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Fran Sarrel
General Officer, Syllabus and Examination Committee

TO: CAS Candidates and Educators
FROM: Fran Sarrel, General Officer, Syllabus and Examination Committee
DATE: August 10, 2020
RE: Changes for the Spring 2021 CAS *Syllabus of Basic Education*

The CAS has approved the following changes for the Spring 2021 syllabus. Other changes that may be made include modifications to learning objectives and knowledge statements, as well as edition changes to current citations.

The Spring 2021 syllabus will be posted in December 2020 and the CAS Study Kits will be available December 2020. Candidates should be guided by the *Syllabus of Basic Education* for the final Learning Objectives, Knowledge Statements, and Text References for each examination and to not rely solely on the advanced notice provided in this memorandum.

Exam MAS-II

- **Modify:**

Linear Mixed Models: A Practical Guide Using Statistical Software – selected sections and subsections in Chapters 3 through 8 will be excluded.

Statistical Rethinking: A Bayesian Course with Examples in R and Stan – update to second edition. References and chapter/section readings will be updated for this new edition.

Exam 6C

The Canadian Institute of Actuaries advises us of changes to the syllabus for their nation-specific exam. The planned changes are as follows.

- **Delete:**

“ATRA Tort Reform Record,” CAS Study Note, December 19, 2012.

EY, “ICBC Affordable and effective auto insurance – A new road forward for British Columbia,” July 2017.

Insurance Institute of Canada, *Advantage Monthly*, “Terrorism Risk and Insurance,” February 2017.



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- **Modify:**

Canadian Institute of Actuaries, “Draft Educational Note: Comparison of IFRS 17 to Current CIA Standards of Practice” – additionally exclude Sections 3.2 and 6.2, and Appendices A, B, and C. Also note that the current effective date has been moved from January 1, 2021 (as cited in the paper) to January 1, 2022.

Financial Services Commission of Ontario, “Regulation 664 of the Revised Regulations of Ontario 1990 Automobile Insurance made under the Ontario Insurance Act” – reduce pages to Sections 1-5 and 16 only.

Odomirok, K.C., et al., *Financial Reporting Through the Lens of a Property/Casualty Actuary*, Casualty Actuarial Society – update from Edition 4 to Edition 5.

Office of the Superintendent of Financial Institutions Canada, “Memorandum for the Appointed Actuary’s Report on Property and Casualty Insurance Business” – update edition.

Property and Casualty Insurance Compensation Corporation, “Guide to Compensation Plan for Property and Casualty Insurers,” May 2010 – add change of coverage and benefits.

- **Add:**

Canadian Institute of Actuaries, “Draft Educational Note: Financial Condition Testing,” December 2019.

Canadian Institute of Actuaries, “Draft Educational Note: IFRS 17 – Actuarial Considerations Related to P&C Reinsurance Contracts Issued and Held,” April 2020.

Canadian Institute of Actuaries, “Draft Educational Note: IFRS 17 Risk Adjustment for Non-Financial Risk for Property and Casualty Insurance Contracts,” May 2020.

Canadian Institute of Actuaries, “Educational Note: Guidance for the 2019 Reporting on Capital and Financial Condition Testing for Life and P&C Insurers,” August 2019.

Canadian Institute of Actuaries, “Educational Note Supplement: Updated Guidance for the 2019 Reporting on Capital and Financial Condition Testing for Life and P&C Insurers,” December 2019.



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Canadian Institute of Actuaries, paper on Discounting (not yet available).

Canadian Institute of Actuaries, paper on PAA eligibility (not yet available).

“Landmark Legal Insurance Cases in Canada” – add the following case: Saadati vs Moorhead.

Exam 6U

- **Delete:**

Blanchard, R.S.; and Klann, J., “Basic Reinsurance Accounting – Selected Topics,” CAS Study Note, October 2012.

“GAO Report to Congressional Requesters, Risk Retention Groups, Clarifications Could Facilitate States’ Implementation of the Liability Risk Retention Act,” United States Government Accountability Office, GAO-12-16, December 2011, pp. 5-7 and 34-38.

Webel, B., “Terrorism Risk Insurance: Issue Analysis and Overview of Current Program,” Congressional Research Service, July 23, 2014, pp. 5-11.

Webel, B., “Terrorism Risk Insurance Legislation the 114th Congress: Issue Summary and Side-by-Side Analysis,” Congressional Research Service, January 20, 2015, Summary page and pp. 1-3.

- **Modify:**

Horn, D. and Webel, B., “Private Flood Insurance and the National Flood Insurance Program” – update from July 31, 2018, Congressional Research Service R45242, pp. 1-19, to May 7, 2019, Congressional Research Service R45242, Summary page and pp. 1-20.

Odomirok, K.C., et al., *Financial Reporting Through the Lens of a Property/Casualty Actuary*, Casualty Actuarial Society – update from Edition 4 to Edition 5.



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- **Add:**

Cedar, D. and Thompson, A., “Reinsurance Accounting & Strategy for the Actuary,” CAS Study Note, November 2019.

National Association of Insurance Commissioners, Accounting Practices and Procedures Manual, 2019, Statement of Statutory Accounting Principles 63, “Underwriting Pools,” paragraphs 1-11.

National Association of Insurance Commissioners, Accounting Practices and Procedures Manual, 2019, Statement of Statutory Accounting Principles 66, “Retrospectively Rated Contracts,” paragraphs 1-5, 7.a., 8, 9.a., 10, and 11-14.

National Association of Insurance Commissioners, The Center for Insurance Policy and Research, *Risk Retention Groups*, updated May 31, 2019.

Webel, B., “Terrorism Risk Insurance: Overview and Issue Analysis for the 116th Congress,” Congressional Research Service R45707, April 26, 2019, Summary page and pp. 1-9.