AND RESERVING

DATE and TIME: Thursday, May 13; Time scheduled with Prometric Test Center

1. The examination will consist of five hours and 15 minutes of written answer questions.
2. The following link shows a recommended FSA module/exam sequence for each track:
<http://www.soa.org/Education/Exam-Reg/edu-new-fsa-recommended.aspx>

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. 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. A list appears on the SOA Web site at: <http://www.soa.org/education/exam-reg/resources/edu-txt-manuals.aspx>.
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 at: <http://www.soa.org/education/exam-reg/syllabus-study-materials/edu-multiple-choice-exam.aspx>.
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 or <http://epsstore.ti.com>.

The memory of the **BA II Plus, **BAII 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 at: <http://www.soa.org/education/exam-reg/resources/edu-sem-workshops.aspx> and <http://www.soa.org/education/exam-reg/resources/edu-txt-manuals.aspx>. 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

There are no study notes for this examination.

The syllabus material includes four sources. The four sources are:

Friedland, J., *Fundamentals of General Insurance Actuarial Analysis*, 2013, Society of Actuaries.

ERRATA:

Page 403 – Section number should be 21.4.2.

Page 799 – value at the bottom of the page should be $250.0 / 930.9 = 0.27$.

Friedland, J., *Fundamentals of General Insurance Actuarial Analysis – 2019 Supplement*, 2019, Society of Actuaries.

Actuarial Standards of Practice, Actuarial Standards Board of the American Academy of Actuaries, No. 25, Credibility Procedures, 2013

Uses of Catastrophe Model Output, American Academy of Actuaries, July 2018.

[https://www.actuary.org/sites/default/files/files/publications/Catastrophe Modeling Monograph 07.25.2018.pdf](https://www.actuary.org/sites/default/files/files/publications/Catastrophe%20Modeling%20Monograph%2007.25.2018.pdf)

Order of reading

While the *Catastrophe Model* source is linked to the final learning objective in the syllabus, this topic can be studied independently of the other readings for this examination.