



Institute
and Faculty
of Actuaries

CM2 Guidance for Answering the September 2020 examination

CM2A Guidance for Answering the September 2019 Exam

In October 2020 the CM2A paper will be sat online and answered in Microsoft Word. The style of the paper will be similar to previous sittings but some questions will be amended so they can be answered using typed text. Students will not be expected to learn to use the equation editor in Word or any similar software, nor will they be permitted to paste in formulae from another application.

This note runs through each question in the September 2019 CM2A paper to give some guidance on the types of questions that are suitable for an online exam and how they might be answered. It includes commentary on whether each question could be answered in Microsoft Word and how the answer might be typed. This document should therefore be read in conjunction with the September 2019 CM2A exam paper and Examiners' Report, both of which can be found on the IFoA website using the following link:

<https://www.actuaries.org.uk/studying/prepare-your-exams/past-exam-papers-and-examiners-reports>

Question 1

This question would be straightforward to answer in Word. Part (i) includes some simple integrals and the examiners would accept any clear description of these, e.g. 'Integral from minus infinity to L of...' or 'Int(-inf, L)...'.

Question 2

Part (i) of this question could be answered in Word, but students will have access to the Core Reading and their own notes for the October 2020 sitting so this sort of direct examination of the Core Reading might be less common.

Parts (ii) and (iii) of this question probably contain too much algebra to be answered in Word. In order to adapt these question parts for Word, a multiple choice element could be incorporated, or the question could cite the generic formulae and require candidates to state the key parameters or features.

Question 3

This question could be answered in Word but there are a few Greek letters. These could be written instead, e.g. [sigma], or candidates can find the Greek letters in the Word 'insert symbol' dialogue if desired.

Question 4

This question could be answered easily in Word.

Question 5

This question could be answered in Word. The payoff trees could be set out in tables or just in plain text as long as they are sufficiently clear.

Question 6

This question could be answered easily in Word. Powers in the equations could be typed using the ^ symbol (e.g. x^2) or using superscript text (e.g. x^2).

Question 7

This question has a substantial amount of algebra and would require some adaptation to make it suitable for answering in Word. This may include adding a multiple choice element or providing formulae in the question and asking candidates to fill in the parameters or numerical values.

Additionally, the mark allocation to the question may be adjusted to reflect the time a well-prepared candidate would be expected to complete it.

The Greek letters could be written, e.g. β_i or using subscript text β_i , and summations written as $\sigma[\dots]$ or $\text{sum}[\dots]$.

Question 8

This question could be answered in Word.

Question 9

This question could be answered in Word, denoting parameters either with the _ symbol (e.g. r_j) or using subscript text (e.g. r_j).

Question 10

This question could be answered in Word.