



Canadian Institute of Actuaries
Institut canadien des actuaires



Casualty Actuarial Society



Society of Actuaries

Exam MFE to be jointly sponsored by the SOA, CIA, and CAS in 2008

Exam MFE on financial economics, currently offered by the Society of Actuaries and the Canadian Institute of Actuaries, will be jointly sponsored by the Casualty Actuarial Society beginning with the May 2008 administration. CAS Exam 3 and SOA Exam M are exams on actuarial modeling and cover most of the same material on their financial economics segments.

Two issues led the CAS Board of Directors and the SOA Board of Governors to approve the joint offering. First, to accommodate its new Enterprise Risk Management credential, the SOA divided Exam M into two segments earlier this year—Exam MFE on financial economics and Exam MLC on life contingencies. This segmentation provided an opportunity for the financial economics material to be jointly tested.

Second, the potential to offer this multiple-choice exam by computer-based testing (CBT) would be enhanced if the exam were offered jointly. The joint Examination Committee can begin the multi-year task of building its bank of questions that will be necessary before the exam can move to CBT.

Candidates benefit from the CBT administration as the frequency with which exams are administered will increase to at least four times per year. After a transition period of a few sittings, unofficial results will be provided to candidates before they leave the examination center.

The CAS will call the joint exam on financial economics Exam 3F. Exam MFE/3F will be administered as a two-hour exam.

Exam M/3 had been a joint exam from 2000 through May 2003. In October 2003, the CAS began to offer its own exam and reduced some of the life contingencies topics. In 2005, statistics was added to CAS Exam 3. The CAS will offer its own two-and-a-half-hour exam segment on life contingencies and statistics using the name Exam 3L. The CAS will grant a waiver for CAS Exam 3L to those who pass SOA Exam MLC.

Exam FM/2 to be offered by Computer-Based Testing

In addition to approving the administration of Exam MFE/3F as a joint exam, the CAS and SOA boards approved entering into a contract with Prometric to move Exam FM/2 to computer-based testing as soon as practical. It is anticipated that this would take place sometime in 2008. After the contract has been completed and a final implementation timetable set, details will be announced. The boards also voted to approve moving Exam MFE/3F to CBT as soon as practical after Exam FM/2 has been converted.