### COURSE DETAILS

**Course Code:** F71CB  
**Full Course Title:** Actuarial Risk Management 2  
**SCQF Level:** 11  
**SCAF Credits:** 15  
**Available as Elective:** No

### DELIVERY LEVEL

<table>
<thead>
<tr>
<th>Undergraduate</th>
<th>Postgraduate Taught</th>
<th>Postgraduate Research</th>
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<tbody>
<tr>
<td>Yes</td>
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### COURSE AIMS

The aims of this course (and of Actuarial Risk Management 1) are:

- To provide students with a thorough grounding in the strategic concepts required to manage the business activities of financial institutions and programmes  
- To provide students with an understanding of the various types of risk faced and the processes used to manage those risks  
- To teach students to make use of those processes in order to formulate, justify and present plausible and appropriate solutions to business problems

### LEARNING OUTCOMES – SUBJECT MASTERY

- Be able to design appropriate models and make appropriate recommendations based on their results  
- Be able to discuss the different approaches to investment management  
- Be able to explain why provisions need to be established  
- Know how to establish provisions for different types of liabilities, if necessary taking into account the assets backing them  
- Be able to describe how a company is managed on an ongoing basis, particularly in respect of projecting future results, reporting results and managing assets, capital and any surplus arising  
- Be able to discuss the issues surrounding the management of options and guarantees  
- Be able to explain how actual experience is monitored and taken account of  
- Be able to describe/explain the principal terms used in financial services and risk management

### LEARNING OUTCOMES – PERSONAL ABILITIES

- Demonstrate the ability to learn independently and as part of a group  
- Manage time, work to deadlines and prioritise workloads  
- Present results in a way that demonstrates an understanding of the workplace, market place and general environment  
- Understand the importance of risk management

### SYLLABUS
Solving a commercial problem

- The requirements and use of a model and how its results should be tested
- How model assumptions should be determined
- The expenses that should be considered
- How costs of providing benefits based on contingent events should be determined
- How prices should be set to pay for benefits based on contingent events
- The principles, objectives and measures of investment management
- The approaches to establishing provisions
- The relationship between assets and liabilities

Living with the solution to a commercial problem

- Approaches to maintaining profitability
- How expected results can be projected
- How actual results are reported and what systems are required to do this
- The issues facing the providers of benefits on contingent events relating to the reporting of risk
- The principles of asset management and allocation
- The principles of capital management
- The management of surplus and the issues surrounding its distribution/retention
- The issues that need to be taken into account on insolvency or closure
- The issues surrounding the management of options and guarantees

Ongoing monitoring

- How experience is monitored and models/assumptions revised

Principal terms

- The principal terms used in financial services and risk management
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<th></th>
<th>Y</th>
<th>Y</th>
<th>Examination</th>
<th>100</th>
<th>120</th>
<th>Reassessment</th>
<th>Semester 2</th>
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F71CB Actuarial Risk Management 2