

Updates and Errata for ACTEX Study Manual
Exam FM/2, February 2013 Edition
September 6, 2013

Page M3-12, Example 3.24, Solution to part b)

Replace Bal_2 with Bal_{12} .

Page M4-24, Solution to question 4, last paragraph

Replace “ $1000 + FVreinv \quad FVreinv = 967.15.$ ” with
“ $1000 + FVreinv.$ Therefore, $FVreinv = 967.15.$ ”

Page M10-19, first sentence of the last paragraph

Replace “...limits losses than a written straddle...” with
“limits losses in contrast to a written straddle...”.

Page M10-25, statement B

Replace “zero-coast” with “zero-cost”.

Page M11-3, Last sentence of the 4th paragraph

Replace “You will this more clearly...” with “You will see this more clearly...”

Page M12-8, second sentence

Replace “New Your Stock Exchange” with “New York Stock Exchange”.

Page M14-4.

Footnote should read Third Edition pages 203 and 204.

Page M14-11.

In the equation of line 2, the final answer should be .005030728.

Page PE7-10. Problem 35

Line 3 should read "..profit of 3.78 in 6 months."

Page PE8-27, Solution to Question 33, second paragraph

Replace 7/1/2012 and 1/1/2013 with 7/1/2022 and 1/1/2023 respectively.

Page PE9-10, Question number 35

Replace "level coupon" with "level annual coupon".

Page PE10-2 Question number 4

Replace the entire last sentence of the question and the answer choices with:

After paying off their mortgage, calculate the total net amount that the Bates family contributed to the purchase and sale of their house.

A) 154,213 B) 151,713 C) 148,113 D) 104,213 E) 90,398

Page PE10-13, Solution to question number 4

Replace the entire last paragraph of the solution starting with "If you think..." and the answer with:

Starting with their profit of \$140,397.8463 subtract the \$50,000 down payment and the 180 payments of \$1,358.95 to get the net contribution of the Bate family of \$154,213.

Answer: A

Page PE11-8, Question number 29

Replace " $23 < K_1 < 35 < K_2$ " with " $23 < K_1 < 34 < K_2$ ".