

## Errata and Updates for ASM Exam FAM-S (First Edition Third Printing) Sorted by Page

[2/9/2024] On page xvi, replace the link on the second line of the Tables section with

<https://www.soa.org/globalassets/assets/files/edu/2023/spring/study-note/2023-tables-fam-s.pdf>

On the line after the link, delete the sentences beginning “It also gives you a chi-square ...” to the end of the paragraph. The tables no longer have a chi-square table.

[2/1/2024] On page 575, the solution to question 2 ignores the 90% coinsurance mentioned on the first line. So change “90%” on the first line to “100%”.

[2/8/2024] On page 714, the solution to question 16 is obsolete, since the tables now include formulas for the first limited moment of a single-parameter Pareto with  $\alpha = 1$ . Here is a solution using the tables:

We use the formulas in the tables. For the first moment, use the special formula for  $\alpha = k$

$$\begin{aligned} \mathbf{E}[X \wedge 10,000] &= \theta(1 + \ln(10,000/\theta)) = 1000(1 + \ln 10) = 3302.585 \\ \mathbf{E}[(X \wedge 10,000)^2] &= \frac{\alpha\theta^2}{\alpha-2} - \frac{2\theta^\alpha}{(\alpha-2)10,000^{\alpha-2}} \\ &= -1,000^2 + \frac{2(1,000)}{10,000^{-1}} = 19,000,000 \\ \text{Var}(X \wedge 10,000) &= 19,000,000 - 3302.585^2 = 8,092,932 \\ \sqrt{8,092,932} &= \boxed{2844.8} \quad (\mathbf{E}) \end{aligned}$$