

## **Section 436 Outline for 2011 Exam – Explanation of Condensed and Full Versions**

The Joint Board for Enrollment of Actuaries has added IRC section 436 (Funding-Based Benefit Limits for Single Employer Plans) to the EA-2A syllabus. It also remains on the EA-2B syllabus. There was no explanation for the addition. However, there were two questions on the 2010 EA-2A exam (questions 8 and 23) for which credit was given for two different answers, due to the fact that some knowledge of section 436 (not on the EA-2A syllabus in 2010) was necessary to properly answer the question. My best guess is that the addition of this topic for 2011 is simply to allow for questions like those two to be asked going forward. Therefore, there is only a minimal amount of material from section 436 that would need to be understood for this exam. While this is my expectation, until the exam is given we will not know for certain. Therefore, I have included two outlines here – the first is a condensed outline that just covers the portion of section 436 that impacts funding (EA-2A). (See the link “Section 436 Outline for 2011 Exam – Condensed Version for EA-2A” below.) Included with that outline are a few practice problems. My best guess is that this material would be sufficient for the 2011 EA-2A exam. The second outline is my complete outline of that material that is included in the EA-2B course material. (See the link “Section 436 Outline for 2011 Exam – Full Version” below.) Since it is not clear how much of this material might be tested on the EA-2A exam, I will leave it to the student to decide which version fits their study needs for this exam.