

ACST401/832 (X): ACTUARIAL CONTROL CYCLE 2

Second Semester 2005

UNIT OUTLINE

ACST401/832 Team

Team Member	Team Role	Contact
Clare Bellis	Unit Coordinator / Lecturer	Via WebCT site
Bruce Edwards	Visiting Lecturer	Via WebCT site
Paul Scully	Visiting Lecturer	Via WebCT site
tba	Unit Administrator	Via WebCT site (admino5) or telephone 9850 8574 or fax 9850 9481 or email <a href="mailto:cbellis@efs.mq.edu.au">cbellis@efs.mq.edu.au</a> in case of web failure only!

Welcome to ACST401/ACST832! We hope that you will find this unit interesting and useful. To help us to provide the best possible educational experience and the most prompt and efficient administrative service we can, please follow the instructions in this unit outline.

Questions relating to the administration of the unit should normally be posted in the Discussion Area of WebCT under the "Admin" Topic (provided that they have not already been answered in the Unit Outline, of course).

For specific administrative tasks you will be directed to use the Private Mail facility to contact the Unit Administrator (admino5).

Only personal administrative questions, ie those that do not relate to anyone else in the unit, and which do not relate to the tasks assigned to the Unit Administrator, should be sent via the Private Mail facility of WebCT to the Unit Coordinator.

Questions relating to the unit content should be posted on the appropriate Topic in the Discussion Area, or put to the relevant lecturer in class. Course content questions sent via Private Mail will not be answered.

So that you are never inhibited from asking a question, anonymous posting to the Discussion Area is allowed, as long as it is not abused. However, we encourage you to identify yourself. Please make the subject headings of your Discussion and Private Mail messages as informative as possible.

The telephone or fax or outside email address should only be used in case of a web failure.

Note that the ACST401 WebCT site includes ACST832.



### Assumed knowledge and skills

We assume from the start of this course that you are familiar with what is learned in Part 1 and syllabus aims 1 to 9 plus 11 of Part 2 of the Institute of Actuaries of Australia education system.

### Textbook

The textbook for ACST401/832 is available from its publisher, The Institute of Actuaries of Australia ([www.actuaries.asn.au](http://www.actuaries.asn.au)):

- Bellis, Clare, Shepherd, John & Lyon, Richard (2003) *Understanding Actuarial Management: the actuarial control cycle*, Institute of Actuaries of Australia

Some other readings will be made available on the WebCT site from time to time.

### Assessment tasks

The following table lists the assessment tasks for this unit and their relative weightings:

Assessment task	Unit topics mainly addressed	Weighting
Solvency Assignment	Solvency	7%
Communication task	All	5%
On-Line Quizzes	All	8.5% (quiz 1: ½%, quiz 2: 2%, quizzes 3-8 = 1%)
Text Book Feedback	All	4.5% (½% each chapter)
Final Examination	All, and may also include first semester topics	75%

Full details of the assessment tasks will be set out on the WebCT site.

The timing of these tasks has been planned so that it spreads your workload over the semester while still allowing us to give you feedback before the examination. You should check the task requirements carefully ahead of time, as you may have to pre-register for a topic by a certain date as well as submit your work by a deadline.

The communication task for local students will involve a presentation to be given during the class time in the week commencing October 17.

The communication task for distance students will involve the discussions facility in the WebCT site and will be ongoing through the semester.

Quizzes will be held throughout the semester. Each timed quiz will be available for a limited period only. To avoid being caught out by computer failure or personal commitments such as heavy work pressures you should aim to complete each quiz well before the end of the available period.

### Mobile Phones

Mobile phones must be switched off during all classes and are not permitted at all in the final exam room.



## Final Exam

The Final Exam will be a 3-hour closed-book, written paper (with ten minutes reading time) which is common for all students in the unit. The Final Exam will be held on a date to be announced by Macquarie University during the period 18 to 30 November. The exam timetable will be available some time during October from the website <http://www.timetables.mq.edu.au/exam/>.

Both City and Campus students will sit for the Final Exam at Macquarie University in North Ryde. If you are unfamiliar with the campus, allow extra time for finding your exam seat.

Students resident outside Sydney should contact the Unit Administrator via the Private Mail (admino5), labelling your message subject as "exam location", as soon as possible, telling us which city (or other locality!) you will be in during November, so that we can organise a convenient exam centre there. Please ignore any notification from Macquarie University stating that your exam centre is Sydney, PROVIDED that you have made prior arrangements for your exam with the Unit Administrator.

## Calculators

In this subject you may use a calculator at the Final Exam provided it is portable, silent and battery operated. However, in any question requiring calculations, you will be expected to show clearly the steps involved in arriving at a calculated result.

## IAAust exemptions

Macquarie University units ACST400/831 and ACST401/832 together are accredited by The Institute of Actuaries of Australia for exemption from its Part 2 subject "The Actuarial Control Cycle". You will automatically gain exemption from Part 2 if you achieve a grade of CR (Credit) or better (HD or D) in both ACST400/831 and ACST401/832. If you are relying on a first semester result achieved through some other institution, or at Macquarie in a year previous to 2005, you should contact the Unit Administrator via Private Mail (admino5) with your details as soon as convenient, labelling your message subject as "first semester result".

A grade of P combined with a grade of HD, D or Cr is considered individually. Consideration is given to whether the extent to which the student's performance fell short of a Cr in one semester is adequately compensated by the extent to which the performance exceeded a minimum Cr in the other semester. However, please note that there is a minimum of performance required in each semester. A very low P grade in one semester will not normally be offset by even an excellent result in the other semester. In terms of your standardised numerical grade (SNG), this means you need a total of 130 with a minimum of 57 in each unit.

In making the final determination about exemption results, the Macquarie University staff involved with this unit also consult with two actuaries not connected with Macquarie University who represent the Institute of Actuaries of Australia. This is a requirement of the Institute in granting exemptions, and also ensures consistency of standards between universities offering the control cycle subject. Once all decisions about exemptions are complete, we will provide to the Institute of Actuaries of Australia the details of which students have met the exemption standard (for those students who have authorised us to release this information – please see next item on "confidentiality").

The University releases its examination results in mid December. Please do not contact us seeking information about your result in ACST401 before that time, as we will not be able to provide this information. Once the results are released, any requests for information should be made by email in the first instance to the Unit Coordinator on [cbellis@efs.mq.edu.au](mailto:cbellis@efs.mq.edu.au).



<b>Timetable</b>
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<b>Week</b>	<b>Week Beginning</b>	<b>Syllabus Aim / textbook chapter</b>	<b>Topic</b>	<b>Lecturer</b>	
1	August 1	12	Investment	Paul Scully	
2	August 8	13	Investment	Paul Scully	
3	August 15	13 cont'd	Investment	Paul Scully	
4	August 22	10	Liabilities	Bruce Edwards	
5	August 29	9,15	Solvency	Clare Bellis	
6	September 5	15 cont'd	Solvency	Clare Bellis	
7	September 12	14	Monitoring Investments	Paul Scully	
	<b>BREAK</b>				
	<b>BREAK</b>				
8	October 4 (October 3 is a public holiday)	16	Profit	Bruce Edwards	<b>Solvency Assignment due</b>
9	October 10	17	Monitor and Assess Experience	Bruce Edwards	
10	October 17		<i>Revise and reflect</i>		<b>Class Presentations</b>
11	October 24	All	Applying the control cycle	Clare Bellis	
12	October 31	18	Manage the Business	Bruce Edwards	
13	November 7	18	Respond to Experience	Bruce Edwards	

**Note:**

Changes to the timetable may occur. Any alterations will be advised in classes and on the ACST401 website.

