Data for Question 14 (1 point)

Consider the following statement:

A defined benefit plan may never have more than 10% of plan assets invested in qualified securities of the plan sponsor.

Question 14

Is the above statement true or false?

(A) True

(B) False

Data for Question 4 (1 point)

Consider the following statement:

An enrolled actuary may rely in good faith upon the information furnished by the client, without verification, if the information appears to be reasonable.

Question 4

Is the above statement true or false?

(A) True

(B) False

Data for Question 17 (1 point)

An outside auditor asks a plan's enrolled actuary for supplemental information relating to the actuary's valuation report.

Consider the following statement:

The actuary must provide the requested information.

Question 17

Is the above statement true or false?

(A) True

(B) False

Data for Question 19 (1 point)

Consider the following statement:

A plan sponsor's decision to terminate its plan is a fiduciary action.

Question 19

Is the above statement true or false?

(A) True

(B) False

Data for Question 32 (2 points)

Consider the following statements with respect to the standards of performance of actuarial services:

I. In the course of preparing a report stating actuarial costs or liabilities, the enrolled actuary shall ensure that, except as mandated by law, the actuarial assumptions are reasonable on an individual basis, but not necessarily in aggregate.

II. An enrolled actuary shall provide written notification of the non-filing of any actuarial document he/she has signed upon discovery of the non-filing. Such notification shall be made to the office of the Internal Revenue Service.

III. An enrolled actuary shall not perform actuarial services for any person or organization that he/she believes will use the services in a fraudulent manner unless the enrolled actuary discloses the potential misuse to all related parties.

Question 32

Which, if any, of the above statements is (are) true?

(A) I only

(B) II only

(C) III only

(D) I, II, and III

(E) The correct answer is not given by (A), (B), (C), or (D) above.

Data for Question 12 (1 point)

An employer has outsourced the calculation of benefits, preparation of benefit election forms, and other ministerial services to a third party administrative firm (TPA).

The employer provides the data to the TPA to calculate the benefits. The employer does not check the benefit calculations, but has reviewed and approved the methodology used by the TPA to calculate the benefits and has approved the content of the benefit election forms. The employer resolves all benefit claims disputes.

Consider the following statement:

The TPA is a fiduciary.

Question 12

Is the above statement true or false?

(A) True

(B) False

Data for Question 27 (2 points)

A client has refused to pay the fees for services rendered by the actuary for a study. The client is demanding return of all records that the client provided directly to the actuary, the records provided by the client's attorney directly to the actuary, the actuary's work papers and the result of his study.

Consider the following statements:

I. The actuary can withhold the records that the client provided directly to him.

II. The actuary can withhold his work papers and the results of his study.

III. The actuary can withhold the records provided by the client's attorney to him.

Question 27

Which, if any, of the above statements is (are) true?

(A) I only

(B) II only

(C) III only

(D) I, II, III

(E) The correct answer is not given by (A), (B), (C), or (D) above.

Data for Question 33 (1 point)

After the due date, an enrolled actuary discovers that a PBGC comprehensive premium filing that the actuary signed has not been filed.

Consider the following statement:

The enrolled actuary must notify the PBGC and the plan administrator of the non-filing.

Question 33

Is the above statement true or false?

(A) True

(B) False

Data for Question 37 (1 point)

An actuary provides the plan administrator with a signed copy of the 2013 Schedule SB in a timely manner. Subsequently, the actuary discovered that the 2013 Schedule SB had not been included when the plan administrator submitted the 2013 Form 5500.

Consider the following statement:

The actuary is required to notify only the Internal Revenue Service that the Schedule SB was not filed.

Question 37

Is the above statement true or false?

(A) True

(B) False

Data for Question 47 (2 points)

For which of the following could an enrolled actuary have his enrollment terminated?

I. The enrolled actuary is convicted of fraud for a matter that is not related to their work in the actuarial field.

II. After providing an annual actuarial report for a defined benefit plan, the client submits an appropriate request for additional explanation of the page that shows the calculation of the minimum required contribution. The actuary refuses to provide this explanation.

III. A plan sponsor requests a copy of all electronic correspondence between the enrolled actuary and the sponsor's representatives. The actuary refuses to comply with the request.

Question 47

Which, if any, of the above statements is (are) true?

(A) I and II only

(B) I and III only

(C) II and III only

(D) I, II, and III

(E) The correct answer is not given by (A), (B), (C), or (D) above.