

Banking Applications Tuition Support

Introduction

Welcome to the ASSA **Banking Applications (F207/B200)** Tuition Course.

This course aims to provide you with a practical understanding of the process of Banking Management together with an understanding of the actuarial work involved in banking management. It will cover all aspects of the **Banking Applications (F207/B200)** course for the Actuarial Society of South Africa examinations.

The presentation of the course is based on the principles of adult learning where you need to take full responsibility for your learning. The Course Leader will facilitate learning, but actual learning will depend on your own effort. The Course Leader will cover key aspects of the course, but it is your responsibility to ensure that you cover the full syllabus requirements that includes wider reading.

The organization of each course has been assigned to a Course Leader who is a senior fellow actuary and has both an academic background and is also a specialist in the field. The Course Leader will provide guidance on resources that should be consulted and may provide a schedule for knowledge preparation before the scheduled seminar.

Pre-Course Reading

The readings and assignments specified must be completed before each lecture, as lecture discussions will assume that you have read the required material and completed the assignments.

The recommended additional reading is not required and is specified only if you wish to read further on the subject matter. Although these readings are not required, we suggest that you read as much as you can. We find that those students who read around the subject matter tend to have a greater understanding of the material and consequently a greater chance of performing well in the exam.

Self-Assessment

As you progress through the Course, there will be marked assignments based on past exam papers to assess your level of understanding. It is advisable that you read up on the questions you get wrong to ensure that you understand and can apply your knowledge.

Content Practice Exam

This tuition course includes a 3 hour long, 100 marks Content Practice Exam to be taken at the end of the series of lectures. It is highly recommended to take the exam. Detailed feedback will be provided on each attempt and there will be an interactive Content Practice Exam feedback session to discuss the paper and any questions the students have.

Guidance on Study Hours and Examination Preparation

The actual amount of time each student needs to spend on a particular subject will vary from student to student. Quality of study time is more important than quantity of study time. The following minimum guidelines are suggested:

SUBJECT	STUDY TIME
Foundation Technical Subjects (A101-A103)	Between 125 and 150 hours per subject, depending on the subject and an individual student's past education background in the subject.
Intermediate Technical Subjects (A201-A205)	200 hours per subject
Actuarial Risk Management (A301)	600 hours
Communications (A302)	50 hours
Fellowship Principles subjects (F101 – F106)	400 hours per subject
Fellowship Applications subjects (F201 – F205)	600 hours

Students studying at the same time as working will need to be mindful of the examination dates for the various subjects that take place at different times of the year, and the demands of their own working schedule. Students should also be aware that adapting to studying and working on a full-time basis can take time, and therefore be realistic when registering for examinations.

Nature of the Banking Applications Course

The Banking Applications Tuition course is practical and examination practice focused. It does not take a lecturing format. It is interactive based learning based on practical experience. The outcome, therefore, depends 90% on the effort put by students before and after each session. It is expected that students must and will put extra effort beyond the tuition sessions.

Being trained as an actuary is not only about passing exams. It takes many years of exposure to gain experience before we can consider an actuary competent in a particular field. However, passing actuarial exams is just as important as a minimum standard to set the scene

for practising. This is the reason for the course being practical and exam focused. We expect students to take advantage of all the other tools at their disposal, such as senior actuaries at their workplaces and work based training schemes so that they become competent actuaries all round. These issues are emphasised and discussed throughout the course.

The general advice to students as they progress with their studying is that it really depends on each individual as to the approach one takes to pass fellowship. The reality is that students need to read widely, especially the recommended reading in the course notes, but making sure that they are reading relevant stuff guided by the syllabus, and understanding the material that they read for practical application.

General reading of the financial press is also highly recommended so that students are aware of the environment in which they are operating.

There are at least 5 sessions of between 2 and 4 hours each. This includes a session to write a content practice exam. However, there is a lot of work that students do outside the sessions, including marked assignments and extra reading. There is also support outside face to face sessions if needed. Additional ad-hoc sessions that may be needed will be advised during the course.

This course is very intensive once it starts, and we advise students to participate fully, including meeting deadlines, for their maximum benefit.

Extra reading papers

Students may also be asked to summarise selected extra reading papers, or past Mock exam papers, and share amongst themselves on a weekly or two weekly basis as may be advised. Any other assignments are to be advised to students during the course.

Attempting past exam papers under exam conditions

Attempting past papers is one of the proven ways to prepare for the exam once students have mastered the course notes. When the banking course started in 2015 through ASSA, it had no past papers. However, a number of exam sessions have now been held and past papers are available that can now be attempted as assignments under exam conditions. Practical application of material learnt is the key to passing fellowship and it is what makes an actuary. Students should, therefore, concentrate on that in greater depth, even at their workplaces. This is emphasised during the course.

We would like to emphasize that, as you attempt past exam papers under exam conditions, you must also mark the papers for yourselves in addition to the assignment marker allocated to you. This is very important. You must understand the concepts being tested and why you got it incorrect.

It does not matter if you have attempted the papers before. You must spend at least 3 hours marking your own paper. The aim is to understand the concepts rather than to give yourself a mark. You must refer back to course notes and any other reading material in the process. You must study the examiner's report very carefully. If you take less than 3 hours marking your own paper, then chances are very high that you have not understood the concepts.

Please do not take this for granted. Referring to course notes and cross referencing with extra reading takes time. You may even have to read a whole new section from extra reading in order to understand a solution. You may even have to carry out new research in the market by speaking to practitioners. This is why allocating at least 3 hours to mark your paper is critical, unless you are now already very well prepared for the exam.

The papers are all available on the Actuarial Society website. Please do not look at the solutions before attempting. Your attempts must be under exam conditions. If time is up, you must stop! The idea is to instil practical applications of course material when attempting the exam and ultimately when practising as an actuary.

Please always remember that fellowship is a very practical subject. What we will be testing is your high order synthesis and analysis skills in order to practice competently as an actuary. So when you attempt the papers, make sure you write what you would be comfortable to advise your client in the normal course of giving advice.

As you answer questions, you must write what you can defend in a court of law. Your views and recommendations are more important than anything at fellowship level. So you must analyse, synthesise, give balanced views and recommend where appropriate. The principle is: You must not write to an examiner what you would not write to your client. You must think like a practising actuary.

Assignments

Students are to attempt 5 (five) Assignments based on past exam papers under exam conditions as follows:

1. May 2021 past paper by 15 August
2. October 2021 past paper by 30 August
3. May 2022 past paper by 15 September
4. October 2022 past paper 25 September
5. May 2023 past paper by 05 October

These are to be marked and returned to students with comments. Markers will be allocated to students.

Please attempt more papers beyond the ones allocated for assignments.

Course Structure

In summary, the Banking Applications tuition support course comprises of the following:

- Lectures of between 2 and 4 hrs
- 500 marks of marked assignments – 5 past exam papers
- Time will be allocated during lectures for Assignment Feedback
- Content Practice Exam and Feedback
- Support either by email, or on-line, for Q&As related to the subject

First Session

**Wednesday,
2nd of August
2023**

Time: 16H00 to 18H00 (South African Standard Time)

Session led by Michael Tichareva

This session will cover:

- Introduction and Overview
- Fellowship exam technique
- Banking Applications Core Reading
- Bank Regulations and Market Place

- Application: Review of Banking Principles and transition to Banking Applications

It is assumed that students have read and understood core reading for the Banking Principles course before the first session of the Banking Applications course.

Second session

**Wednesday,
16th August
2023**

Time: 16H00 to 20H00 (South African Standard Time)

Session led by Michael Tichareva

This session will cover:

1. Application: Bank Risk Management
 - a. The Risk Management Universe
 - b. Credit Risk
 - c. Market & Interest Rate Risk
 - d. Operational Risk
 - e. Integrated Bank Risk Management - Enterprisewide Risk Management
2. Application: Discussion of a topical issue
3. Exam Practice: Discussion of past exam paper attempted by students:

Students to attempt a past exam paper: October 2019 F206 past exam paper under exam conditions during the break. Students to agree amongst themselves to exchange and mark each other's papers in preparation for next class discussion.

Third session

**Wednesday, 6th
September
2023**

Time: 16H00 to 20H00 (South African Standard Time)

Session led by Michael Tichareva

This session will cover:

1. Application: Bank Capital and Liability Management
 - a. Treasury Management
 - b. Liquidity Management
 - c. Capital & Balance Sheet Management
2. Application: Bank Strategy and Governance
 - a. Bank Governance
 - b. Bank Strategy

Fourth Session – Content Practice Exam Preparation

**Wednesday,
20th September
2023**

Time: 16H00 to 18H00 (South African Standard Time)

Session led by Michael Tichareva

This session will cover exam practice and discussion based on selected past questions.

Fifth Session - Content Practice Exam

**Saturday, 30th
September
2023, from
09H00 to 12H15**

Sixth Session - Content Practice Exam Feedback

**Wednesday,
11th October
2023, from
14H00 to 16H00**

Note: International students should check the time appropriate to their jurisdictions. Sessions will not be repeated, and recordings are not shared.