

INSURANCE SYLLABUS

The syllabus sets out the aim of the subject and its specific learning objectives. The range of knowledge and understanding that is expected of students is set out in subject content.

Any syllabus in a dynamic area of study such as risk management must, of necessity, be written in general terms. It is however the responsibility of students to ensure that their knowledge is up to date, within the broad parameters laid down by the syllabus for any subject. Hence, details included in the syllabus are not to be looked upon as exhaustive.

Aim

To develop students' understanding of the principles and practice of insurance and its role in risk management

Learning objective

Students should understand key concepts of insurance, the use and limitations of insurance, and the principles and practices employed in insurance markets.

Subject content

- a) The nature of insurance, risk transfer concepts, use of proposal forms and extra services offered by insurance providers.
- b) The core principles of insurance - Insurable Interest, Utmost Good Faith, Proximate Cause, Subrogation, Contribution and Indemnity
- c) The core principles and their relation to compulsory classes of insurance, insurance regulation and consumer protection
- d) The corporate demand for insurance and its relation to profit smoothing, avoidance of bankruptcy and the monitoring role of insurance
- e) The structure of the insurance marketplace, self insurance, captives, market organisations, regulation, Lloyd's and international markets
- f) The nature of property, liability, business interruption, professional and financial risks, marine/aviation/transit and business-related personal insurances
- g) Insurance pricing, physical and moral hazard, and the role of the underwriter, broker and surveyor
- h) Claims management including handling, loss adjusting, aggregation, settlement, fraud and arbitration. Claims information systems and reporting
- i) Reinsurance including:
 - The purpose of reinsurance
 - Proportional and non proportional reinsurance
 - Treaty and facultative covers
 - Advantages and disadvantages of the various types of reinsurance

