

Subject CP3

2025 Study Guide

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1 Introduction

This Study Guide has been created to help you navigate your way through Subject CP3. It contains useful information you will need before starting to study Subject CP3 for the 2025 exams. You may also find it useful to refer to throughout your studies.

Further information on study skills can be found on our website at [ActEd.co.uk](https://www.acted.co.uk).

Please read this Study Guide carefully before reading the Course Notes, even if you have studied for some actuarial exams before.

Before you start

When studying for the Institute and Faculty of Actuaries' exams, you may need:

- a copy of the **Formulae and Tables for Examinations of the Institute and Faculty of Actuaries, 2nd Edition (2002)** – these are referred to simply as the *Tables*
- a **scientific calculator** and/or **software package** to help with calculations.

The *Tables* are available from the Institute and Faculty of Actuaries' eShop. Please visit [actuaries.org.uk](https://www.actuaries.org.uk).

2 Subject CP3 – background and contents

2.1 Links to other subjects

Associateship Qualification

The communications to be created in the assessment will be based on real-world actuarial scenarios and problems. As such, students may wish to complete their Core Principles subjects before sitting the CP3 examination, but they are not required to do so.

2.2 Subject contents

The following table shows the contents of the Course Notes, including a broad indication of the length of each chapter. This table should help you plan your progress across the study session. Note that, if you are attempting the assignments, you should complete your study of all of the Course Notes before doing so.

Chapter	Title	No of pages	X Assignment	1 day Tutorial
1	Introduction to CP3	10	X1 X2 X3	1
2	Adopting appropriate language	16		
3	Communicating numerical information	20		
4	The production process	16		
5	Selecting and sequencing content	22		
6	Expanding on the plan	20		
7	Conclusion and summary	10		

3 Syllabus

The Syllabus for each subject is produced by the Institute and Faculty of Actuaries. It includes information to support the study of this subject. The Syllabus will guide you through what you need to learn, the application of learning, as well as the skills that you need to develop.

Students can use the Syllabus as a guide for learning and development. We recommend that you use the Syllabus as an important part of your study.

3.1 Aim

Provide effective written communications of a technical nature to a non-technical audience. These communications need to convey appropriate information without unnecessary complexity, through the use of appropriate forms of communications, use of appropriate language and identification of the relevant issues to be addressed for the intended audience.

3.2 Topics

This subject covers the following topics:

1. Identify relevant information and appropriate content
2. Use an effective structure
3. Adopt appropriate language
4. Include appropriate explanation
5. Incorporate effective communication tools.

3.3 Objectives

The detailed syllabus objectives for Subject CP3 are given below. To the right of each objective are the chapter numbers in which the objective is covered in the ActEd course. The relevant individual syllabus objectives are also included at the start of each course chapter.

- | | | |
|----------|---|------------------|
| 1 | Identify relevant information and appropriate content | (Chapters 3 & 5) |
| 1.1 | Identify key information that must be conveyed in order for a communication to meet the objectives. This may include: <ul style="list-style-type: none">• setting out any implications that may affect the intended recipients' decisions• disclosing the extent of any uncertainty involved, and any limitations in the information being communicated, if that uncertainty or those limitations may affect the intended recipients' decisions. | |
| 1.2 | Assess what information is not necessary and might, if included, detract from communicating effectively. | |

- 1.3 Use numbers in a way that is appropriate for the intended recipient(s), given the objectives of the communication:
- Prepare numerical examples, where appropriate, by drawing on some or all of the available data, or, creating representative numeric examples (if suitable data is not provided).
 - Prepare numerical information so that it is presented in an appropriate format (*eg* appropriate use of percentages, ratios, fractions) and level of detail (*eg* well-judged number of significant figures or decimal places).
- 1.4 Be able to justify the choice of information and content.
- 2 Use an effective structure** (Chapter 5)
- 2.1 Prepare an appropriate structure for a specific communication objective.
- 2.2 Justify the choice of structure.
- 3 Adopt appropriate language** (Chapters 2 & 6)
- 3.1 Assess what terminology will be easily understood by the intended recipient(s).
- 3.2 Explain or define necessary technical terms at an appropriate level of detail for the intended recipient(s).
- 3.3 Justify the choice of language and terminology.
- 4 Include appropriate explanation** (Chapter 5)
- 4.1 Set out a draft communication for the intended recipient(s), including:
- sufficient explanatory steps
 - effective explanation
 - appropriate level of detail
 - technically correct information that is not misleading.
- 5 Incorporate effective communication tools** (Chapters 3 & 6)
- 5.1 Set out information using simple and effective communication tools:
- visual presentation of numerical information
 - diagrams or pictures
 - bullet points.
- 5.2 Justify the choice of communication tool(s) for presenting numerical information (*eg* data tables, bar charts, line charts, pie charts, scatter charts *etc.*).

4 Core Reading

There is no Core Reading for Subject CP3.

5 Skills and assessment

5.1 Exam skills

In each examination, students will be expected to demonstrate, through their answers, that they have knowledge of, can apply and use higher order skills in this subject:

- Knowledge will be demonstrated through answering questions that assess understanding of that knowledge as well as through questions that ask for the application of relevant knowledge to scenarios.
- Application will be demonstrated through answering questions that assess the ability to identify and apply relevant concepts and skills to solve problems (both numerical and non-numerical).
- Higher order skills will be demonstrated through questions that will assess the ability to use relevant knowledge, concepts and skills to solve problems, draw appropriate conclusions, and make meaningful and appropriate comments on those conclusions.

As a guide, in the examination of this subject, you can expect that approximately 85% of the total number of marks for this examination be allocated to the demonstration of Application and 15% to Higher order.

The Institute and Faculty of Actuaries use command verbs (such as 'Define', 'Discuss' and 'Explain') to help students to identify what the question requires. The examination can be composed of questions drawing from any part of the syllabus and using any command verb.

The Institute and Faculty of Actuaries has produced guidance on 'Command verbs used in the Associate and Fellowship examinations', to help students to understand what each command verb is asking them to do.

You can find the relevant document on the Institute and Faculty of Actuaries' website at:

actuaries.org.uk/qualify/prepare-for-your-exams

5.2 Assessment

This subject will be assessed via one online written examination paper composed of two questions:

- Question 1 (the communication) is worth 80 marks
- Question 2 (reflective questions) is worth 20 marks split over 3 to 6 question parts.

The duration of this examination is three hours and five minutes and is timed and online. This time includes reading time.

The balance and weighting given to the syllabus topics will depend on the nature of the scenario and the reflective questions asked.

Candidates should not rely on past papers alone and should ensure they have covered the entire syllabus as part of their learning and development of this subject.

5.3 Further information

The Institute and Faculty of Actuaries has produced a number of documents, which it advises students to read and understand. In particular, the:

- Qualification Handbook, which contains information on studying and preparing for exams, as well as available support and resources
- Examinations Handbook, which contains practical assistance on how to sit an Institute and Faculty of Actuaries' examination
- Assessment Regulations document, which includes rules on eligibility, entry and conduct during an online assessment.

The Qualification Handbook can be found at:

actuaries.org.uk/qualify/student-and-associate-exam-news/qualification-handbook

The Examinations Handbook and Assessment Regulations document can be found at:

actuaries.org.uk/qualify/my-exams/ifoa-exams

IMPORTANT NOTE: These documents may be updated and re-published in the weeks leading up to each exam session. It is important that you keep up-to-date with any changes and developments.

6 ActEd study support

An overview of ActEd's products and services, and guidance on how to choose the best ones for you, can be found on our website at [ActEd.co.uk/productguide](https://www.acted.co.uk/productguide).

6.1 Summary of ActEd products and services

Detailed descriptions of all ActEd's products and services can be found on our website at [ActEd.co.uk](https://www.acted.co.uk). However, the specific products and services available for Subject CP3 include:

- Course Notes
- X Assignments – three 100-mark exam-style assessments (you are allowed 3 hours to complete each of these)
- Series X Marking
- Online Classroom – 12 tutorial units
- ASET (2020-2023 papers) – four years of exam papers, *ie* eight sittings, covering the period April 2020 to September 2023
- Mini-ASET – covering the April 2024 exam paper
- Mock Exam – one 100-mark test
- Additional Mock Pack (AMP) – two additional 100-mark tests
- Mock Exam Marking
- Marking Vouchers.

Products are generally available in both paper and eBook format. Visit [ActEd.co.uk](https://www.acted.co.uk) for full details about available eBooks, software requirements and restrictions.

6.2 Tuition

We offer one-day tutorials for Subject CP3 (one full day or two half days).

Tutorials are typically available both face-to-face and live online.

Full details are set out in our *Tuition Bulletin*, which is available on our website at [ActEd.co.uk](https://www.acted.co.uk).

6.3 Questions and queries

From time to time you may come across something in the study material that is unclear to you.

Our online discussion forum at [ActEd.co.uk/forums](https://www.acted.co.uk/forums) (or use the link from our home page at [ActEd.co.uk](https://www.acted.co.uk)) is dedicated to actuarial students so that you can get help from fellow students on any aspect of your studies from technical issues to study advice. ActEd tutors visit the site regularly to ensure that you are not being led astray and we also post other frequently asked questions from students on the forum as they arise.

If you are still stuck, then you can send queries by email to the Subject CP3 email address **CP3@bpp.com**, but we recommend that you try the forum first. We will endeavour to contact you as soon as possible after receiving your query but you should be aware that it may take some time to reply to queries, particularly when tutors are running tutorials. At the busiest teaching times of year, it may take us more than a week to get back to you.

If you have many queries on the course material, you should raise them at a tutorial or book a personal tuition session with an ActEd tutor. Please email **ActEd@bpp.com** for more details.

6.4 Feedback

If you find an error in the course, please check the corrections page of our website (**ActEd.co.uk/paper_corrections.html**) to see if the correction has already been dealt with. Otherwise, please send the details via email to the Subject CP3 email address **CP3@bpp.com**. Our tutors work hard to ensure that the courses are as clear as possible and free from errors.

ActEd also works with the Institute and Faculty of Actuaries to suggest developments and improvements to the Syllabus and Core Reading. If you have any comments or concerns about the Syllabus or Core Reading, these can be passed on via ActEd. Alternatively, you can send them directly to the Institute and Faculty of Actuaries' Examination Team by email to **memberservices@actuaries.org.uk**.

7 General information and support

7.1 Safeguarding

We want you to feel comfortable within our learning environment and safe in the knowledge that if you ever needed support, you know where to go.

If you need support, please contact BPP's Safeguarding team at safeguarding@bpp.com or for urgent concerns call 07464 542 636.

Additional information can be found at ActEd.co.uk/learningsupport.

7.2 BPP learning support

BPP's Learning Support team offers a wide range of support for all students who disclose a learning difficulty or disability. This support is accessible to all ActEd students free of charge.

Please contact BPP's Learning Support team at LearningSupport@bpp.com for more information.

Additional information can be found at ActEd.co.uk/learningsupport.

7.3 The Prevent Duty

The Prevent Duty is to protect people from radicalisation and being drawn into extremist views and terrorism. As a Government-regulated training provider, ActEd has a duty to ensure that our learners are well informed and stay safe, and to empower our students to know what to look for and when to report concerns.

Please report any concerns to a tutor or email safeguarding@bpp.com or for urgent concerns call 07464 542 636.

More information is available at:

- ActEd.co.uk/learningsupport
- officeforstudents.org.uk/advice-and-guidance/student-wellbeing-and-protection/counter-terrorism-the-prevent-duty/