

## The view from the market

Contract certainty affects every organisation in the insurance market, and is of key interest to personnel at all levels. Senior executives from across the industry have expressed their support for the introduction of the Certificate in Contract Wording, which provides the guidance and support needed during a time of rapid change and development. The following are some of the comments received:

“In the past two years, our underwriters have firmly embedded contract certainty into their everyday underwriting process. This has importantly involved a focus on the quality of the contract wording at inception and highlights the importance of competency in contract wordings. The CII Certificate in Contract Wording provides a practical way to achieve the necessary understanding of this subject.”

**Mel Goddard**  
Market Liaison Director  
Lloyd's Market Association



“Contract Certainty has led to embedded practices that help to ensure all of the necessary components of an insurance contract are in place at inception. This certificate will assist with the continuing efforts to ensure that what is probably *the* vital component – the contract wording – is constructed and applied with the appropriate competence and understanding to provide a clear and complete definition of the coverage.”

**John Hobbs**  
Director of Market Services  
IUA



“Contract Certainty has resulted in a more efficient market for buyers, brokers and insurers and brought competitive benefits and advantages to the UK market. The FSA continues to highlight its importance as one of the cornerstones of our ever evolving industry. The Certificate supports the need for individual organisations to not only comply with the Code of Practice but to demonstrate performance in line with it.”

**Brendan McManus**  
C.E.O. Willis UK & Ireland



## Your next step

To purchase any of the available services call Customer Service on +44 (0)20 8989 8464. Alternatively, go to [www.cii.co.uk/cicw](http://www.cii.co.uk/cicw)

## The Chartered Insurance Institute

As the premier professional body for the financial services profession, the CII promotes higher standards of integrity, technical competence and business capability.

With over 90,000 members in more than 150 countries, the CII is the world's largest professional body dedicated to this sector.

The CII works with businesses to develop bespoke, company-wide solutions that ensure competitive advantage by boosting employees' technical and professional competence.

Individually, CII's members are able to drive their personal development and maintain their professional standing through an unrivalled range of learning services and by adhering to the CII's Code of Ethics & Conduct.

## London Market Faculty

This market forum is led by leading market practitioners and supported by the CII. Membership is appropriate for everyone working at Lloyd's and in the London Market. The Faculty works to promote technical knowledge and understanding through the development and promotion of a range of services including: guidance notes, job role and competency framework, events, seminars and similar initiatives.

Further information on the CII and the London Market Faculty can be found at [www.cii.co.uk](http://www.cii.co.uk)

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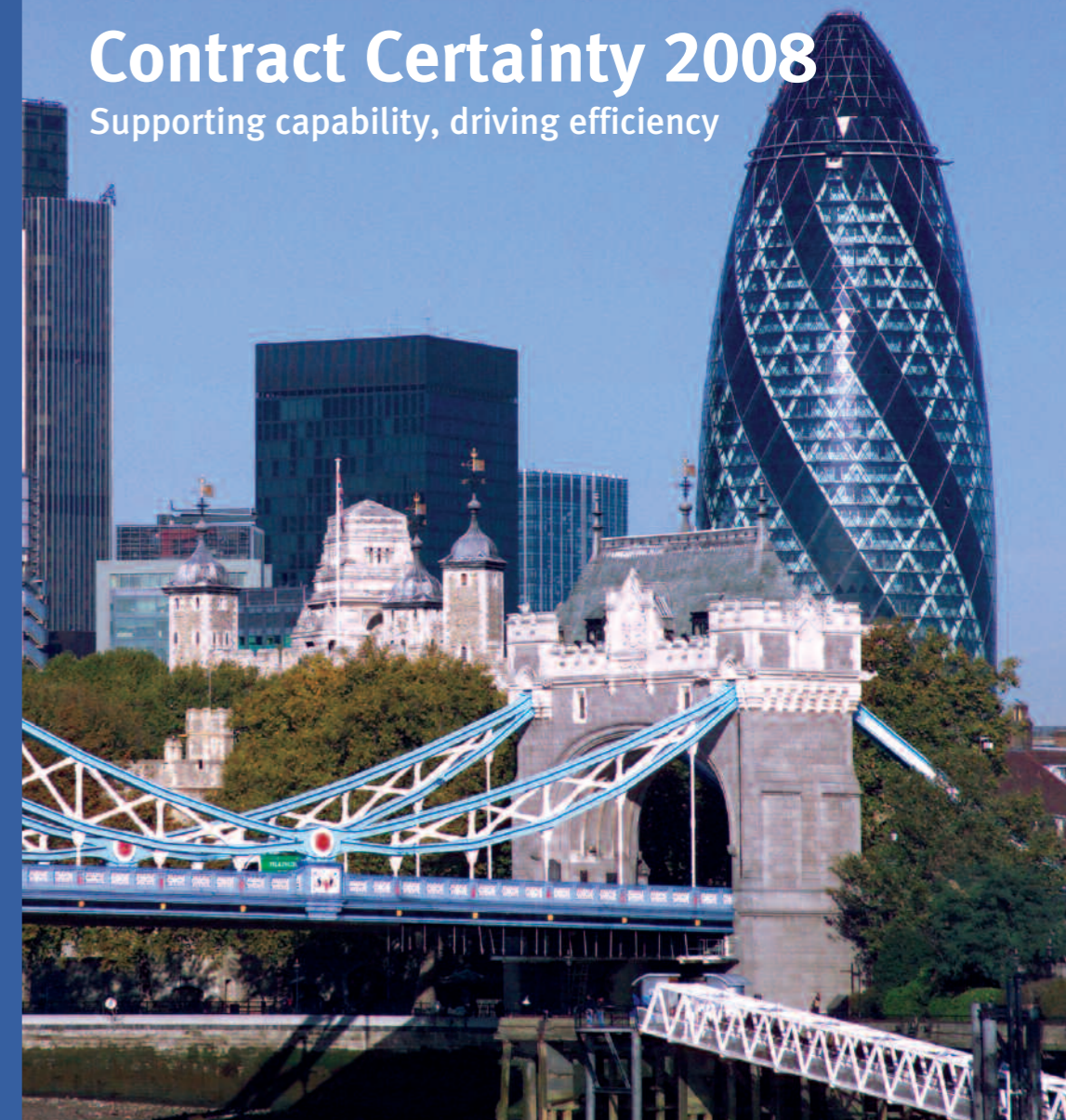
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# Contract Certainty 2008

Supporting capability, driving efficiency



London Market Faculty



# Certificate in Contract Wording

## So that everybody knows where they stand...

Contract certainty continues to be one of the major issues facing the insurance industry, especially within Lloyd's and the London Market.

Great strides have been made since the FSA first highlighted the subject in 2004, stating its dissatisfaction with the 'deal now, detail later' approach. Brokers and insurers have done much to ensure they provide clear, comprehensive and fully-agreed policy wordings before inception.

That said, there is no room for complacency. The FSA remains keenly interested in the efficient running of the insurance market, and individuals and organisations must continue to be vigilant as they strive to treat their customers fairly.

To help meet this ongoing challenge, the CII has developed the Certificate in Contract Wording. This enhances knowledge of the practical application of wordings and the issues associated with them.

Developed with assistance from the IUA and with input from Lloyd's and the London Market community, this provides added momentum to the market's continuing reform activity.

### How the Certificate in Contract Wording operates

The Certificate in Contract Wording develops your knowledge of the key subjects underpinning contract certainty. To obtain the Certificate, you must study and pass two units from the CII's General Insurance Qualifications Framework:

- **P05 – Insurance law**
- **P21 – Commercial insurance contract wording.**

Upon completion, you will be awarded the Certificate in Contract Wording.

### What does it cover?

These units cover the following key subjects:

#### P05 Insurance law:

- Nature and sources of law
- Legal personality
- Law of tort
- Law of contract
- Insurance contract
- Void and illegal insurances
- Insurance claims
- Subrogation and contribution
- Agency

#### P21 Commercial insurance contract wording:

- Regulatory regime and market initiatives
- Legal issues affecting insurance contracts
- Scope, coverage and limits of insurance contract wordings
- Main conditions applied to commercial contract wordings
- Implications of contract wording as applied to different types of reinsurance

Visit [www.cii.co.uk](http://www.cii.co.uk) and the section on the 'Diploma in Insurance' for full course syllabuses.

## Studying for the Certificate

Unit	Notional study hours	Exam format	Length of exam	Nominal pass mark
P05	96	14 compulsory short-answer questions and 2 essay questions from a choice of 4	3 hours	55%
P21	96	8 compulsory short-answer questions and 2 essay questions from a choice of 4	2 hours	55%

Whilst there is no prescribed order in which these units must be taken, we would recommend completing P05 first as this provides knowledge on which P21 builds.

There are two exam sittings in 2008 – **14 & 16 April** and **13 & 15 October**.

Completion of units P05 and P21 will result in the award of 25 and 20 Diploma level credits, respectively. These can also be used towards completing other CII qualifications such as the Diploma and Advanced Diploma in Insurance.

#### Your routes to successful completion

The CII offers a comprehensive portfolio of study options and revision aids to help you complete the Certificate first time. These include:

Exam fees, study options and revision aids	CII member	Non-member
<b>Exam entry</b> – fee per unit for admission to the exam	£101	£134
<b>Coursebook and update service</b> – providing comprehensive coverage of the course syllabus, together with updates for 12 months	£113	£129
<b>Key facts booklet (P05 only)</b> – summarising key information contained in the coursebook and perfect for studying whilst travelling to and from work	£21	£23
<b>Online tutorial (P05 only)</b> – interactive study and assessment programme providing an engaging way to study	£77.55 (inc VAT)	£77.55 (inc VAT)
<b>Examination guides</b> – comprising past papers, examiners' comments on candidates' performance and key points for inclusion in your answers	£ 10.58 (inc VAT)	£11.75 (inc VAT)
<b>Revision courses</b> – these clarify areas of concern in the syllabus, highlight what the examiner is looking for and discuss the main mistakes made by students and how to avoid them	£180 (P05) £170 (P21)	£210 (P05) £200 (P21)
<b>Proven to improve chances of exam success by as much as 60%</b>		

Full details on exam entry, study options and revision aids can be found at [www.cii.co.uk/cicw](http://www.cii.co.uk/cicw)

## One-day Commercial insurance contract wording course – open to all

Those wishing to refresh their knowledge and gain insights into current thinking on this topical issue, without committing to studying for the Certificate can attend a standalone one-day taught course: 'Commercial insurance contract wording'. This course is particularly relevant for anyone involved in slip or policy drafting, broking or underwriting.

Delegates receive pre-course learning material and course delivery involves presentation, discussion and practical exercises to create a stimulating and ultimately rewarding experience.

### The course covers:

- An overview of the regulatory regime to achieve contract certainty.
- The legal interpretation of various elements in insurance and reinsurance contracts.
- The scope of coverage and limits of insurance contract wordings.
- The implications of contract wordings as applied to different types of reinsurance.

Course dates	Venue	Price	
26 Feb/23 May/04 Sept	London	Member £335	Non-member £390

