Institute and Faculty of Actuaries

EXAMINERS' REPORT

SP2 - Life Insurance Specialist Principles

September 2022

Introduction

The Examiners' Report is written by the Chief Examiner with the aim of helping candidates, both those who are sitting the examination for the first time and using past papers as a revision aid and also those who have previously failed the subject.

The Examiners are charged by Council with examining the published syllabus. The Examiners have access to the Core Reading, which is designed to interpret the syllabus, and will generally base questions around it but are not required to examine the content of Core Reading specifically or exclusively.

For numerical questions the Examiners' preferred approach to the solution is reproduced in this report; other valid approaches are given appropriate credit. For essay-style questions, particularly the open-ended questions in the later subjects, the report may contain more points than the Examiners will expect from a solution that scores full marks.

The report is written based on the legislative and regulatory context pertaining to the date that the examination was set. Candidates should take into account the possibility that circumstances may have changed if using these reports for revision.

Sarah Hutchinson
Chair of the Board of Examiners
December 2022

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A. General comments on the *aims of this subject and how it is marked*

The aim of the Life Insurance Specialist Principles subject is to instil in successful candidates the principles of actuarial management and control that are relevant to life insurance companies, as well as an understanding of the market and business environment for life insurance products, and their associated risks. Candidate should gain the ability to apply the knowledge and understanding, in simple situations, to the operation, on sound financial lines, of life insurance companies. The life insurance products covered by this subject exclude health and care insurance products covered by the Health and Care Specialist Principles subject.

The Examiners' Report covers more points than would be expected to get full marks. This is so that alternative approaches to questions by different candidates can be accommodated. The Examiners may also award marks for valid points that are not included in the marking schedule.

Candidates are expected to show knowledge of the relevant content of the Core Reading and be able to apply this knowledge where appropriate.

B. Comments on *candidate performance in this diet of the examination.*

The elements of the paper which required direct application of the core reading were generally answered very well. Examples of this were questions 1, 2(i), 3 (i), and 6.

Stronger candidates were also able to generate a good range of points in places where the question required a broad response covering a number of areas, such as questions 2 (ii), 3(ii), and 4, and these provided some differentiation between candidates.

Differentiation between candidates was also clear where the question required candidates to demonstrate a greater depth of understanding of the subject area and how to apply it, such as questions 5 and 7. Only well prepared candidates performed well in these parts.

Question 8 proved difficult for most candidates to generate sufficient detail reflecting that this was a challenging question which asked for candidates to consider the operation of a life insurance process as a whole.

C. Pass Mark

The Pass Mark for this exam was 50
455 presented themselves and 152 passed.

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Solutions for Subject SP2 - September 2022

Q1

(i)

Policyholders requesting investment in ESG friendly investments:
This will fall under transition risk [½]
as this is a result of efforts to mitigate climate change [½]

Impact on property prices from increased flood risk:
This will fall under physical climate risk [½]
as flood risk is a physical event caused directly by climate change impacting expected future experience [½]

Tax changes to limit levels of fossil fuel consumption affecting the value of equities:
This will fall under transition risk [½]
as this is a result of efforts to mitigate climate change [½]
It could also potentially lead to climate liability risk [½]
if the insurers investment decisions are called into question [½]

Reduced longevity in cities due to higher air pollution:
This will fall under physical climate risk [½]
as higher air pollution is a direct impact of climate change [½]

[Marks available 5, maximum 4]

Candidates familiar with the three main categories of climate-related risk were generally able to identify the correct classifications for each risk with only well prepared candidates being able to explain that categorisation effectively.

Q2

(i)

A super-compound approach will mean a later distribution of surplus (i.e., a lower build-up of guaranteed benefits over time) [1]
lower build-up of guarantees is more capital efficient [½]
reduces the risk of company insolvency [½]
and increases investment freedom [½]
and could allow higher bonuses to be offered back to policyholders in the long term [1]
Hence the product may be more marketable due to the higher returns available [½]
Also, the product could attract different policyholders than its existing product, increasing its market share [½]
particularly if this is a new type of product in the market [½]
or if this approach more in line with competitors [½]

[Marks available 5½, maximum 4]

(ii)

In practice customers generally prefer higher bonuses up front so this is likely to be unpopular with the majority of customers [1]
The regular bonus may look low compared to the company's existing products on a

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simple bonus approach, which may not look attractive to policyholders when compared directly [½]
The product is also more complex and needs additional explanation to policyholders. [½]
The company is not experienced with this type of bonus distribution so there is a risk that the bonus rates are not set appropriately [½]
leading to issues which will not be realised until late in the life of the business as the super-compounding affect takes place [½]
There is a risk that this will not be seen as equitable with the existing with-profit products [½]
and potential that this is seen as not treating customers fairly [½]
This approach may require regulatory approval which the company may not receive [½]
There will be an initial set up / development cost associated with the additional product [½]
E.g. marketing [½]
E.g. changes to IT systems - Maximum one mark for each example [½]
If new business volumes are low then the costs associated by the product may not be fully covered [½]

[Marks available 6½, maximum 4]

[Total 8]

In this question, most candidates were able to identify reasons why the company might want to offer super-compound bonus, and possible issues with the launch.

Well prepared candidates also noted points around marketability in part (i) and issues with experience and equitability with the existing contract on part (ii).

Q3

(i)

Model risk: [½]
that the model, typically a probability distribution, chosen to represent future mortality, etc., may not be appropriate or may contain errors [½]

Parameter risk: [½]
the parameters used with the model may not adequately reflect the future experience of the class of lives insured or to be insured, even though the underlying model may be appropriate [½]

Random fluctuations risk: [½]
the actual future experience may not correspond with the model and parameters adopted, even though these adequately reflect the class of lives insured or to be insured [½]

(ii)

Random fluctuation risk: [½]
As the data is not credible rather than there been issues with the model or parameters [½]

(iii)

Smooth the rates over time to avoid large fluctuations year by year [1]
Only change rates where there is a material reason to do so [½]
Increase the number of years data included in the investigation to improve the credibility [1]

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but put more weight on recent years' experience to ensure the experience is relevant. [½]
Reduce the number of cohorts [1]
to increase the exposed to risk [½]
and improve the credibility in each cohort [½]

For example: *(maximum 1 mark for suitable examples, ½ for each)*
Combine products with similar features/sold to similar types of policyholders (any suitable example) [½]
Or merge age bands (or any suitable example) [½]
Use more expert judgement to reduce reliance on data alone [½]
Use external data to improve volume/credibility of existing data [½]
Seek the help of experts [½]
Use reinsurance data / expertise to improve reliability of rates [½]

[Marks available 8, maximum 6]

[Total 10]

Most candidates were awarded full marks for the knowledge based descriptions in part (i), but only a smaller proportion were then able to correctly identify the type of mortality risk given in part (ii).

Most candidates were able to identify some approaches to reducing volatility, but answers to part (iii) were more limited, with only well prepared candidates being able to earn close to the 6 marks available.

A number of answers to (iii) focused on reducing mortality risk to the company, rather than addressing volatility in mortality assumptions as directed by the question - marks were not awarded for this approach.

Q4

(i)

There may be a general economic downturn [½]
which is leading customers to consider whether they can afford term assurance [½]
Competition may have increase [½]
which may have led customers to purchasing term assurance from other companies [½]
at better rates [½]
or new products may have been introduced that are more attractive / cheaper / better meet customer needs [½]
The company itself may have repriced or revised its product offering, leading to lapse and re-entry [½]
There may have been a mis-selling issue [½]
either for the company [½]
or across the market [½]
which may have led to customers cancelling their policies [½]
Issues with insurance intermediaries encouraging lapse and re-entry may have increased [½]
Customer service may have been poor [½]
either in collecting premiums or claim processing [½]
The company may have been subject of adverse publicity [½]
or the general life insurance market [½]

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Improvements in mortality may reduce the perceived value of the product. [½]
Tax changes may make the product less desirable relative to other options [½]
Or regulatory changes may reduce the need for the product [½]
[Marks available 9½, maximum 6]

(ii)
To enable targeted action the company may analyse results to determine the cohorts where the high lapse rates are arising [½]
and to understand if the business lapsing is profitable, which may help target further actions to take [½]
The company may undertake some market research [½]
to understand reasons for cancellations [½]
maybe by contacting leaving customers to ask about reasons [½]
and to see if there are similar issues across the market [½]
although this would rely on other companies participating [½]
could use information from industry bodies or reinsurers [½]
If the company determines the underlying cause is temporary then may take no action [½]
The company could proactively contact customers who cancel direct debits to remind them of benefits of cover [½]
The company could actively market the benefits of term assurance to existing customers [½]
A general brand awareness campaign may help mitigate any negative publicity [½]
The company may want to undertake a review of premium rates [½]
or revise product design [½]
to be more competitive [½]
and possibly look at offering opportunities for existing customers to move to new policies [½]
recognising that this would be a lapse and re-entry issue [½]
but the customer would be retained [½]
Alter sales renumeration / process to remove incentives for early lapses [½]
Review insurance intermediaries and stop using those that generate high rates of early lapse [½]
Improve staff training / customer service if this is an issue [½]
Introduce automatic payment to reduce lapses [½]
[Marks available 11, maximum 7]
[Total 13]

In this question, most candidates were able to suggest some reasons why there may have been an increase in surrender numbers, and so scored quite well on part (i).

Following on from that, most were able to suggest a limited number of actions the company could take to reduce the number of surrenders in part (ii), with well-prepared candidates addressing both the need for the company to carry out further investigations and to consider research/retention activities.

Q5
(i)
The base assumptions are:

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Outstanding Duration	2018-2020 experience average	2021 pricing assumption
20-25 years	7.5%	9.0%
15-20 years	5.0%	5.0%
10-15 years	9.5%	10.5%
5-10 years	7.5%	8.0%
0-5 years	4.0%	4.5%

Overall the pricing assumptions are equal to or higher than the average experience over the last three years [½]
The pricing assumptions may be inherently slightly prudent to allow for uncertainty [½]
or to introduce a margin for profits [½]
The differences are likely to reflect any trends in experience that may indicate an
Increase or decrease in long term rates [½]
or may reflect anticipated economic conditions [½]
or may reflect known events that have happened since the experience investigation [½]
e.g. reputation or mis selling issue [½]
e.g. regulation changes [½]
e.g. product or competition changes [½]
At 20-25 term outstanding the pricing assumption is 1.5% above the average experience (9.0% pricing vs. 7.5% average) [½]
likely to be reflecting the general trend of an increase in rates over the three years [½]
or anticipating an increase in rates due to a known event not reflected in the experience (e.g. mis selling) [½]
At 15-20 term outstanding the pricing assumption is the same as the average experience (at 5%) [½]
reflecting the stable experience rates [½]
At 10-15 term outstanding the pricing assumption is 1% higher than the average experience (10.5% pricing vs 9.5% average) [½]
which may reflect that 2019 was a slight outlier with a low surrender rate [½]
At 5-10 term outstanding the pricing assumption is only slightly higher than the average experience (8.0% pricing vs 7.5% average) [½]
the trend is down over the three years and stable [½]
may be scope in future to reduce further [½]
At 0-5 term outstanding the pricing assumption is only slightly higher than the average experience (4.5% pricing vs 4.0% average) [½]
the rates are low and 2019 may be an outlier [½]

[Marks available 10½, maximum 6]

(ii)
The company's approach is to calculate the base assumptions:

Outstanding Duration	2019-2021 experience averages
20-25 years	8.5%
15-20 years	4.5%
10-15 years	9.0%

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5-10 years	7.5%
0-5 years	3.5%

For 20-25 term outstanding, the3-year average experience rate has increased (from 7.5% to 8.5%) [½]
and there is a large increase in 2021 [½]
therefore recommend an increase in the pricing assumption [½]
e.g. to 10% or 10.5% [½]
For 15-20 term outstanding, the 3-year average experience rate has fallen slightly (from 5% to 4.5%) [½]
and is showing improvement year on year [½]
therefore recommend reduction in line with the change in the 3-year average experience [½]
e.g. to 4.5% [½]
For 10-15 term outstanding the 3-year average experience rate has fallen slightly (from 9.5% to 9.0%) [½]
however the year-on-year experience is volatile [½]
may want to maintain same margin or leave pricing assumption as it is [½]
e.g. 10% or 10.5% [½]
For 5-10 term outstanding the 3-year average experience rate is unchanged (at 7.5%) [½]
although 2021 experience has worsened [½]
the experience is relatively stable over the period [½]
therefore may want to leave the pricing assumption unchanged [½]
at 8% [½]
For 0-5 term outstanding the 3-year average experience rate has fallen slightly (from 4% to 3.5%) [½]
The experience trend seems to be lower than pricing [½]
so may want to reduce pricing assumption [½]
to say 3.5% or 4% [½]

[Marks available 10½, maximum 7]

[Total 13]

Most candidates were able to make a start on part (i). Candidates who used the structure indicated in the question and broke down their explanations by duration tended to earn reasonably good marks through this methodical approach, although a number of marks were also available for more generic points, meaning candidates who addressed these in full could also score reasonably well. Marks were awarded for either providing the figures in a table or describing movements in commentary.

In part (ii), a breakdown of answers by duration helped candidates to earn more marks. Most candidates that did so were able to identify the change in average experience over 2021, with a smaller number identifying trends/outliers to explain their suggested assumptions. Marks were available for giving appropriate reasoning for other figures than those stated.

A common problem on this question was to misconstrue "outstanding duration" as "term in force". Candidates who did so were still able to score some marks but these were more limited.

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Q6

Profitability:

The company will want to assess each design against its profitability criteria, such as	[½]
discounted payback period	[½]
internal rate of return	[½]
and net present value	[½]
Expected volume of business would also be an important factor	[½]

Sensitivity of Profit:

Sensitivity of profit should also be considered	[½]
with a lower sensitivity being preferable	[½]

Marketability / Distribution channel:

Benefits offered need to be attractive to the market in which they are to be sold	[½]
A is likely to be more attractive as an online offering due to its simplicity	[½]
and potential for low premiums	[½]
B is more complex and less suited to online sale	[½]
And would be more appropriate for sale via insurance intermediaries	[½]
B would also require a higher premium for the same profitability due to the guarantee	[½]
However, the guarantee offered could be attractive for a certain target market	[½]

Competitiveness:

Premiums should not depart too much from competitors	[½]
A is likely to be operating in a very competitive space	[½]
and this may limit the level of premium that can be charged, affecting profitability	[½]
But this also means the generation of high volumes is possible.	[½]
A's competitiveness depends on how restrictive the limited underwriting is, as policyholders may be rejected	[½]
B is likely to be less common in the market	[½]
Which gives more leeway in setting premiums	[½]
But may limit overall volumes	[½]

Financing requirement:

The company will want to minimise its financing requirement	[½]
Both products will incur setup costs to put into production, market etc.	[½]
B is likely to have higher costs to produce due to more complex design	[½]
Per policy costs for A should be lower	[½]
Total cost could be higher due to volumes though	[½]
And any increase in reserving requirements as a result of limited underwriting.	[½]
B will have higher per policy setup costs due to initial underwriting requirements	[½]
Plus further costs on enacting the guarantee	[½]

Onerousness of guarantees:

The company needs to consider the onerousness of any guarantees	[½]
This is not an issue for A which does not offer any substantial guarantee	[½]
The conversion option under B has the potential to be onerous	[½]
As it introduces potential for anti-selection	[½]

Risk characteristics:

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The level of risk associated with the product design must be acceptable to the company [½]
Both A and B have limited sensitivity to market risks [½]
But are sensitive to changes in mortality risk [½]
and changes in lapse rates [½]
Both A and B have potential for anti-selection due to how underwriting is applied [½]
A has a larger risk of fraudulent responses by applicant due to the lack of underwriting [½]
A could lead to lapse and re-entry on existing product due to lower premium (at lower ages) [½]
B is also sensitive to take-up rates on the guarantee [½]
And becomes more sensitive to market risk post-conversion [½]
If the risk is deemed too high it would be possible to reinsure the business to reduce some of the risks [½]
Although this would reduce profitability [½]
Cost and availability of reinsurance should also be considered [½]

Extent of cross subsidies:
For both designs the company needs to decide on the level of cross subsidies between contracts of different age, term, and sum assured [½]
This may be more important for A due to the high competitiveness of the market [½]
And the need for the marketing advantage of a simple premium structure [½]

Administration systems / Consistency with other products in the company:
Any revision to administration systems will affect profitability / premiums [½]
Consistency with other products in the company should be considered [½]
A should be consistent with the existing term assurance offering [½]
And would require less adaption of administration systems than B. [½]
B may be a new product for the company, and it may have limited expertise [½]

Regulatory requirements:
The design must adhere to regulatory requirements [½]

[Marks available 27½, maximum 16]

This question required the candidate to identify a number of factors, and then to discuss the relative merits of the two options regarding these factors. Most candidates were able to identify most product design factors from the core reading, and then sensibly used these to structure their discussions. Better prepared candidates had a good range of factors and produced a more detailed discussion on each factor with comparisons between the two products.

Q7
(i)
Premium income [½]
Reinsurance income/outgo [½]
Investment income [½]
Initial expenses [½]
Renewal fixed expenses [½]
Termination / claims expenses [½]
Variable expenses [½]

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such as commission (any e.g.) [½]
Benefit pay-outs, namely: [½]
Sum assured payable on critical illness [½]
Sum assured payable on death [½]
Surrender pay-outs [½]
Tax outgo [½]
Reserving requirements [½]
[Marks available 7, maximum 5]

(ii)

The probability of being in force with no CI claim by the beginning of year 3 is:
(1 - q_1) * (1 - ci_1) * (1 - s_1) * (1 - q_2) * (1 - ci_2) * (1 - s_2) [½]
= (1 - 0.001) * (1 - 0.002) * (1 - 0.02) * (1-0.0015) * (1-0.003) * (1-0.02) [½]
= 0.953216 [½]

Year 3 death payout from non-CI claims = 0.0953216 * Sum Assured * q_3
= 0.0953216 * 100000 * 0.002 [½]
= 190.643237 [½]

The probability of being in force at the beginning of year 3 after a CI claim arising from year 1 is:
(1 - q_1) * ci_1 * (1 - s_1) * (1 - q_2) * (1 - s_2) [½]
= (1 - 0.001) * 0.002 * (1 - 0.02) * (1 - 0.0015) * (1 - 0.02) [½]
= 0.001916 [½]
The probability of being in force at the beginning of year 3 after a CI claim arising from year 2 is
(1 - q_1) * (1 - ci_1) * (1 - s_1) * (1 - q_2) * ci_2 * (1 - s_2) [½]
+ (1 - 0.002) * (1 - 0.001) * (1 - 0.02) * (1 - 0.0015) * 0.003 * (1 - 0.02) [½]
= 0.002868 [½]

Total probability of being in force with a CI claim at beginning of year 3 is the sum of the two years = 0.004784

Death payout from CI claims = 0.004784 * 60% * Sum Assured * q_3
= 0.004784 * 60% * 100000 * 0.002 [½]
= 0.574111 [½]
Total death payout = Death payout from non-CI + Death payout from CI
= 190.643237 + 0.574111 = 191.217348 [½]
[Marks available 7, maximum 5]

(iii)
The premium for the remaining death benefit left will likely be higher than that available in the market [½]
So surrenders may increase as the value of the contract has diminished. [½]
Also it is possible that those policyholders with a critical illness may want to access funds available on surrender. [½]
and may have a loading applied to their premium if they go elsewhere due to their health [½]
so surrenders could reduce. [½]
In other words, anti-selection in the surrender rates [½]

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could go up or down [½]
depending on health of the lives and market rates [½]
and the attractiveness of the surrender value [½]
[Marks available 4½, maximum 3]

(iv)
Surrender rates may be different for policyholders that have made a critical illness claim [½]
This could be allowed for via two sets of surrender tables [½]
one for those who have claimed on CI and one for those who have not [½]
Surrender rates may also differ between CI claimants that are healthy and those that are ill [½]
either by using different sets of surrender rates for healthy and ill CI claimants [½]
(e.g. three sets of surrender tables) [½]
or by making an assumption as to the % of CI claimants that are healthy [½]
and using an average rate for CI claimants. [½]
This modelling is complex, and relies on relevant experience data to drive the assumptions needed for the model [½]
so a simplified approach may be used in practice [½]
e.g. a loading to base lapse rates, or a single average lapse rate [½]
Particularly if it can be demonstrated the difference is not material [½]
[Marks available 6, maximum 4]
[Total 17]

Part (i) was generally very well answered, with most candidates obtaining the majority of the marks available.

Part (ii) was more challenging. Whilst many candidates calculated the death payout from non-CI claims correctly, the more complex CI claim element was not always attempted. Marks were awarded for reasonable partial attempts at this question, accepting that there are a number of ways of performing the required calculations, although to earn these marks some explanation of the calculation being carried out was required.

Part (iii) was answered moderately well, with well-prepared candidates identifying that there were different anti-selection drivers that could result in either rates increasing or decreasing.

In part (iv), many candidates identified the broad principles leading to different surrender rates but did not address issues with complexity and alternative practical approaches needed to score well.

Q8
(i)
General:
Need to understand current use of paper [1]
Hence need to do an audit of usage [½]
Then needs to understand potential tax liability [1]
To measure against any extra initial costs of reducing paper usage [½]
If the tax liability from paper usage is less material than the costs of change, then the company may decide not to take further action [½]

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or to take a slower, phased approach to removing paper usage than it would if the liability was higher [½]

Administration
Likely areas of use are:
Letters to policyholders to confirm details of policy [½]
Including letters confirming any increases for indexed or increasing annuities [½]
Including letters confirming annuitants are alive [½]
Cheque payments for annuities [½]
Company needs to understand how many policyholders already use online methods for updating details [½]
May need to send out letters initially to all those who are not online to see if they can encourage more use of online for administration [½]
initially by getting email addresses, and by emphasising phone and email call centre details [½]
This would initially increase paper usage maybe prior to tax being implemented [½]
The company could reduce the frequency of regular communications and statements [½]
Company would need to identify policyholders who currently do not get annuity payments via bank transfers [½]
Encourage annuitants to provide bank details to enable setting up of bank transfers / standing orders [½]
Need to recognise many annuitants are older, and hence may not be keen on online methods of communication/payment [½]
Any new annuities should be set up with all online details of policyholders [½]
The company can look at potential ways to receive and certificates of existence online via scanning, or confirming details by phone/email [½]
Notification of death would need to be scanned and sent through to the insurance company [½]
Administration within the company would need to be conducted where possible without use of paper [½]
Potentially remove/restrict printer access [½]

Sales
Likely areas of use in sales are:
Product literature [½]
Policy documentation [½]
Marketing material [½]
Communication with intermediaries and policyholders [½]
Policyholder identification documents [½]
The company can provide online annuity product literature to intermediaries via websites [½]
Application forms should collect details of email addresses and bank details [½]
All communication with intermediary and policyholder would be electronic or via phone [½]
However, there may be a need to still send out formal policy documents to obtain "wet" signatures [½]
Birth and marriage certificates and any identification documents can be scanned and attested by appropriate individuals [½]
Commission payments are probably already made electronically, but company may now insist on it [½]

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[Marks available 18, maximum 13]

(ii)

The impact on expenses should be analysed and the assumption adjusted accordingly	[½]
The new tax itself will potentially increase expenses	[½]
And potentially through increase administration expenses due to system changes to reduce reliance on paper	[½]
But this may be countered by the reduction in paper usage	[½]
which may reduce long-term running costs	[½]
Commission is unlikely to change, but will depend on how market reacts	[½]
If the increase in expenses is material	[½]
the company may adjust annuity rates to offset any increased costs	[½]
in order to maintain profitability	[½]
however, this may depend on the actions of competitors	[½]
as any change in annuity rate would need remain competitive	[½]
Alternatively, the company may reduce the cost to the customer	[½]
if the changes result in savings due to increased efficiency	[½]
Expense inflation impact may be minimal	[½]
Although index may be linked to online storage costs rather than paper costs	[½]
Longevity is unlikely to be affected purely because of this tax	[½]
Adapting the application process to avoid paper usage could change the make-up of applicants purchasing the policy	[½]
which could in theory alter the mortality characteristics of the business.	[½]
Company may decide to change charging structure	[½]
By including a "discount" for paperless option via a reduced policy charge	[½]
Or via explicitly charging for paper options from annuities	[½]
However, the ability to do so may be dictated by competitiveness concerns	[½]

[Marks available 11, maximum 6]

[Total 19]

Question 8 required candidates to think around the practicalities of the different phases of selling and administering a portfolio of business within a life insurer, in the context of a change to these processes being required.

Given the number of marks available, detail was required in each phase to determine the paper usage of the insurer, and how this might change given the products and customers involved (part (i)), and then the potential impact on new business design and pricing (part (ii)).

Most candidates were able to make a start, and to identify some of the practical issues under both parts, although detail in responses was generally limited and often did not cover sufficient points to generate good marks. This was a challenging question overall.

[Paper Total 100]

END OF EXAMINERS' REPORT

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Institute and Faculty of Actuaries

Beijing

14F China World Office 1 · 1 Jianwai Avenue · Beijing · China 100004
Tel: +86 (10) 6535 0248

Edinburgh

Level 2 · Exchange Crescent · 7 Conference Square · Edinburgh · EH3 8RA
Tel: +44 (0) 131 240 1300

Hong Kong

1803 Tower One · Lippo Centre · 89 Queensway · Hong Kong
Tel: +852 2147 9418

London (registered office)

7th Floor · Holborn Gate · 326-330 High Holborn · London · WC1V 7PP
Tel: +44 (0) 20 7632 2100

Oxford

1st Floor Belsyre Court · 57 Woodstock Road · Oxford · OX2 6HJ
Tel: +44 (0) 1865 268 200

Singapore

5 Shenton Way · UIC Building · #10-01 · Singapore 068808
Tel: +65 8778 1784

www.actuaries.org.uk

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