

BESURE TO STUDY THE VOCABULARY SHEET ON THE WEB PAGE.

1. Discuss five factors that might influence the premium of a \$1000, 20 year term life insurance policy. *Hint:* Think about the Purdue Life lab project.
2. List 3 places, other than an insurance company, where an actuary might work.
3. Contrast “life” companies and “casualty” companies: describe at least five products typically offered by each of them and, in a sentence or two, give a difference in actuarial work in them.
4. What topics are covered on the current first SOA actuarial exam? The second?
5. Define “risk,” “peril,” and “hazard” as they relate to insurance and give an example of each.
6. Describe the concept of subrogation as it relates to insurance and give an example of it.
7. What is the difference between a valued contract and a contract of indemnity. Give an example of each.
8. Give an example of how the concept of “proximate cause” works.
9. What is “worker’s compensation insurance” and why was it created? What is required for a loss to be claimable under worker’s compensation?
10. What coverage would you probably NOT find in an auto policy in a non-tort district? Why?
11. What is the “insurable interest” requirement in insurance?
12. What are the 5 requirements for a risk to be insurable?
13. **From the presentations:**
 - (a) What, according to the CIGNA presentation, are 6 factors which might influence our decision to buy a foreign company.
 - (b) What, according to the CIGNA presentation, is the financial value of a company?
 - (c) According to the Towers Perrin presentation, what are the five types of businesses where most consulting actuaries are employed?
 - (d) According to the Towers Perrin presentation, what are 4 major differences between defined benefit and defined contribution plans.
 - (e) Companies A and B plan to merge. What, according to the Towers Perrin presentation, are some of the factors that might be considered in merging their two pension plans into a single plan?
 - (f) According to the Allstate presentation, what are 6 typical majors for actuaries?
 - (g) According to the Allstate presentation, what do the initials “CAS” stand for? How many exams does it take to become an ACAS? A FCAS?
 - (h) According to the Allstate presentation, what are the topics on the first 4 current actuarial exams?
 - (i) what do the initials “SOA” stand for? How many exams does it take to become an ASA? A FSA?

- (j) According to the Allstate presentation, what percentage of CAS members work for insurance companies? Consulting companies?
- (k) According to the Allstate presentation, what salary could an FCAS with 10-14 years experience expect to earn?
- (l) According to the Allstate presentation, what are 8 types of positions outside of the traditional career path held by actuaries.
- (m) According to the CNA presentation, what are paid losses and incurred losses? What are case reserves and how do they relate to paid losses and incurred losses? What is INBR? What is INBR? What are ultimate losses? How do the incurred losses and the ultimate losses relate?