

#Jenny



Finally I get this ebook, thanks for all these I can get now!

#Rio



Cool! I'am really happy

#Markus Jensen



I did not think that this would work, my best friend showed me this website, and it does! I get my most wanted eBook

#Hun Tsu



wtf this great ebook for free?!

#Che Salsa



My friends are so mad that they do not know how I have all the high quality ebook which they do not!

#Diego Butler



so many fake sites. this is the first one which worked! Many thanks

Full 2002 Exam 1

6. (7 points) You are given the following information for a defined benefit plan:

Plan Effective Date: 10/1/2000  
Plan Term: 10 years  
Normal Retirement Benefit: 2% of final average pay for each year of service  
Assumed Cost Method: Spot-Benefit

Actuarial Assumptions:

Interest	6.00%
Mortality Table	100%
Postretirement termination other than death	None

Data for the 10 active participants as of 10/1/2002 (shown as an example participant):

Age	40
Final Salary	10,000
Years of Service	5.0000
Plan Assets as of 10/1/2002	0

Related assets values:

$$\frac{1}{(1+i)^t} = 0.9434$$
$$\frac{1}{(1+i)^{10}} = 0.5584$$

Related Contingent Liabilities:

Age	DB	DB <sub>0</sub>	DB <sub>1</sub>	DB <sub>2</sub>	DB <sub>3</sub>	DB <sub>4</sub>	DB <sub>5</sub>
40	1000	1000	1000	1000	1000	1000	1000
41	1000	1000	1000	1000	1000	1000	1000
42	1000	1000	1000	1000	1000	1000	1000

The hypothetical liability is assumed over 10 years.

Discount the second year as of December 31, 2001 for the 2002 plan year based on an annual effective rate of interest of 10%.

Start of work:

What generates the hypothetical liability? Type 2 = liability of plan inception for benefits based on a normal cost =  $AL_0 = 2000C_{10} = 20$  (Supplemental Cost)  
at an age 40, 2000 =  $20C_{10} = 2$  and  $20C_{10} = 20C_{10}$

[Download PDF version of :](#)  
**Soa Past Exams And Solutions**