

# What is an Actuary?

An actuary is the leading professional in the modeling and management of financial risk and contingent events.

Actuaries are experts in:

- evaluating the likelihood of future events,
- designing creative ways to reduce the likelihood of undesirable events, and
- decreasing the impact of undesirable events that do occur.

## Common Actuarial Jobs

- Pricing of insurance products
- Valuation of pension plans
- Future liability estimation
- College/University teaching
- Asset/Liability Management
- Insolvency risk assessment
- Risk management

Consistently rated as one of the top 5 jobs in the U.S. according to Jobs Rated Almanac.

See [www.beanactuary.org](http://www.beanactuary.org) for more information on what an actuary does.

See [www.dwsimpson.com/salary.html](http://www.dwsimpson.com/salary.html) for up-to-date salary information.

## **Prerequisite Skills for Becoming an Actuary**

- Strong analytical aptitude
- Solid background in mathematics
- Project management and problem-solving skills
- Business sense
- Solid communication skills
- Strong computer skills
- Self-motivation
- Ability to work with others

# **Society of Actuaries Certification Requirements**

## **Prerequisites**

## **Preliminary Category**

### **Validation by Educational Experience**

### **Associateship Requirements (Choose 1)**

Traditional  
CERA

### **Fellowship Specialty Topics (Choose 1)**

Finance and Enterprise Risk Management  
Health, Group Life, and Managed Care  
Individual Life Insurance and Annuities  
Investments  
Retirement Benefits

### **Fellowship Capstone Experience**

### **Continuing Professional Development**

# **SOA Certification Requirements**

## **-Topical Prerequisites-**

Not tested, but knowledge is assumed throughout the balance of the educational process

- Linear Algebra
- Introductory Accounting
- Calculus
- Mathematical Statistics (although CAS tests this in Exam 3L)
- Business Law

# **SOA Certification Requirements**

## **-Preliminary Category-**

Formal examinations administered on these topics

- Probability – common with CAS
  
- Financial Mathematics – common with CAS
  
- Actuarial Models
  - Life Contingencies segment
  - Financial Economics segment – common with CAS
  
- Construction of Actuarial Models – common with CAS

## **SOA Certification Requirements -Validation by Educational Experience-**

- Microeconomics and Macroeconomics
  
- Corporate Finance (Intermediate Level)
  
- Applied Statistical Methods
  - Regression
  - Time Series

# **SOA Certification Requirements -Associateship Requirements-**

- **Traditional path**

- All preliminary exams
- All VEE topics
- Fundamentals of Actuarial Practice Online Course
- Associateship Professionalism Course
- Application for Admission

- **Chartered Enterprise Risk Analyst path**

- Preliminary exams P, FM, MFE, and C
- VEE for Economics
- Advanced Finance/ERM Fellowship exam
- Operational Risk Module
- Associateship Professionalism Course
- Application for Admission

## **SOA Certification Requirements -Fellowship Requirements-**

- All traditional ASA track requirements
- Each specialty track requires 2 exams and 2 online modules
- One exam covers design and pricing topics, while the other covers the company/sponsor perspective
- Modules vary by specialty
- To attain Fellowship, the modules and exams must all be in the same specialty
- Capstone Experience
  - Decision-Making & Communications Module
  - Fellowship Admissions Course

## SOA Certification Requirements - Details by Specialty Track -

	Finance/ERM	Investment	Individual Life & Annuities	Retirement Benefits	Group & Health
<b>Spring Exams</b>	Advanced Finance/ERM	Advanced Portfolio Management	Company Sponsor Perspective (CSP)	Company Sponsor Perspective (CSP)	Company Sponsor Perspective (CSP)
<b>Fall Exams</b>	Financial Economic Theory	Financial Economic Theory	Design & Pricing	Design & Pricing	Design & Pricing
<b>FSA Modules</b>	Financial Economics				
	Financial Reporting/Operational Risk	Investment Strategy	Regulation & Taxation	Social Insurance	Pricing, Reserving & Forecasting
<b>Capstone Experience</b>	Decision Making and Communication (DMAC) Module				
	Fellowship Admissions Course				

## **Preparing for Actuarial Exams**

- Official Syllabus
  
- Study Manuals
  
- Classes and Exam Preparation Courses
  - Live
  - Online
  - Practice Exams
  
- DVD
  
- Exam Taking Techniques

## **SOA Continuing Professional Development Requirements**

- Takes effect in 2009; self-monitored compliance first reported as of Dec. 31, 2010 and annually thereafter
- Applies to all SOA members
- Membership cycle is a rolling two years
- Members electing not to comply will be shown as “Non-compliant” on the SOA website
- Member must complete 60 units per cycle
- At least half of the credits must be in structured education
- At least half must be in job-relevant skills
- Up to 15 units may be in business and management topics
- At least 3 Professionalism units must be included
- Members of AAA, CIA, FIA, or IAAsust may use those organizations’ requirements instead
- For further details, visit <http://soa.org/files/current-cpd-req.pdf>