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Fran Sarrel
General Officer, Syllabus and Examination Working Group

TO: CAS Candidates and Educators
FROM: Fran Sarrel, General Officer, Syllabus and Examination Working Group
DATE: September 19, 2023
RE: Changes for the October/November 2023 CAS Source Materials

The CAS has approved the following reference changes for the May 2024 Syllabi and Content Outlines. Other changes that may be made, but which are not addressed here, include modifications to Learning Objectives/Domains & Tasks and Knowledge Statements, as well as additional edition changes to current citations. Those changes, if any, will be included in the individual exam's May 2024 Syllabus or Content Outline. Candidates should be guided by the final Syllabi/Content Outlines for the Learning Objectives/Domains & Tasks, Knowledge Statements, and Text References for each examination and not rely solely on the advanced notice provided in this memorandum.

Content Outlines

With the introduction of the [Admissions Transformation Plan](#), the new Content Outlines (formally known as Syllabi) for Exams 7 and 9 will be the basis for the May 2024 exam administration. The following changes have been made to each of these Content Outline's references. There are no changes to the MAS-I, MAS-II, and Exam 5 Content Outline source materials.

Exam 7

- **Delete:**

Brehm, P.; Gluck, S.; Kreps, R.; Major, J.; Mango, D.; Shaw, R.; Venter, G.; White, S.; and Witcraft, S., Guy Carpenter, "Enterprise Risk Analysis for Property & Liability Insurance Companies," Chapter 1, 2 (excluding Section 2.6), 3 (excluding Section 3.4), 4, and 5 (Section 5.4 only).

Goldfarb, R., "P&C Insurance Company Valuation," CAS Study Note, October 2010.



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Exam 9

- **Delete:**

Bodie, Z.; Kane, A.; and Marcus, A.J., Investments, 10th, 11th, or 12th Edition, McGraw-Hill/Irwin. Chapter or section citations are listed under the appropriate learning objective. Candidates may use either the 10th, 11th, or 12th edition of the book.

Bodoff, N.M., "Capital Allocation by Percentile Layer," Casualty Actuarial Society Forum, Winter 2008.

Butsic, R.P., "Solvency Measurement for Property-Liability Risk-Based Capital Applications," The Journal of Risk and Insurance, American Risk and Insurance Association, Inc., December 1994, Vol. 61, No. 4, pp. 656-690.

Feldblum, S., "Pricing Insurance Policies: The Internal Rate of Return Model," CAS Study Note, May 1992. Only Sections 1, 3, and 6 will be directly tested, but the other sections may provide useful background.

Ferrari, J.R., "The Relationship of Underwriting, Investment, Leverage, and Exposure to Total Return on Owners' Equity," PCAS LV, 1968, pp. 295-302. Includes discussion: Balcarek, R.J., PCAS LVI, 1969, pp. 58-60.

Goldfarb, R. "Risk-Adjusted Performance Measurement for P&C Insurers," CAS Study Note, October 2010.

Kreps, R.E., "Riskiness Leverage Models," PCAS XCII, 2005, pp. 31-60. For candidates attempting to replicate the exhibits in this paper, a spreadsheet developed by the author can be downloaded here.

Mango, D.F., "An Application of Game Theory: Property Catastrophe Risk Load," PCAS LXXXV, 1998, pp. 157-186.

McClenahan, C.L., "Insurance Profitability," Actuarial Considerations Regarding Risk and Return in Property-Casualty Insurance Pricing, Casualty Actuarial Society, 1999, Chapter 8. Robbin, Ira, "IRR, ROE, and PVI/PVE," Casualty Actuarial Society Forum, Winter 2007. Excluding Sections 6 and 7.



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Robbin, Ira, "The Underwriting Profit Provision," CAS Study Note, as updated in 1992. Excluding Sections V, VI, and IX and related exhibits.

- **Add:**

Bernegger, S., "Swiss Re Exposure Curves and the MBBEFD Distribution Class," ASTIN Bulletin, Vol. 27, No. 1, May 1997, pp. 99-111.

Brehm, P.; Gluck, S.; Kreps, R.; Major, J.; Mango, D.; Shaw, R.; Venter, G.; White, S.; and Witcraft, S., Guy Carpenter, "Enterprise Risk Analysis for Property & Liability Insurance Companies," Chapters 1, 2 (excluding Section 2.6), 3 (excluding Section 3.4), 4, and 5 (Section 5.4 only).

Clark, D. R., "Basics of Reinsurance Pricing," CAS Study Note, Revised 2014.

Grossi, P., and Kunreuther, H., Editors, Catastrophe Modeling: A New Approach to Managing Risk, 2005, Springer, Chapters 2-6 (excluding references at the end of each chapter) and including errata for Section 2.4, updated March 2021.

Mildenhall, S. and Major, J., Pricing Insurance Risk: Theory and Practice. John Wiley & Sons, 2022.



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Syllabi

Exams 6U and 6C will continue to use the Syllabus format for the May 2024 administration. They will be posted on the CAS website in October 2023. The following changes have been made to the 6C references. There are no changes to the 6U Syllabus source materials.

Exam 6-Canada

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

- **Modify:**

Update the following papers to more recent editions:

CIA Duration – Canadian Institute of Actuaries, “Educational Note: Duration Considerations for P&C Insurers,” August 2023.

Candidates are responsible for the Excel Illustrations attached to the Educational Note.

CIA Subsequent Events - Canadian Institute of Actuaries, “Educational Note: Subsequent Events,” August 2023.