

Actuarial Exemptions on the MSAS

Dr Ian Sharpe (I.Sharpe@hw.ac.uk) is the AMS Exemptions Officer and can advise on matters relating to exemptions from the Institute and Faculty of Actuaries (IFoA) examinations.

1. Introduction

Students on the BSc Mathematical, Statistical and Actuarial Sciences degree are eligible for individual exemptions from the Institute and Faculty of Actuaries (IFoA) professional exams. These are some of the exams required to become a qualified actuary (Associate or Fellow).

Exemptions are awarded by the IFoA based on the information provided to them by Heriot-Watt. They are not awarded by Heriot-Watt. The guidance we provide to students regarding exemptions in student guides and elsewhere is our understanding of how the IFoA normally expects to determine exemptions. However, the IFoA and the Independent Examiners appointed by the IFoA retain discretion regarding exemptions. Normally what that means in practice is that the score required for individual exemptions (see "individual exemptions" below) varies from year-to-year. But we cannot guarantee any aspect of the exemptions process.

2. How Individual Exemptions Work

Eligibility for exemption is based on your performance in the Heriot-Watt courses that correspond most closely to the relevant IFoA subject. If you take all the relevant courses and your average score in those courses is at the necessary level then you will be eligible for exemption. The exemption standard for each subject is reviewed each year by the profession's Independent Examiners and may vary from year-to-year, but is typically 60-65%.

Note that the accreditation policy does not cover exchange arrangements; exemptions may still be available but you should check this with your programme director or with the exemptions officer.

3. Core Principles Stage

Exemptions will be awarded from subjects at the Core Principles stage of the IFoA system (CM1, CS1, CS2, CB1, CB2)

We expect exemptions to be based on performance in university examinations as set out in the following table, but note the comments above regarding IFoA discretion. These are not guaranteed to be the final mappings. The numbers in the table represent the weighting given to each subject in each individual exemption. So, for example, we would expect eligibility for exemption from CS2 to be based on the average of F79SP, F79SU, F70RT, F70TS, ie one-quarter (0.25) each.

Students who joined Stage 2 in 2019-20 or later (Stage 2 is year 2 in Edinburgh and year 1 in Malaysia)					
Course Code	CM1	CS1	CS2	CB1	CB2
C27IE					1.00
F78AA	0.25				
F78PA		0.25			
F79MA		0.25			
F79PA					
F79SP			0.25		
F70LA	0.25				
F70CF					
C37FF				1.00	
F78PB		0.25			
F78AB	0.25				
F79MB		0.25			
F79SU			0.25		
F70LB	0.25				
F70TS			0.25		
F70RT			0.25		

For 3rd year direct entrants, an exception is for CM1, where the calculation is based on F71AB (weighted ½), F70LA (weighted ¼) and F70LB (weighted ¼). These students can not get CS1 exemption.

Note that from 2021-22 onwards, F78AA has changed to a half course (i.e., 7.5 credits not 15 credits) and F78AB to a full course. As such, it is possible that the weightings for CM1 may change for students who sat F78AA/B in 2021-22 or later.

The IFoA assesses CB3 (Business Awareness) through an online test and does not grant exemption from this subject on the basis of university studies.

4. Later Stages of the Professional Syllabus

The later parts of the professional syllabus are divided into three stages: Core Practices, Specialist Principles, and Specialist Advanced. To qualify as a Fellow it is also necessary to fulfil the profession's Personal and Professional Development (work experience) requirements and online professional skills courses.

The profession recommends that UK-based students taking a Specialist Advanced paper also take the corresponding UK Practice Module. UK Practice Modules are not required to qualify as a Fellow, but are required in order to practise in the UK in certain reserved roles.

No exemptions are available from the undergraduate course for the later stages of the professional syllabus, although some courses are relevant, as indicated in the brackets. Graduates who proceed to the MSc in Actuarial Management may obtain exemptions from later stages.

Core Practices Stage

Subject CP1 Actuarial Practice

Subject CP2 Modelling Practice

Subject CP3 Communications Practice

Specialist Principles Stage

Students choose two subjects.

Subject SP1 Health and Care

Subject SP2 Life Insurance (F70LP)

Subject SP4 Pensions and Other Benefits (F70PE)

Subject SP5 Investment and Finance

Subject SP6 Financial Derivatives (F70CF, F79DF)

Subject SP7 General Insurance: Reserving and Capital Modelling (F70RT)

Subject SP8 General Insurance: Pricing (F70RT)

Subject SP9 Enterprise Risk Management (F71RM)

It is also possible to pass one of two subjects from the Specialist Principles stage by writing a Master's thesis in an actuarially relevant subject (Subject SP0).

Specialist Advanced Stage

Students choose one subject.

Subject SA1 Health and Care

Subject SA2 Life Insurance (F70LP)

Subject SA3 General Insurance

Subject SA4 Pensions and Other Benefits (F70PE)

Subject SA7 Investment and Finance

It is also possible to pass the Specialist Advanced stage by writing a research dissertation (Subject SA0).

5. General Information

Some general points to note about the exemption system are:

- The University cannot grant exemptions, the Independent Examiner appointed by the IFoA makes recommendations to the IFoA. Usually the recommendations are accepted.
- Decisions regarding recommendations for exemptions are generally made on the basis of the student's performance at the first sitting of the relevant University exam. Resits granted as a first attempt under University rules, eg because of medical or other mitigating circumstances, are counted as a first attempt for exemption purposes also. A resit that does not count as a first attempt under University rules but which is necessary for the purposes of progression or graduation may be counted for exemption purposes but the maximum mark that can be used for exemption purposes is the pass mark (40%). Any other resit is not normally counted for exemption purposes, ie the mark is used for exemptions is the mark achieved on the first attempt.
- Decisions on individual exemption thresholds are made by the Independent Examiner following a meeting of staff and the Independent Examiner held at the end of the academic year in which the relevant information becomes available, following which students are informed of these decisions. However, the recommendations are not sent to the IFoA until the end of the academic year in which the student graduates. Graduating students will be issued with a letter confirming the recommendations, and advising on how to claim them upon joining the IFoA.
- The IFoA will not grant any exemptions (or confirm that any will be granted) until a student has joined the profession, at which time you should apply through the IFoA website.
- There are frequent discussions between the AMS department and the IFoA about the rules and practices concerning exemptions. The above notes reflect the current position but it is possible that changes may occur without prior notice.

Further Information

Further information about the IFoA's Education strategy can be found on their website (www.actuaries.org.uk). Further information about applying for exemptions can be found at the page <https://actuaries.org.uk/qualify/exam-exemptions/university-courses-with-exemptions-route-a/> under the section "accredited modules".

6. Exemption FAQs

What happens regarding the individual exemptions if I don't pass a course that contributes to that exemption?

You must have attempted all the courses that contribute to the relevant exemption. For example, to be recommended for exemption from CS2 you must have attempted all four of F79SP, F79SU, F70TS, F70RT. Your weighted average for that exemption subject must also be at least the level set each year by the independent examiners. The required average is often around 60% to 65%, but it can vary outside this range and is not known until the end of the year.

However, you do not need to have passed each one of F79SP, F79SU, F70TS, F70RT individually so long as your weighted average is sufficient. So if the required average was 60% and you scored 70%, 70%, 85%, 35% in F79SP, F79SU, F70TS, F70RT then your average for CS2 exemption would be 65% and your score in F70RT would not be expected to prevent you from receiving an exemption from CS2.

See also the information regarding resits in the previous section of this document.

What is the accreditation average or “block” exemption?

This is a different way of getting exemptions which does not apply to the MSAS degree, only to the BSc Actuarial Science.

Do findings of academic misconduct affect exemptions?

Yes. The IFoA's policy at the time of writing is that any student who is found guilty of academic misconduct is ineligible for individual exemption in the subject where the misconduct occurred.

Where can I find information about exemption thresholds for earlier years of my degree?

There is some information here:

<https://www.macs.hw.ac.uk/students/wp-content/uploads/ExemptionThresholds.pdf>

This is normally updated with the latest thresholds in around September each year.