



Institute
and Faculty
of Actuaries

Subject P0 Generic UK Practice Half Module

for the 2020 exams

1 June 2019

1 Aim

The aim of this module is to provide a knowledge of United Kingdom (UK) business practice, regulation, legislation and professional guidance notes relevant to the work of an actuary practising in financial services in the UK.

P0 consists of generic material for all actuaries practising in the UK.

P1-P7 are subject specific and are offered for a choice of specialisms.

Generally, P0 will be taken at the same time as one of P1-P7.

2 Competences

On successful completion of this subject, a student will know and understand UK business practice, regulation, legislation and professional guidance notes that are relevant to financial services.

3 Links to other subjects

- 1 CB1 – Business Finance 1
- 2 CP1 – Actuarial Practice

The material introduced in P0 underpins the material in the specialist P1-P7.

4 Syllabus Topics

1	Background to financial institutions and insurance contracts	10%
2	Institutional investment	15%
3	Personal investment	10%
4	Legislation and regulation	60%
5	Professional guidance	5%

5 Skill Levels

Questions will be mainly Knowledge based (i.e. demonstration of a detailed knowledge and understanding of the topic). Some questions may require Application to a simple situation (i.e. demonstration of an ability to apply the principles underlying the topic within a given context).

6 Detailed Syllabus Objectives

Demonstrate a knowledge and understanding of the following areas in relation to United Kingdom practice:

1 Background to financial institutions and insurance contracts

- 1.1 Purpose and structure of the UK financial services industry.
- 1.2 Key organisations, institutions and people in the industry and the roles they play in the provision of financial services products.
- 1.3 Concepts and principles underpinning insurance contracts.

2 Institutional investment

- 2.1 The importance of financial planning and the factors that affect financial needs for institutions, including:
 - Institutional investors' objectives
 - Factors influencing strategy
- 2.2 Principles and concepts of risk associated with financial planning for institutional investors.
- 2.3 Principles of asset ownership to financial services for key UK institutions, including:
 - Liability characteristics
 - Investment requirements
 - Influence of the regulatory environment

3 Personal investment

- 3.1 The importance of financial planning and the factors that affect financial needs throughout life, including:
 - An individual's objectives
 - Factors influencing strategy
- 3.2 Principles and concepts of risk associated with financial planning for individual investors.

3.3 Principles of asset ownership to retail financial services for individual investors, including:

- Decisions for individuals
- Collective investments
- Tax efficient investments

4 Legislation and regulation

4.1 Basic principles of business ethics and integrity, including:

- Principles underlying the legislative and regulatory framework for investment management and the securities industry
- Objectives of European Union legislation and International Financial Reporting Standards

4.2 Purpose and structure of UK financial services regulations:

4.2.1 Framework of self-regulation, including:

- Roles of Financial Policy Committee, Prudential Regulation Authority and Financial Conduct Authority
- Principles for the conduct of investment business

4.2.2 Meaning of investment advice, including:

- Monitoring and review arrangements
- Rules applying to different types of advice

4.2.3 How members of the Institute and Faculty of Actuaries are regulated in the conduct of regulated business under the Financial Services and Markets Act 2000

4.3 Powers of the regulators of financial services, including how the regulatory rules impact on:

- Firms and individuals
- Control structures of firms
- Relationships of firms with the regulators
- Approach to ethical conduct by firms and individuals.

- 4.4 Requirements of the major codes of practice relevant to retail financial services, including:
- Panel on Takeovers and Mergers
 - Competition and Markets Authority
- 4.5 Role of the main consumer protection bodies in UK financial services, including:
- Role of the financial regulators
 - Regulatory requirements for the handling of complaints
 - Requirements of the Institute and Faculty of Actuaries
- 4.6 Financial services regulators' requirements relating to:
- Financial promotions
 - Market abuse.
 - Handling client money.
 - Nature of business fees and commission.
- 4.7 Main requirements of other legislation and regulation, including:
- Data Protection Act 2018
 - Proceeds of Crime Act 2002
 - Bribery Act 2010
 - Anti money laundering regulations
 - The laws of agency and contract in dealing with customers

5 Professional guidance

- 5.1 Principles underlying the requirements of the professional standards and guidance that are relevant to actuaries practising in financial services, including:
- Actuaries' Code
 - Technical Actuarial Standards
 - Practice specific standards and guidance notes
 - International Actuarial Standards

7 Assessment

Multiple choice examination (25 questions).

END



Institute
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of Actuaries

Subject P1 Health and Care UK Practice Module

for the 2020 exams

1 June 2019

1 Aim

The aim of this module is to provide a knowledge of United Kingdom (UK) business practice, regulation, legislation and professional guidance notes relevant to the work of an actuary practising in investment in the UK.

P0 consists of generic material for all actuaries practising in the UK.
P1–P7 are subject specific and are offered for a choice of specialisms.

Generally P0 will be taken at the same time as one of P1–P7.

2 Competences

On successful completion of this subject, a student will know and understand UK business practice, regulation, legislation and professional guidance notes that are relevant to health and care insurance.

3 Links to other subjects

- 1 SP1 – Health and Care Specialist Principles
- 2 SA1 – Health and Care Specialist Advanced
- 3 P0 – Generic UK Practice Module

The material introduced in P0 underpins the material in the specialist P1-P7.

4 Syllabus Topics

1	Products	27.5%
2	Legislation and regulation	15%
3	Taxation and State Benefits	15%
4	Valuation	17.5%
5	General business management	25%

These weightings are indicative of the balance of the assessment of this subject between the main syllabus topics.

The weightings also have a correspondence with the amount of learning material underlying each syllabus topic.

However, this will also reflect aspects such as

- The relative complexity of each topic, and hence the amount of explanation and support required for it.
- The need to provide thorough foundation understanding on which to build the other objectives.

5 Skill Levels

Questions will be mainly Knowledge based (i.e. demonstration of a detailed knowledge and understanding of the topic). Some questions may require Application to a simple situation (i.e. demonstration of an ability to apply the principles underlying the topic within a given context).

6 Detailed Syllabus Objectives

Demonstrate a knowledge and understanding of the following areas in relation to UK practice:

1 Products

- 1.1 The principal terms used in health and care in the UK.
- 1.2 The major products of interest to UK health and care insurance companies, in terms of:
 - Customer needs
 - Interaction with State provision
 - Higher order insurer risk considerations
 - Bundling and unbundling
 - Impact of unit-linked wrappers
- 1.3 Requirements for the design of health and care insurance contracts to be marketed in the UK, including:
 - Methods and bases for pricing
 - Policy conditions
 - Capital requirements and return on capital
 - Marketability, competition and distribution
 - Management of risks
 - Underwriting
 - Reinsurance

- Investment policy
- The renewal process and options
- Regulatory requirements

1.4 Best practice in UK health and care insurance provision, including ABI guidelines.

Demonstrate a knowledge and understanding of the following areas in relation to UK practice:

2 Legislation and regulation

2.1 The legislative environment for UK health and care insurance companies, including:

- Principles of contract and trust law
- Consumer protection legislation, including Unfair Contract Terms and the Financial Ombudsman Service
- Equality legislation, including the EU gender directive

2.2 The regulatory environment for UK health and care insurance companies, including:

- Objectives of the PRA and FCA
- Supervisory tools, including rulebooks, the Conduct of Business Sourcebook, and Treating Customers Fairly
- Supervisory reporting
- UK statutory actuarial roles
- Solvency II regulatory framework and structure

2.3 The principles underlying the requirements of the professional standards and guidance that are relevant to actuaries practicing in or advising UK health and care insurance companies.

3 Taxation and State benefits

3.1 Taxation of UK health and care insurance products: premiums, benefits, profits.

3.2 Taxation of the UK business of health and care insurers (mutual, proprietaries and providents).

3.3 Understand the considerations underlying the provision of national healthcare systems:

- The importance of healthcare provision
- Different healthcare systems worldwide
- Different approaches to financing healthcare
- QALYs (quality adjusted life years)

4 Valuation

4.1 Valuation of assets, liabilities and solvency capital requirements under Solvency II.

4.2 Profit reporting under UK GAAP and EU approved IFRS.

4.3 Embedded value reporting, including market consistent embedded values and implications of Solvency II.

4.4 Analysis of Solvency II supervisory valuation surplus.

4.5 Analysis of embedded value for a proprietary company, within the Solvency II environment.

5 General business management

5.1 Describe the impact of the general business environment on the management of UK health and care insurance business, in terms of:

- Products and distribution, including the roles of the State and employers
- Underwriting approaches, including genetic testing
- Use of counterparties
- External influences – demographic, medical, economic, political and social

5.2 Understand the principles and practices that are relevant to the assessment of specific business strategies:

- Assessment of the market for a new company launch
- Assessment of overseas markets
- Assessment of a company or portfolio for takeover

- 5.3 Evaluate the uses and benefits of reinsurance support in health and care insurance:
- Control of risks
 - Financing
 - Technical assistance
 - Reinsurance impact
 - Badging
- 5.4 Analyse the experience and surplus/profit of a health and care insurer.
- 5.5 Develop appropriate strategic recommendations for a health and care insurer following an analysis of experience or surplus/profit, including capital management and modelling considerations.
- 5.6 Analyse the asset-liability matching requirements of a UK health and care insurer and develop appropriate strategies.

7 Assessment

Multiple choice examination (25 questions, excluding P0).

END



Institute
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Subject P2 Life Insurance UK Practice Module

for the 2020 exams

1 June 2019

1 Aim

The aim of this module is to provide a knowledge of United Kingdom (UK) business practice, regulation, legislation and professional standards relevant to the work of an actuary practising in life insurance in the UK.

P0 consists of generic material for all actuaries practising in the UK.
P1–P7 are subject specific and are offered for a choice of specialisms.

Generally P0 will be taken at the same time as one of P1–P7.

2 Competences

On successful completion of this subject, a student will know and understand UK business practice, regulation, legislation and professional standards that are relevant to life insurance.

3 Links to other subjects

- 1 SP2 – Life Insurance Specialist Principles
- 2 SA2 – Life Insurance Specialist Advanced

The material introduced in P0 underpins the material in the specialist P1-P7.

4 Syllabus Topics

1	Products	20%
2	Legislation and regulation	25%
3	Taxation	10%
4	Valuation	25%
5	General business management	20%

These weightings are indicative of the balance of the assessment of this subject between the main syllabus topics.

The weightings also have a correspondence with the amount of learning material underlying each syllabus topic. However, this will also reflect aspects such as

- The relative complexity of each topic, and hence the amount of explanation and support required for it.
- The need to provide thorough foundation understanding on which to build the other objectives.

5 Skill Levels

Questions will be mainly Knowledge based (i.e. demonstration of a detailed knowledge and understanding of the topic). Some questions may require Application to a simple situation (i.e. demonstration of an ability to apply the principles underlying the topic within a given context).

6 Detailed Syllabus Objectives

Demonstrate a knowledge and understanding of the following areas in relation to UK practice:

1 Products

- 1.1 The major products of interest to UK life insurance companies, including their main features.
- 1.2 Requirements for the design of life insurance contracts to be marketed in the UK, including appropriate methods and bases for pricing them.

2 Legislation and regulation

- 2.1 The legislative environment for UK life insurance companies, including:
 - principles of contract and trust law
 - Consumer protection legislation, including Unfair Contract Terms and the Financial Ombudsman Service
 - Equality legislation, including the EU gender directive
 - Pensions legislation
- 2.2 The regulatory environment for UK life insurance companies, including:
 - Objectives of the PRA and FCA
 - Supervisory tools, including rulebooks, the Conduct of Business Sourcebook, Treating Customers Fairly, and the Principles and Practices of Financial Management
 - Supervisory reporting
 - UK statutory actuarial roles

- Part VII Liabilities
 - Solvency II regulatory framework and structure
- 2.3 The principles underlying the requirements of the professional standards and guidance that are relevant to actuaries practicing in or advising UK life insurance companies.

3 Taxation and State benefits

- 3.1 Taxation of policyholders, in relation to premiums and benefits paid under UK life insurance contracts
- 3.2 Corporate taxation of the UK business of life insurance companies
- 3.3 Allowance for tax in unit pricing within BLAGAB funds

4 Valuation

- 4.1 Valuation of assets, liabilities and solvency capital requirements under Solvency II.
- 4.2 Profit reporting under UK GAAP and EU approved IFRS.
- 4.3 Embedded value reporting, including market consistent embedded values and implications of Solvency II.
- 4.4 Analysis of Solvency II supervisory valuation surplus.
- 4.5 Analysis of embedded value for a proprietary company, within the Solvency II environment.

5 General business management

- 5.1 Describe the impact of the general business environment on the management of UK life insurance business, in terms of:
- Competition and other new business considerations.
 - Distribution of products and financial advice, including the Retail Distribution Review.
 - Corporate finance, including mergers and closed funds.

- 5.2 Capital management techniques that are relevant to UK life insurance companies, including:
- Different types of capital assessment.
 - Typical sources of capital.
 - Solvency projections, including the use of proxy models.
 - Methods of improving available capital.
 - Asset-liability management techniques, including the use of derivatives.
- 5.3 Sources of risk and risk management techniques that are relevant to UK life insurance companies, including the use of CMI longevity projections.
- 5.4 Management of UK with profits business, including:
- The calculation and uses of asset shares.
 - Methods of determining surplus distribution policy.
 - Regulatory requirements for UK surplus distribution systems.

7 Assessment

Multiple choice examination (25 questions, excluding P0).

END



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Subject P3

General Insurance

UK Practice Module

for the 2020 exams

1 June 2019

1 Aim

The aim of this module is to provide a knowledge of United Kingdom (UK) business practice, regulation, legislation and professional standards relevant to the work of an actuary practising in general insurance in the UK.

P0 consists of generic material for all actuaries practising in the UK.

P1 – P7 are subject specific and are offered for a choice of specialisms.

Generally P0 will be taken at the same time as one of P1 – P7.

2 Competences

On successful completion of this subject, a student will know and understand UK business practice, regulation, legislation and professional standards that are relevant to general insurance.

3 Links to other subjects

SP7 – General Insurance Reserving and Capital Modelling Principles

SP8 – General Insurance Pricing Principles

SA3 – General Insurance Advanced

P0 – Generic UK Practice Module

(P0 is taken at the same time as P3.)

The syllabus objectives of P3 are covered in P3, SA3 and also General Insurance Reserving and Capital Modelling Specialist Principles (SP7) and General Insurance Pricing Specialist Principles (SP8). Note that the P3 examination will cover content in only SA3 and P3.

4 Syllabus Topics

- 1 Products and markets (20%)
- 2 Legislation, taxation and regulation (20%)
- 3 Pricing and selling (20%)
- 4 Reserving (20%)
- 5 Aspects of financial management (incl. capital modelling) (20%)

These weightings are indicative of the balance of the assessment of this subject between the main syllabus topics.

The weightings also have a correspondence with the amount of learning material underlying each syllabus topic.

However, this will also reflect aspects such as:

- The relative complexity of each topic, and hence the amount of explanation and support required for it.
- The need to provide thorough foundation understanding on which to build the other objectives.

5 Skill Levels

Questions will be mainly Knowledge based (i.e. demonstration of a detailed knowledge and understanding of the topic). Some questions may require Application to a simple situation (i.e. demonstration of an ability to apply the principles underlying the topic within a given context).

6 Detailed Syllabus Objectives

Demonstrate a knowledge and understanding of the following areas in relation to UK practice:

1 Products and markets (20%)

- 1.1 The main features of the United Kingdom general insurance market.
- 1.2 The key features of the Lloyd's market.
- 1.3 The main types of general insurance product.

2 Legislation, taxation and regulation (20%)

- 2.1 The principal regulatory and supervisory requirements that affect general insurers (including Lloyd's) established in the UK.
- 2.2 The principal taxation requirements that affect general insurers (including Lloyd's) established in the UK.
- 2.3 The principles on which the taxation of a proprietary insurer is based.
- 2.4 The technical reserves that can be taken into account in calculating the taxable profits of a proprietary insurer.
- 2.5 The principal differences in taxation treatment between a mutual and a proprietary insurer.

(SA3 Unit 8)

- 2.6 The principles of taxation within the Lloyd's market.
- 2.7 The requirements of the professional standards relevant to actuaries practising or advising United Kingdom general insurance companies and Lloyd's syndicates.

3 Pricing and selling (20%)

- 3.1 The various components of a general insurance premium.
- 3.2 The basic methodology used in rating general insurance business.
- 3.3 The various factors to consider when setting rates.
- 3.4 Commercial risks
 - 3.4.1 The particular considerations to be borne in mind when pricing large commercial risks.
 - 3.4.2 The alternative approaches to rating large commercial risks.
- 3.5 Return on capital
 - 3.5.1 The return on capital in the calculation of premium rates.
- 3.6 Catastrophe modelling
 - 3.6.1 The use of catastrophe modelling in non-life actuarial work.
 - 3.6.2 The difference between catastrophe modelling and traditional actuarial rating methods.
 - 3.6.3 The generic structure of a catastrophe model.
 - 3.6.4 The key perils modelled.
 - 3.6.5 The key uses to which a non-life actuary might put the output of catastrophe models.
 - 3.6.6 The key considerations in using the output of catastrophe models.

4 Reserving (20%)

- 4.1 Reserving work using deterministic and stochastic methodologies.
- 4.2 The appropriate bases for valuing the insurance liabilities of a United Kingdom general insurer in order to produce:
 - Companies Act accounts and statutory returns.
 - taxation accounts.
 - management accounts.
- 4.3 Evaluating and communicating the results including uncertainty.
- 4.4 The reasons why different reserving techniques are required for latent claims and disease claims.

5 Aspects of financial management (20%)

- 5.1 The major areas of risk and uncertainty in general insurance business.
- 5.2 The use of data.
- 5.3 The major actuarial investigations and analyses of experience.
- 5.4 The financial planning requirements of a general insurer and develop appropriate strategies.
- 5.5 The appropriate models for the purpose of financial planning to enable a general insurer to develop and monitor its objectives at either the corporate or product level.
- 5.6 The key considerations in deriving and applying capital modelling techniques.
 - Deterministic models
 - Stochastic models
 - Developing assumptions
 - Validation
 - Insurance risk
 - Market risk
 - Credit risk
 - Operational risk
 - Liquidity risk
 - Group risk

(SP7 Unit 13)

- 5.6.1 The areas to consider when approaching a capital modelling exercise.
- 5.6.2 The practical considerations which should be borne in mind when undertaking capital modelling.
- 5.7 The reasons why a general insurer may wish to transfer a portfolio of business to another insurer.
 - 5.7.1 The alternative approaches to such a transfer, including the situations in which each may be appropriate.
- 5.8 The recommendations for the overall financial management of a general insurer.

7 Assessment

Multiple choice examination (40 questions, excluding P0).

END



Institute
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Subject P4

Pensions and other benefits

UK Practice Module

for the 2020 exams

1 June 2019

1 Aim

The aim of this module is to provide a knowledge of United Kingdom (UK) business practice, regulation, legislation and professional guidance notes relevant to the work of an actuary practising in pensions in the UK.

P0 consists of generic material for all actuaries practising in the UK.
P1–P7 are subject specific and are offered for a choice of specialisms.

Generally P0 will be taken at the same time as one of P1–P7.

2 Competences

On successful completion of this subject, a student will know and understand UK business practice, regulation, legislation and professional guidance notes that are relevant to pensions and other benefit arrangements.

3 Links to other subjects

SP4 – Pensions and other benefits Specialist Principles
SA4 – Pensions and other benefits Specialist Advanced
P0 – Generic UK Practice Module

The material introduced in P0 underpins the material in the specialist P1-P7.

4 Syllabus Topics

1	Terms and abbreviations used in pensions and other benefits	20%
2	Actuarial Standards, TAS, APS	20%
3	UK legislation, taxation and regulation (excluding standards in 2)	20%
4	Accounts, funding methods, valuation methods & basis	20%
5	General, duties, roles & responsibilities, scheme design	20%

These weightings are indicative of the balance of the assessment of this subject between the main syllabus topics.

The weightings also have a correspondence with the amount of learning material underlying each syllabus topic.

However, this will also reflect aspects such as

- The relative complexity of each topic, and hence the amount of explanation and support required for it
- The need to provide thorough foundation understanding on which to build the other objectives

5 Skill Levels

Questions will be mainly Knowledge based (i.e. demonstration of a detailed knowledge and understanding of the topic). Some questions may require Application to a simple situation (i.e. demonstration of an ability to apply the principles underlying the topic within a given context).

6 Detailed Syllabus Objectives

Demonstrate a knowledge and understanding of the following areas in relation to UK practice:

1 Terms and abbreviations used in pensions and other benefits

- 1.1 The main terms used in the provision of benefits in the UK.

2 Actuarial Standards, TAS, APS

- 2.1 The professional standards which apply to actuaries practising in the UK, including:
- The general Technical Actuarial Standard 100, and the specific Technical Actuarial Standard 300 on Pensions.
 - The Actuaries' Code.
 - Actuarial Profession Standards P1, X1, X2 and X3.

3 UK legislation, taxation and regulation (excluding standards in 2)

3.1 The legislative environment for the following UK stakeholders in the provision of pension benefits:

- The State.
- HM Revenue & Customs.
- The Pensions Regulator.
- The Board of the Pension Protection Fund.
- Employers.
- Individuals.
- Trustees.
- Actuaries.
- Investment advisers.
- Other advisers.

4 Accounts, funding methods, valuation methods & basis

4.1 The professional standards which apply to actuaries practising in the UK, including:

- Accounting standards IAS19, FRS102 and ASC715.

5 General duties, roles & responsibilities, scheme design

5.1 Pension provision in the UK, including:

- Occupational benefit schemes.
- Public and private sector arrangements.
- The main saving alternatives to pension savings available to individuals.

In respect of the following:

- Scheme design
- Financing and funding
- Member options and guarantees
- Corporate activity such as mergers and acquisitions
- Risk management, including investment strategy and insurance

5.2 Valuation of assets, past and future benefits and future contributions.

5.3 Analysis of surplus/deficit and experience between valuations.

5.4 Discontinuance of benefit provision.

7 Assessment

Multiple choice examination (25 questions).

END



Institute
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Subject P7

Investment and Finance

UK Practice Module

for the 2020 exams

1 June 2019

1 Aim

The aim of this module is to provide a knowledge of United Kingdom (UK) business practice, regulation, legislation and professional guidance notes relevant to the work of an actuary practising in investment in the UK.

P0 consists of generic material for all actuaries practising in the UK.
P1–P7 are subject specific and are offered for a choice of specialisms.

Generally P0 will be taken at the same time as one of P1–P7.

2 Competences

On successful completion of this subject, a student will know and understand UK business practice, regulation, legislation and professional guidance notes that are relevant to investment.

3 Links to other subjects

- 1 SP5 – Investment and Finance Specialist Principles
- 2 SA7 – Investment and Finance Specialist Applications

The material introduced in P0 underpins the material in the specialist P1-P7.

4 Syllabus Topics

1	Asset characteristics, historic returns and indices	55%
2	Legislation, regulation and professional guidance	10%
3	Taxation	10%
4	Investors' needs and asset/liability matching	15%
5	Portfolio management techniques and performance assessment	10%

These weightings are indicative of the balance of the assessment of this subject between the main syllabus topics.

The weightings also have a correspondence with the amount of learning material underlying each syllabus topic.

However, this will also reflect aspects such as

- The relative complexity of each topic, and hence the amount of explanation and support required for it
- The need to provide thorough foundation understanding on which to build the other objectives

5 Skill Levels

Questions will be mainly Knowledge based (i.e. demonstration of a detailed knowledge and understanding of the topic). Some questions may require Application to a simple situation (i.e. demonstration of an ability to apply the principles underlying the topic within a given context).

6 Detailed Syllabus Objectives

Demonstrate a knowledge and understanding of the following areas in relation to UK practice:

1 Asset characteristics, historic returns and indices

1.1 Characteristics of the principal investment assets and the markets in such assets covering the main markets in:

- Equities
- Bonds
- Commodities
- Derivatives

1.2 How an institutional investor might provide funds for the finance of a property investment or development.

1.3 Main features of the historic behaviour of markets and indices.

2 Investment framework, including legislation, regulation and professional guidance

2.1 Key influences over the economic and capital markets environment in the UK.

2.2 Key principles of corporate finance including capital structure and financing in the UK.

- 2.3 Legislative and regulatory framework for investment management and the securities industry, including:
- The framework of regulation in the investment industry.
 - How members of the Institute and Faculty of Actuaries are regulated in the conduct of investment business under the Financial Services and Markets Act 2000.
 - The circumstances under which actuaries require authorisation under the Financial Services and Markets Act 2000.
- 2.4 Principles underlying the requirements of the professional standards and guidance that are relevant to actuaries practising in the investment field.
- 2.5 Any proposed changes in legislation or professional guidance that will affect the work undertaken or advice given by actuaries practising in the investment field, and their expected effective date of implementation.

3 Taxation

- 3.1 Taxation of investments for typical investors in the UK, including:
- Individual investor
 - Life insurance company
 - Non-life insurance company
 - Pension scheme

4 Investors' needs and asset/liability matching

- 4.1 Investment needs of particular investors, in particular:
- The investment requirements and regulatory constraints for key institutional investors
 - The appropriate investments for an individual investor
 - The appropriate investments for an unconstrained investor
 - The risks faced by investors and how an investor's risk profile is determined

4.2 Asset liability matching requirements and appropriate strategies in relation to the following institutions in the UK:

- Life insurance company transacting with-profits, non-profit or unit-linked business
- Non-life insurance company
- Defined benefit pension scheme
- Defined contribution pension scheme
- Endowment, charity or other fund
- A bank, hedge fund or other proprietary investor

5 Portfolio management techniques and performance assessment

5.1 Principal techniques in investment portfolio management, including:

- Risk control techniques
- Performance assessment
- Overall management of assets to meet investors' liabilities.

7 Assessment

Multiple choice examination (25 questions).

END