

# CHANGES TO THE SYLLABUS AND CORE READING FOR SUBJECT ST3 FOR THE 2008 EXAMINATIONS

## 1 Changes to the Syllabus and their impact on Core Reading

*There have been no changes to the Syllabus.*

## 2 Changes to Core Reading

*Listed below are changes other than those of a typographical or grammatical nature.*

### UNIT 7 SECTION 1

*“Reinsurance” has been added to the second list of bullets.*

### UNIT 7 SECTION 5.1.2

*The following has been added as a final paragraph to the Subsection — Definition of a claim:*

Some systems will record loss indemnity and loss adjustment expenses separately, whereas others will combine the two items”

### UNIT 7 SECTION 7.2

*The following has been added as a final paragraph:*

Incorrect reserving can have a knock-on effect if the results are used in any pricing exercise, either over- or under-stating the correct rate that should be charged for a particular risk

### UNIT 11 SECTION 3.4

*Formula (3.2.4) has been changed and now reads:*

$$(N-1)^{-1} \sum_{i=1}^N (\bar{X}_i - \bar{X})^2 - (Nn)^{-1} \sum_{i=1}^N (n-1)^{-1} \sum_{j=1}^n (X_{ij} - \bar{X}_i)^2.$$

as the unbiased estimator for  $V[m(\theta)]$

**END**