



## Learning Outcome

## Assessment Criteria

## Indicative Content

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<b>1 4 Questions</b>	<b>Understand the identification, evaluation and management of liability risk.</b>	<b>1.1</b>	Describe the risk management framework for liability risks.	<b>1.1.1</b>	Elements of hazard.
				<b>1.1.2</b>	Identifying Risk.
				<b>1.1.3</b>	Risk evaluation.
				<b>1.1.4</b>	Risk management practices.
				<b>1.1.5</b>	Risk Improvements.
		<b>1.2</b>	Explain the roles and interests of the various parties involved in the evaluation and management of liability risk.	<b>1.2.1</b>	Interest of the Insured.
				<b>1.2.2</b>	Roles of the Risk Manager.
				<b>1.2.3</b>	Roles and interest of the Underwriter.
				<b>1.2.4</b>	Roles and interest of the Loss Control Surveyor.
		<b>1.3</b>	Understand the importance to underwriters of evaluating the historical claims record and impact on future pricing.	<b>1.3.1</b>	Using the historical data.
				<b>1.3.2</b>	Previous loss history.
				<b>1.3.3</b>	Relating the claims record to the business activity.
				<b>1.3.4</b>	Assessing the value of the claim.
				<b>1.3.5</b>	How to calculate the burning rate.
<b>1.3.6</b>	Triangulation.				
<b>1.3.7</b>	Banded experience.				



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<b>2</b> <b>5</b> <b>Questions</b>	<b>Understand the main considerations of liability underwriting.</b>	<b>2.1</b>	Understand the operative clause under liability insurances.	<b>2.1.1</b>	General understanding of the operative clause.
				<b>2.1.2</b>	Specific policy triggers: Causation, Occurrence, Reported, Claims Made, Manifestation and Losses Discovered.
		<b>2.2</b>	Describe the framework relating to the underwriting of generic liability risks.	<b>2.2.1</b>	General underwriting principles reviewing exposure and claims history.
				<b>2.2.2</b>	Determining the rate and calculating the premium based on claims history, exposure and business activities.
		<b>2.3</b>	Describe the cover and restrictions under liability policies.	<b>2.3.1</b>	Policy conditions.
				<b>2.3.2</b>	Indemnity limits.
				<b>2.3.3</b>	Layered programmes.
				<b>2.3.4</b>	Difference in cover and Difference in conditions.
				<b>2.3.5</b>	Cover for costs.
				<b>2.3.6</b>	Specification of business.
		<b>2.4</b>	Understand and evaluate the exposure to foreign legal environments.	<b>2.4.1</b>	Policy jurisdiction, choice of law and territorial limits.
				<b>2.4.2</b>	Geographical scope and claims jurisdiction.
				<b>2.4.3</b>	Legal systems in other countries.
		<b>2.5</b>	Describe the underwriting considerations, information and policy wording implications in relation to foreign liability exposures.	<b>2.5.1</b>	Freedom of services.
				<b>2.5.2</b>	Admitted and Non-Admitted policies.
				<b>2.5.3</b>	DIC/DIL Policies or umbrella clauses.
				<b>2.5.4</b>	Domestic.
<b>2.5.5</b>	Overseas subsidiary.				
<b>2.5.6</b>	Local admitted.				
<b>2.5.7</b>	Parent company of a multi-national group.				



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3  11 Questions	Understand the risks, cover and practices of employers' liability insurance.	3.1	Explain the relevance of the Health and Safety at Work etc Act 1974 to employers' liability insurance.	3.1.1	Duties imposed under the Health and Safety at Work etc Act 1974.
		3.2	Explain the main work of the Health and Safety Executive.	3.2.1	Health and Safety Executive guidance and services.
				3.2.2	Enforcement and penalties.
				3.2.3	Approved codes of practice.
		3.3	Explain the duties of an employer, how liability arises and how liability is discharged.	3.3.1	Employing competent employees.
				3.3.2	Working environment and practices.
				3.3.3	Statutory duties.
				3.3.4	Tortious liability and vicarious liability.
				3.3.5	Risk Assessment.
				3.3.6	Risk Management.
		3.4	Explain disease exposures from workplace hazards.	3.4.1	New and emerging risks.
				3.4.2	Occupational disease exposures.
				3.4.3	Dust related exposure.
				3.4.4	Mental Health Risks.
				3.4.5	Operational activities/risks.
		3.5	Explain the legal framework governing employers' liability in the workplace under statute and common law.	3.5.1	Records & document retention.
				3.5.2	Compulsory insurance framework and Insurance Act 2015.
				3.5.3	Industry specific and workplace legislation.
				3.5.4	Transfer of Undertakings Protection of Employment Regulations 2014.
3.6	Explain the scope of cover of employers' liability insurance.	3.6.1	The operative clause.		
		3.6.2	Key definitions.		
		3.6.3	Limit of liability.		
		3.6.4	Legal costs.		
		3.6.5	Common exclusions, conditions and extensions.		



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	3.7	Explain market practices in relation to employers' liability insurance including compliance with legislation.	3.7.1	Rehabilitation.	
			3.7.2	Employers Liability Tracing Office.	
			3.7.3	Certificates of insurance.	
			3.7.4	Future of employers' liability.	
	3.8	Describe key underwriting information under employers' liability insurance.	3.8.1	Excesses & reimbursement provisions.	
			3.8.2	Endorsements and exclusions.	
			3.8.3	Occupations and Trades.	
			3.8.4	Indemnity limits.	
	3.9	Describe the common rating bases under employers' liability insurance.	3.9.1	Wages and per capita.	
			3.9.2	Turnover and fixed rate.	



Learning Outcome	Assessment Criteria	Indicative Content	
<b>4 11 Questions</b>	<b>Understand the risks, cover and practices of public and products liability insurance.</b>	<b>4.1</b> Explain the risks covered under public and products liability insurance including specialist liability insurance.	<b>4.1.1</b> Risks arising from the business activities.
		<b>4.1.2</b> Risks arising from the premises.	
		<b>4.1.3</b> Risks arising out of the sale and manufacturing of products.	
		<b>4.2</b> Explain the legal framework governing public and products liability insurance.	<b>4.2.1</b> Legislation relating to occupiers and property owners.
			<b>4.2.2</b> Legislation relating to consumers and contracts.
			<b>4.2.3</b> Environmental legislation.
			<b>4.2.4</b> Legislation relating to the sale and supply of products and services.
			<b>4.2.5</b> Legislation relating to animals.
			<b>4.2.6</b> Other legislation relating to liability insurances.
		<b>4.3</b> Explain the scope of cover of public and products liability insurance.	<b>4.3.1</b> The operative clause.
			<b>4.3.2</b> Key definitions.
			<b>4.3.3</b> Limit of liability.
			<b>4.3.4</b> Legal costs.
			<b>4.3.5</b> Common exclusions, conditions and extensions.
		<b>4.4</b> Explain the scope of cover of specialist liability insurance.	<b>4.4.1</b> Cyber liability.
			<b>4.4.2</b> Extended warranty.
			<b>4.4.3</b> Environmental impairment liability.
			<b>4.4.4</b> Products recall.
			<b>4.4.5</b> Products guarantee.
			<b>4.4.6</b> Emerging risks.
		<b>4.5</b> Describe key underwriting information under public and product liability insurance.	<b>4.5.1</b> Indemnity limits.
<b>4.5.2</b> Excesses, deductibles and self insured limits.			
<b>4.6</b> Describe the common rating bases under public and products liability insurance.	<b>4.6.1</b> Turnover and wage roll.		
	<b>4.6.2</b> Capacity and square footage.		



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5 9 Questions	Understand the risks, cover and practices of directors' and officers' liability and corporate reimbursement insurance.	5.1	Understand the directors' and officers' liability insurance market.	5.1.1	How risks arise and the capacity available.
				5.1.2	UK corporate governance.
		5.2	Explain the legal framework affecting directors' and officers' liability insurance and corporate reimbursement insurance.	5.2.1	Companies Act 2006 and other relevant legislation.
				5.2.2	Types of Directors and other parties covered.
				5.2.3	Deferred prosecution agreements.
		5.3	Explain the scope of cover under directors' and officers' liability insurance, corporate reimbursement insurance.	5.3.1	The operative clause.
				5.3.2	Key definitions.
				5.3.3	Limit of liability.
				5.3.4	Legal costs.
				5.3.5	Common exclusions, conditions and extensions.
		5.4	Describe key underwriting information under directors' and officers' liability insurance and corporate reimbursement insurance.	5.4.1	Audited report and accounts.
				5.4.2	Business activities.
				5.4.3	Historical claims info.
		5.5	Describe the common rating bases under directors' and officers' liability insurance and corporate reimbursement insurance.	5.5.1	Limit of indemnity and alternative rating structures.
5.5.2	Discovery period and run off cover.				
5.6	Explain legal liability for corporate manslaughter in the UK.	5.6.1	Corporate Manslaughter and Corporate Homicide Act 2007.		



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<b>6 10 Questions</b>	<b>Understand the risks, cover and practices of professional indemnity insurance.</b>	<b>6.1</b>	Describe how legal liability is covered under professional indemnity insurance.	<b>6.1.1</b>	Common law and tort.
				<b>6.1.2</b>	Contract.
				<b>6.1.3</b>	Statute.
				<b>6.1.4</b>	Personal Liability.
		<b>6.2</b>	Explain the risks covered under professional indemnity insurance.	<b>6.2.1</b>	Data protection legislation.
				<b>6.2.2</b>	Construction and property.
				<b>6.2.3</b>	Legal Professions.
				<b>6.2.4</b>	Financial services.
				<b>6.2.5</b>	Health and medical.
				<b>6.2.6</b>	Other professions.
		<b>6.3</b>	Explain the scope of cover of professional indemnity insurance.	<b>6.3.1</b>	The operative clause.
				<b>6.3.2</b>	Key definitions.
				<b>6.3.3</b>	Limit of liability.
				<b>6.3.4</b>	Legal costs.
				<b>6.3.5</b>	Common exclusions, conditions and extensions.
		<b>6.4</b>	Describe key underwriting information under professional indemnity insurance.	<b>6.4.1</b>	Information contained on the proposal form.
				<b>6.4.2</b>	Previous insurance/claims history.
				<b>6.4.3</b>	Terms and conditions.
				<b>6.4.4</b>	Risk Management.
		<b>6.5</b>	Describe the common rating bases under professional indemnity insurance.	<b>6.5.1</b>	Gross fees or other methods.
		<b>6.6</b>	Describe the risks and cover given for policy extensions.	<b>6.6.1</b>	Fidelity liability.
				<b>6.6.2</b>	Cyber liability.
				<b>6.6.3</b>	Other extensions.