

CMP Upgrade 2019/20

Subject CM2

CMP Upgrade

This CMP Upgrade lists the changes to the Syllabus objectives, Core Reading and the ActEd material since last year that might realistically affect your chance of success in the exam. It is produced so that you can manually amend your 2019 CMP to make it suitable for study for the 2020 exams. It includes replacement pages and additional pages where appropriate.

Alternatively, you can buy a full set of up-to-date Course Notes / CMP at a significantly reduced price if you have previously bought the full-price Course Notes / CMP in this subject. Please see our *2020 Student Brochure* for more details.

This CMP Upgrade contains:

- all significant changes to the Syllabus objectives and Core Reading
- additional changes to the ActEd Course Notes and Assignments that will make them suitable for study for the 2020 exams.

0 Changes to the Syllabus objectives

There have been no changes to the Syllabus objectives.

1 Changes to the Core Reading

This section contains all the *non-trivial* changes to the Core Reading.

Chapter 2

Page 33

The following sentence should be removed:

Furthermore, the risk management costs facing a firm may be only one of a number of risky projects affecting the firm's owners (and other claimholders).

Chapter 4

Page 20

The following sentences should be added to the final section of Core Reading:

The pooling of ten properties has resulted in the total cost increasing tenfold but the VaR not increasing. This also shows a limitation of VaR as a risk measure. In the later subjects of your actuarial career you will be looking at the coherency of a risk measure but that is not within the scope of CM2.

Chapter 21

Page 25

The following sentence should be added after Figure 9:

This shows that if there is no future inflation, a total reserve of 4,403 is required.

2 Changes to the ActEd material

There have been no *non-trivial* changes to the ActEd text.

3 Changes to the X Assignments

There have been no *non-trivial* changes to the X Assignments.

4 Changes to the Y Assignments

Assignment Y2

The six marks of Question Y2.3(ii)(b) have been split into two parts in order to separate the instruction words:

- (b) Calculate the real-world probability of default for the bonds of Company B. [2]
- (c) Explain why Company B has a lower probability of default than Company A. [4]

5 Other tuition services

In addition to the CMP you might find the following services helpful with your study.

5.1 Study material

We also offer the following study material in Subject CM2:

- Flashcards
- Revision Notes
- ASET (ActEd Solutions with Exam Technique) and Mini-ASET
- Mock Exam and AMP (Additional Mock Pack).

For further details on ActEd's study materials, please refer to the *2020 Student Brochure*, which is available from the ActEd website at www.ActEd.co.uk.

5.2 Tutorials

We offer the following (face-to-face and/or online) tutorials in Subject CM2:

- a set of Regular Tutorials (lasting four full days)
- a Block (or Split Block) Tutorial (lasting four full days)
- an Online Classroom.

For further details on ActEd's tutorials, please refer to our latest *Tuition Bulletin*, which is available from the ActEd website at www.ActEd.co.uk.

5.3 Marking

You can have your attempts at any of our assignments or mock exams marked by ActEd. When marking your scripts, we aim to provide specific advice to improve your chances of success in the exam and to return your scripts as quickly as possible.

For further details on ActEd's marking services, please refer to the *2020 Student Brochure*, which is available from the ActEd website at www.ActEd.co.uk.

5.4 Feedback on the study material

ActEd is always pleased to get feedback from students about any aspect of our study programmes. Please let us know if you have any specific comments or general suggestions about how we can improve the study material. We will incorporate as many of your suggestions as we can when we update the course material each year.

If you have any comments on this course please send them by email to CM2@bpp.com.

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