

Life Insurance CPD Topics for Technical Needs Analysis

The Life Board has highlighted the subjects detailed below in order to help actuaries working in life insurance plan their CPD requirements. Members should refer to the Professional Conduct Standards before satisfying themselves of their ability to undertake any particular role and it is the responsibility of the individual actuary to ensure they are satisfied they have enough technical knowledge and experience in their own circumstances. Relevant Guidance Notes and emerging standards from BAS must also be included for each appropriate topic.

Subject	Includes
Asset liability management	Asset/liability studies Matching/Immunitisation/Resilience testing Stochastic models
Capital management	Financial projections (model office) Pillar 1 of PRU ("twin peaks" for with profits business) Pillar 2 of PRU (Individual Capital Assessments) Management of free estate Financial reinsurance Shareholder assets outside long-term funds
Compliance	Financial Services Act Integrated Prudential Sourcebook PPFM & CFPPFM Key features documents
Corporate restructuring	Transfer of long-term business between funds Mergers, acquisitions and sales Setting up of new or joint ventures Demutualisation Orphan assets Closed funds
Distribution management	Direct salesforce/tied agents/IFAs/multi-ties Telesales/Crossborder sales Direct marketing Financial management of sales operation Modelling of salesforces Remuneration of salesforces
Expense control	Incurred expense monitoring/management Strategic control of expenses
Experience monitoring	Expense analysis Mortality/morbidity experience investigation Mortality/morbidity industry/population statistics Withdrawal experience investigations
Investment	Performance measurement Use of derivatives Credit risk
Legislation (See also compliance above)	EU Directives Relevant sections of the FSA handbook of rules & guidance, in particular the Integrated Prudential Sourcebook (PRU) Companies Act legislation

Subject	Includes
TCF (with /without profits including unit-linked)	Bonus philosophy Use of asset shares Implications for SVs Charge reviews Target benefits Reviewing product literature for TCF implications Unit pricing basis
Products	Life/Pensions/Health/Unit trusts/PEP products Product design (charging structures, features ...) Choice of assumptions Product pricing (including profit testing) Qualifying rules Systems implications Alterations/PUPs/SVs Policy wording and documentation
Profit recognition	Modified statutory basis Embedded values Accruals/Achieved profits Choice of assumptions Accounting aspects
Reinsurance	Quota share/surplus/stop loss/catastrophe Retention limits Profit share arrangements
Taxation	Life assurance company taxation Company tax planning Policyholder and personal taxation
Underwriting	Setting medical limits Proposal questions Supplementary questionnaires Genetic screening Preferred lives
Unit pricing	Bid/Offer pricing basis Tax rates Treatment of tax on unrealised gains
Valuation	Setting of valuation basis (assets and liabilities) STress testing Expense reserves FCRs