

# General insurance business

## Objective

To provide knowledge and understanding of basic insurance products and practice, including underwriting and policy wordings, claims, customer service and information and communication technology.

Summary of learning outcomes	Number of questions in the examination*
1. Know insurance products and associated services for general insurance business.	36
2. Understand underwriting and policy wordings for general insurance business.	31
3. Know how to apply knowledge of principles of premium calculation of general insurance business to a given set of circumstances.	2
4. Understand claims within the context of general insurance business.	21
5. Know how to apply knowledge of principles concerning the operation of policy conditions affecting claims for general insurance business to a given set of circumstances.	2
6. Understand information and communication technology, security, confidential information and data protection within general insurance business.	5
7. Understand customer service within general insurance business.	3

\* The test specification has an in-built element of flexibility. It is designed to be used as a guide for study and is not a statement of actual number of questions that will appear in every exam. However, the number of questions testing each learning outcome will generally be within the range plus or minus 2 of the number indicated.

## Important notes

- Method of assessment: 100 multiple choice questions (MCQs). 2 hours are allowed for this examination.
- This syllabus will be examined from 1 January 2022 until 31 December 2022.
- Candidates will be examined on the basis of English law and practice unless otherwise stated.
- Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:
  1. Visit [www.cii.co.uk/qualifications](http://www.cii.co.uk/qualifications)
  2. Select the appropriate qualification
  3. Select your unit from the list provided
  4. Select qualification update on the right hand side of the page
- 5. This PDF document is accessible through screen reader attachments to your web browser and has been designed to be read via the speechify extension available on Chrome. Speechify is a free extension that is available from <https://speechify.com/>. If for accessibility reasons you require this document in an alternative format, please contact us on [ukcentreadministration@cii.co.uk](mailto:ukcentreadministration@cii.co.uk) to discuss your needs.

## **1. Know insurance products and associated services for general insurance business.**

- 1.1 Describe the basic features and outline of typical cover of: Motor insurance, Health insurance, Combined comprehensive or packaged insurance, Property insurance, Pecuniary insurance, Liability insurance.
- 1.2 Describe in outline the non-insurance services available.

## **2. Understand underwriting and policy wordings for general insurance business.**

- 2.1 Explain why an underwriter wishes to be aware of material circumstances in assessing a risk.
- 2.2 Explain the significance of moral and physical hazard for underwriters.
- 2.3 Describe the legal relevance of the disclosure of material information to insurers and the methods used by underwriters to obtain this information.
- 2.4 Describe the legal and regulatory significance of procedures relating to setting up an insurance contract.
- 2.5 Describe the features of an insurance contract.
- 2.6 Explain the meaning and use of common policy conditions, warranties and exclusions.
- 2.7 Explain how excesses, deductibles and franchises are used.
- 2.8 Explain the legal and regulatory significance of procedures relating to renewals

## **3. Know how to apply knowledge of principles of premium calculation of general insurance business to a given set of circumstances.**

- 3.1 Apply knowledge of principles of premium calculation of general insurance business to a given set of circumstances.

## **4. Understand claims within the context of general insurance business.**

- 4.1 Describe the legal requirements for a valid claim.
- 4.2 Explain why a claim may not be valid or met in full.
- 4.3 Describe the insured's duties after a loss.
- 4.4 Describe the way in which claims can be validated.
- 4.5 Explain how alternative dispute resolutions operate.
- 4.6 Explain the ways in which claims can be settled.
- 4.7 Describe the role of key organisations in relation to claims.
- 4.8 Explain in general terms how the process of reserving operates.
- 4.9 Describe the means of claims recovery open to insurers.
- 4.10 Describe the procedures commonly used when preventing or dealing with fraud.
- 4.11 Explain the consequences of fraudulent claims.

## **5. Know how to apply knowledge of principles concerning the operation of policy conditions affecting claims for**

## **general insurance business to a given set of circumstances.**

- 5.1 Apply knowledge of principles concerning the operation of policy conditions affecting claims for general insurance business to a given set of circumstances.

## **6. Understand information and communication technology, security, confidential information and data protection within general insurance business.**

- 6.1 Explain how the insurance industry uses and adapts to technology and new innovations.
- 6.2 Describe the principles and practices of data protection and the types of confidential information.

## **7. Understand customer service within general insurance business.**

- 7.1 Describe what a customer service standard is and how it should be implemented.
- 7.2 Describe the legal and regulatory obligations in relation to customer service in insurance.

## Reading list

The following list provides details of further reading which may assist you with your studies.

**Note: The examination will test the syllabus alone.**

The reading list is provided for guidance only and is not in itself the subject of the examination.

The resources listed here will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

### CII study texts

General insurance business. London: CII. Study text IF2.

### Books and eBooks

Bird's modern insurance law. 10<sup>th</sup> ed. John Birds. Sweet and Maxwell, 2016.

Insurance claims. 4th ed. Alison Padfield. Bloomsbury Professional, 2016.

Insurance law: an introduction. Robert Merkin. London: Routledge, 2014. \*

Insurance theory and practice. Rob Thoyts. Routledge, 2010. \*

Pricing in general insurance. Pietro Parodi. CRC Press, 2015. \*

### Periodicals

The Journal. London: CII. Six issues a year.

Post magazine. London: Incisive Financial Publishing. Monthly. Contents searchable online at [www.postonline.co.uk](http://www.postonline.co.uk).

### Reference materials

Concise encyclopedia of insurance terms. Laurence S. Silver, et al. New York: Routledge, 2010. \*

Dictionary of insurance. C Bennett. 2nd ed. London: Pearson Education, 2004.

Financial Conduct Authority (FCA) Handbook. Available at [www.handbook.fca.org.uk/handbook](http://www.handbook.fca.org.uk/handbook).

Prudential Regulation Authority (PRA) Rulebook Online. Available at [www.prarulebook.co.uk](http://www.prarulebook.co.uk)

## Examination guide

If you have a current study text enrolment, the current examination guide is included and is accessible via Revisionmate ([www.revisionmate.com](http://www.revisionmate.com)). Details of how to access Revisionmate are on the first page of your study text. It is recommended that you only study from the most recent version of the examination guide.

## Exam technique/study skills

There are many modestly priced guides available in bookshops. You should choose one which suits your requirements.

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\* Also available as an ebook through eLibrary via [www.cii.co.uk/eLibrary](http://www.cii.co.uk/eLibrary) (CII/PFS members only).