

13. SYLLABUS

LICENTIATE EXAMINATION

(Students are advised to learn from contemporary publications and be aware of the changes in the insurance industry. Upto 10% of questions may be asked from outside the Study Course duration of exam of Licentiate is 2.00 Hours)

IC-01 – PRINCIPLES OF INSURANCE – Year of Edition 2010 (Revised) (Common subject for Life & General Branch)

The Conceptual Framework – What Is Insurance – Brief History of Insurance – Perils and Risks – Classification of Risks- Hazards – How Insurance Works – Classes of Insurance – Assumptions – Importance of Insurance Industry.

The Business of Insurance – Managing Risk Retention – Life Insurance – Managing Insurance – Funds of An Insurer – Trustee- Reinsurance – Role of Insurance in Economic Development – Insurance and Social Security. **The Insurance Contract** – Utmost Good Faith or *Uberrima Fides* – Insurable Interest – Insurer's Insurable Interest – Criminal Acts – Indemnity – Subrogation and Contribution – Proximate Cause – Personal and Non-Personal Contracts. **Insurance Products** – Life Insurance Products, Non-Life Insurance – Fire – Loss of Profits – Marine – Marine Cargo – Marine Hull – Motor – Miscellaneous – Personal Accident – Health – Liability – Engineering – Aviation Etc. **Insurance Terminology – Common For Both Life and Non-Life Insurance** – **Life Insurance** – First Premium – Renewal – Mode – Limited Payment – Policies – Single Premium – Convertible – Days of Grace – Lapse – Paid Up Policy – Revival – Deferment Period – Nomination – Assignment – Bonus – With Profit – Participating – Non-Participating or Without Profit – Surrender Value – **Non-Life Insurance** – Market Agreements – Cover Notes – Certificates of Insurance – Open Policy – Floater – Excess – Franchise – Claims – Salvage – Coinsurance – Loss – Total Loss – Actual or Constructive Loss – Bonus – Malus – Replacement – Valued Policy – Agreed Value – Full Value – First Loss – Increased Value – Insurance Time or Institute Cargo Clauses – Solatium Fund – Hit and Run Cases – Arbitration. **The Insurance Market** – Life and Non-Life Insurers – Reinsurers – Individual and Corporate Agents – Brokers – Surveyors – Medical Examiners – Third Party Administrators – Regulator IRDA – Insurance Councils – Ombudsmen – Educational Institutes – Councils – Tariff Advisory Committee. **Regulations** – The Insurance Act, 1938 – Insurance Regulatory and Development Act, 1999 – Life Insurance Corporation Act, 1956 – General Insurance Business (Nationalization) Act, 1972 – Consumer Protection Act, 1986 (COPA) – Income Tax Act – Other Laws. **The Insurance Customer** – Customers Are Different – Different Mind Sets, Their Satisfactions – Ethical Behavior – Risk Management – Avoidance or Prevention – Reduction – Retention – Transfer – The Techniques, Separation – Duplication Diversification – Retention and The Individual. Appendix – 1 – History of Insurance – From IRDA's Website.

(Objective Type – Multiple Choice Questions, Duration of Exam- 2 hours)

SUBJECT 02 – PRACTICE OF LIFE INSURANCE Year of Edition 2010 (Revised) (Life Branch)

Life Insurance Organization – Introduction – Organizing – Important Activities – The Indian Context – Internal Organization – The Distribution System – Appointment of Agent-Functions of The Agent – Continuance of Agency – Remuneration To Agents – Trends in Life Insurance – Distribution Channels – Premiums and Bonuses – What Is Premium – Risk – Net and Pure Premium – Premium Calculation -Actuarial Valuation – Bonus – Simple Reversionary Bonus – Compound Reversionary Bonus – Interim Bonus. **Plans of Life Insurance** – Death Cover – Survival Benefit – Term Assurance – Pure Endowment – Linked – Some Popular Plans- Common Variations – With Profit and Without Profit Policies – Joint Life Policies – Children's Plans – Variable Insurance Plans

– Riders – Postal Life Insurance. **Annuities** – The Nature of Annuity – Immediate Annuity – Deferred Annuity. **Group Insurance** – Introduction – Meaning of Group Insurance – Types of Group Insurance Schemes – Group Gratuity Schemes – Ways To Meeting Gratuity Liability – Group Superannuation Scheme – Group Leave Encashment Scheme (GLES) – Other Group Schemes – Social Security Schemes. **Other Special Need Plans** – Industrial Life Insurance – Married Women’s Property (MWP) Act Policies – Key Man Insurance – Plans Covering Handicapped. Health Products – Types of Products – Indemnity, Fixed Benefits, ULIPS, Pure Health Covers, **Linked Insurance Plans** – What Is Linked Policy – Equity Funds – Debt Funds – Money Market Funds – Liquid Funds – Balanced Funds – Flexibility – Top-Up-Premium Holiday – Net Assets Value (NAV) – Annuities and Pensions – IRDA Guidelines. **Application and Acceptance** – Principle of Utmost Good Faith – Insurable Interest – Prospectus – Proposal Forms and Other Related Documents Alterations – Duplicate Policy.

Premium Payment – Lapse and Revival – Age – Premium – Where To Pay – Surrender Values – Non-Forfeiture Option – Revival – Special Revival Scheme – Installment Revival Scheme – Loan – Cum – Revival Scheme. **Assignment, Nomination, Loans, Surrenders, Foreclosure**

Policy Claims – Maturity Claims – Survival Benefit Payments – Death Claims – Waiver of Evidence of Title – Early Claims – Claims Concession – Presumption of Death – Accident Benefit and Disability Benefit – Permanent Disability Benefit – Post Maturity Options – Settlement Options – Precautions. **Miscellaneous** – Reinsurance – Exchange Control Regulations – Payment of Premiums – Payment of Claims Etc. – Assignment in Favour of Non-Residents – Deposits – Export of Policies – Information Technology – Intranet and Internet - Benefits To Agents – Benefits To Policy Holders/ Prospects – Kiosks – It in The Rural Areas – Internal Processing – IRDA Regulations.

Annexure – Financial Market – Capital Market – Stock Technical’s – Authorized Capital – Issued Capital – Float Outstanding – Shares Market – Capitalization –Or Earnings Per Share (EPS) –(Price Earning Ratio (PE) – Beta. **Simple Economics** – Risk Premium – Relationship Between Interest Rates and Stock Prices – Relationship Between Inflation Rates and Stock Prices – Evaluating Unit Linked Policies – Policy Fund.

(Objective Type – Multiple Choice Questions, Duration of Exam- 2 hours)

SUBJECT 11 – PRACTICE OF GENERAL INSURANCE – Year of Edition 2010 (Revised)

(General Branch)

Insurance Legislation – The Insurance Act, 1938 – Registration – Accounts and Returns – Investments – Limitation On Expenses of Management – Prohibition of Rebates – Powers of Investigation – Other Provisions – Insurance Regulatory and Development Authority Act, 1999- General Insurance Council – Amendment of Insurance Act – Amendments of The Life Insurance Corporation Act, 1956 – Amendments of General Insurance Business (Nationalization) Act, 1972- The Insurance (Amendment) Act, 2002. Insurance Co-Operative Society – Motor Vehicles Act, 1988 Solatium Fund – The Inland Steam-Vessels (Amendment) Act 1977 – Marine Insurance Act, 1963 – The Carriage of Goods By Sea Act, 1925 – The Merchant Shipping Act, 1958 – The Bill of Lading Act, 1855 – The Indian Ports (Major Ports) Act, 1963 – Indian Railways Act, 1989 – The Carriers Act, 1865- The Indian Post Office Act, 1898 – The Carriage By Air Act, 1972- Multi Modal Transportation Act, 1993 – Workmen’s Compensation Act, 1923 – Employee’s State Insurance Act, 1948- Public Liability Insurance Act, 1991 – The Indian Stamp Act, 1899- Exchange Control Regulations – The Consumer Protection Act 1986 – Insurance Ombudsman.

The Insurance Market – The Insurance Market – Historical – Present Scenario – The Agents – Corporate Agents – Brokers Remuneration – Functions of Reinsurance Broker – The Limits of Indemnity – Third Party Administrators – Health Services – Surveyors/ Loss Assessors – Code of Conduct – Tariff Advisory Committee – Bombay Salvage Corps – Overseas Market – United Kingdom – U.S.A. Insurance Forms – Proposal Forms – Cover Notes – Certificate of Insurance – Renewal Notice IRDA Regulations 2002 (Protection of Policy Holders’ Interests).

Fire and Marine Coverages – Standard Policies – Specified Perils Vs. All Risks – Fire Insurance Coverages – Reinstatement Value Policies – Declaration Policy – Floating Policies – Long Term Policies – Consequential Loss (Fire) Insurance – Marine Insurance Coverages – Hull Insurance – Marine (Cargo) Insurance – Institute Cargo Clauses (C) - Institute Cargo Clauses (B) – Institute Cargo Clauses (A) – General Exclusions Clause – Inland Vessels and Sailing Vessels – Postal Consignment – Air Consignment – Types of Losses – Types of Marine Policies – Specific Policy.

Miscellaneous Coverages – Motor Insurance – Third Party Liability Insurance For Mechanized Vessels Operating in Inland Waters – Personal Accident Insurances – Group Policies – Mediclaim Insurance – Jan Arogya Bima Policy – Cancer Insurance – Universal Health Insurance Policy – Overseas Medical Policy – Burglary (Business Premises) Policy – All Risks Insurance Policy - Money Policy – Baggage Insurance – Legal Liability Insurance – Fidelity Guarantee Insurance – Other Minor Classes of Miscellaneous Insurance – Banker’s Indemnity Policy – Carrier’s Legal Liability Policy – Jeweler’s Block Insurance – Composite Policies – Aviation Insurance – Engineering Insurance – Rural Insurance – Micro-Insurance.

Specialized Insurances – Industrial All Risks Insurance – Advance Loss of Profit Cover (ALOP) – Oil and Energy Risks Insurance – Satellite Insurance – Underwriting – Underwriting Policy – Class Rated Products – Individual Rated Products – Filing of Products – Rolf of Actuary – Compliance Officer – Underwriting Practice – Physical Hazard – Underwriting of Physical Hazard – Underwriting of Moral Hazard – Acceptance of Risks Subject To Underwriting Safeguards – Declined Risks - Fire – Marine – Miscellaneous – Risk–Inspection – Re-Insurance - Facultative – Treaty – Quota Share – Surplus Treaty – Pool – Non – Proportional Treaty - Excess of Loss Treaty – Stop Loss Treaty – Risk Management – Insurer’s Role in Risk Management – Documentation Procedure – Renewal Procedure – Customer Service.

Rating and Premium – Classification of Risk – Discrimination – Bonus/ Malus- Past Loss Experience – Claims Costs – Acquisition Costs – Management Expenses –Agreement in The Policy – Advance Payment of Premium – Policies Relating To Co-Insurance - Policies of Reinsurance.

Claims – Claims Forms – Investigation and Assessment – Surveyors and Loss Assessors – Claims Documents – Arbitration – Limitation - Settlement – Discharge Vouchers – Post Settlement Action – Recoveries – Salvage – Loss Minimization and Salvage –In House Settlements – Practice in The U.K. – Practice in The U.S.

Investment & Accounting – Accounting - Reserves For Outstanding Claims – Unexpired Risk Reserves – Other Reserves – General Ledger – The Trial Balance – Revenue Account – Profit and Loss Account – The Balance Sheet – Statutory Returns – Returns For Management Control – Claims and Underwriting and General Administration – Database On Computer – IRDA (Investment) Regulations.

(Objective Type – Multiple Choice Questions, Duration of Exam- 2 hours)

IC-14 – REGULATIONS OF INSURANCE BUSINESS - Year of Edition 2010 (New)

(Common subject for Life & General branch)

Main functions of IRDA and Insurance Councils - **AML guidelines** - ULIPs – Guidelines on ULIPs, Benefit Illustrations circular, circular on cap on charges and other important circulars on ULIPs - **IRDA (Licensing of Insurance Agents) Regulations, 2000** - IRDA (Manner of Receipt of Premium) regulations, 2002 - IRDA (General Insurance - Reinsurance) Regulations, 2000 - IRDA (Life Insurance - Reinsurance) Regulations, 2000 - IRDA (Protection of Policyholders’ Interests) Regulation, 2002 - IRDA (Micro-Insurance Regulations), 2005 - Sec 38 (Assignment) of Insurance Act, 1938 - Sec 39 (Nomination) of Insurance Act, 1938 - Sec 41 (Prohibition of Rebates) of Insurance Act, 1938 - Sec 45 of Insurance Act, 1938 - Sec 64VB of Insurance Act, 1938 - **Mechanisms for dispute resolution** available to insureds and the role of the Ombudsman.

(Objective Type – Multiple Choice Questions, Duration of Exam- 2 hours)

ASSOCIATESHIP EXAMINATION

(Students are advised to learn from contemporary publications and be aware of the changes in the insurance industry. Upto 20% of questions may be asked from outside the Study Course. Duration of Associateship Exam is 3.00 hours)

IC21 INFORMATION TECHNOLOGY - Year of Edition 2000.

(Existing Course of Year of Edition 2000 is Discontinued for fresh Registration.) For Already Registered candidates examinations will be conducted on the same syllabus up to May 2012) (Common for Life & Nonlife)

Introduction to Information Technology, Data-Processing IT related applications in Insurance industry . **Introduction to Microprocessor based PC-computers (PC-family)**. Data Storage Devices. Input - Output Devices Tapes (Streamer tapes and cartridge tapes), discs (floppy disks, hard disks), CD-ROM, Recording structures on magnetic media. Input devices, Output devices. File Concepts - Flow - charts - different types of flow charts - some simple examples of flow charting techniques. - **Introduction to SSAD (Structured System Analysis and Design)**.

Introduction to computer hardware - Types of computers - Generations of computers - Processing unit - Input/ output devices –Storage. **Introduction to computer software** -Operating system of computer - Application packages - **Financial application software** -Payroll Insurance software etc. **General purpose standard software packages** - Word Processing - Database Management Spreadsheet - Computer languages - Office Automation packages - Word processors (WP), Spread sheets (SS), databases and desk top publishing (DTP). - Computerization in insurance industry .

Glossary: The different constituents of a information technology department and their functions - system analysis, programming, operations, systems administration, and network administration.

IC 22 LIFE INSURANCE UNDERWRITING - Year of Edition 2011(Revised)

LIFE UNDERWRITING -PRINCIPLES & CONCEPTS (PART-1):

Concepts of underwriting, Assessing the individual Risk, Selection of Lives, Classification of risks , Types of risks , Sub-standard lives and other extra risks.

LIFE UNDERWRITING --PRINCIPLES & CONCEPTS (PART-2): Numerical rating, Method of Loading, Terms of Acceptance, Dating back of Policies.

UNDERWRITING---STRUCTURE & PROCESS: Processing of the Proposal (application) form, Structure of an Underwriting function, Financial powers in underwriting, Chief Medical Officer—CMO, Medical documentation in underwriting , Additional underwriting requirements , Underwriting philosophy & risk management, Challenges faced in underwriting.

FINANCIAL UNDERWRITING: Introduction, Purpose of financial underwriting, Personal Insurance Cover, Insurance on Housewives/ women with no earned income , Insurance on juveniles, Key Person Insurance, Partnership Insurance, Insurance under Employer-employee Scheme, Insurance under Hindu Undivided Family(HUF), MWP Act.

OCCUPATIONAL, VOCATIONAL AND RESIDENTIAL RISKS: Source of Information to Assess, Basic risk Factors for Occupations and examples, Basic risk factors for Avocation and examples, Residential Risk, Basic factors for Residential Risk. **REINSURANCE:** Need for Reinsurance, Types of reinsurance, advantage of Reinsurance.

BLOOD DISORDERS : functions of blood , components of blood, blood cells made, the functions of the blood cells, Complete Blood Count (CBC), components of Complete Blood Count (CBC), Peripheral Blood Smear, Anaemia- its causes and classification, Iron Deficiency and Thalassemia, Risk Assessment of Anaemia, Other forms of Blood Disorders. **NERVOUS SYSTEM:** components of the Nervous System, main structures involved in the Central Nervous System - main components of the Peripheral Nervous System, Cerebro Spinal Fluid (CSF) and the meninges, common

disorders of the nervous system, common signs and symptoms of nervous system disorders, common investigations done for diagnosing disorders of the nervous system, Short description of the common nervous system disorders, Underwriting Stroke ,Underwriting Epilepsy. **DIABETES MELLITUS:** What is Diabetes, types of diabetes, criteria for considering Diabetes Mellitus, complications of diabetes, Clinical assessment of diabetic applicants, Treatment of Diabetes, underwriting considerations . **THYROID DISEASES:** Thyroid Gland, the common problems encountered with the thyroid gland, hypothyroidism, the main causes of hypothyroidism, Hypothyroidism diagnosed, hypothyroidism treated, underwriting implications of hypothyroidism, hyperthyroidism, main causes of Hyperthyroidism, hyperthyroidism diagnosed, underwriting implications of hyperthyroidism. **URINARY SYTEM:** components of the Urinary System, proteinuria and albuminuria, Albuminuria classified, Is the proteinuria always an unfavorable finding?, Hematuria, causes of hematuria, Kidney Disease Diagnosed, BUN and Serum Creatinine, some disorders of the urinary system and their underwriting implications. **THE RESPIRATORY SYSTEM:** Introduction to the Respiratory System, Components of the Respiratory System, Mechanics of Breathing, Common Respiratory Conditions and underwriting implications, Asthma, Bronchitis, Emphysema , Chronic Obstructive Pulmonary Disease (COPD), Tuberculosis . **GASTROINTESTINAL: CARDIOVASCULAR SYSTEM:** Introduction to the Cardiovascular System and common terminology, common investigations done for diagnosing disorders of the cardiovascular system, Blood Pressure and Hypertension, Coronary Artery Disease, Outline of Valvular Heart Disease, Outline of Congenital Heart Disease. **DISORDER OF THE EYES, EARS AND NOSE:** Anatomy of the Eye, Parts of the eye, Disorders of the Eye, Underwriting considerations, Disorders of the Ear, Underwriting considerations Disorders of the Nose, Underwriting considerations.

IC 23 APPLICATIONS OF LIFE INSURANCE - Year of Edition 2011 (Revised)

Financial Planning and Life Insurance – concept & objects of Financial Planning – Short/ Long Terms. Concept of Risk Management – vis-à-vis Life Insurance. Life Insurance Planning for individual, family & business –wealth & estate Planning VIA Life Insurance – Key-man Insurance, partnership Insurance etc. retirement benefits that are needed to be provided by the employer to its employees. Health Insurance, Advantages of Health Insurance. Modes of Health Insurance Disease Specific Health covers. Health-claim benefits, Long-term treatment etc, Pension and Annuities individual pension scheme principles and types. Pension fund regulatory and Development Authority, Product variations and administration - variable annuities. Takaful Concepts, Product Design, Pricing, administration and Management, claims and Distribution of Profits etc, Insurance – Why Reinsurance, types of Different methods and Agreements, Consultation for Big or Non-Standard Risks, administration, settlement of Tax Laws & Life Insurance –Taxation Aspects – individual life Insurance Plans – Retirement benefits that are to be by the employer to employees – Equity Linked Insurance Plans. Proposed Direct Code, Reasons for Different Procedures for Survival, Maturity and Death claims, Effect of SECTION 45 on Warranty (Declaration at end or Proposal), Missing persons, Presumption of Death, Rights of Nominees, Effect of Wills, Letters of administration, Disputes of rights, Court Orders, Limitation Act, Effect of Exchange Control, Regulations.

IC 24 LEGAL ASPECTS OF LIFE ASSURANCE – Year of edition -2010 (Revised)

SOURCES OF LAW DEFINITION OF LAW - Sources of Law – Anglo Saxon Law – Legislation – Subordinate Legislation – Ancient Indian Law – Srutis – Smritis – Immemorial Customs – Commentaries – Law in modern India – A uniform Civil Code – Common Law – Equity – Statute Law – Judicial Precedents. Administration of Justice in India. The Supreme court and its Powers – The High Court and its Powers - Powers of High Courts – Other Subordinate courts – Other Tribunals – Arbitration – Consumer Forums - Public Premises Act 1971 – Labour Laws - The Industrial Disputes Act 1947 – Shop and Establishment Acts – Workmen’s Compensation Act, 1923 – Other Labour Laws. Other Acts. **LAW OF CONTRACT DEFINITION – Classification of**

Contracts – Special features of insurance contracts – Contracts in General – Proposal, acceptance and their communication – Parties to the contract and their capacity to enter into enforceable agreement – Consensus ad idem – Explanation – Consideration – Legality of the object – Life Insurance Contract. LIFE INSURANCE CONTRACT – I, Proposal – Acceptance – Competence to Contract – Insurable Interest – Policies on the lives of minors – Policies on the life of others – Principle of Indemnity – Human Life Value Concept– Section 45 of the Insurance Act 1938 – Indisputability of Policies. LIFE INSURANCE CONTRACT – II; Proposal as the Basis of Contract: Issuance of Life Insurance Policies – Prospectus – Construction of a Life Insurance Policy – Policy conditions, Privileges etc – Accident Benefit – Disability Benefit – Void Policies – Interpretation. GROUP LIFE & OTHER INSURANCE SCHEMES; Group Life Insurance Policies: Insurable Interest – Development of Schemes – Disclosure of Material Facts – Renewals. Benefits – Conversion Option – Claims. LIFE INSURANCE POLICIES AS PROPERTY; Property – Actionable claim – Joint Tenancy & Tenancy in Common – Mortgage of Life Insurance Policies – Policy Loans – Indian Stamp Act, 1899 & Stamp Duties. RIGHTS UNDER LIFE Insurance Policies; Assignment – Nomination – Policies Under Trust M.W.P Act, 1974 – Loss of Policies. CLAIM SETTLEMENT; Termination Discharge of Contracts – Claim Settlement under Life Insurance Policies – Maturity claim – Death Claim – Proof of death – Proof of age – Original policy – proof of title. TAX LAWS AND LIFE INSURANCE; Income Tax and Life Insurance: Income – Assesses – Assessment – Previous Year – Assessment year – Categories of Assesseees – Head of Income – Exclusion from Total Income – Exemptions – Deductions from Gross Total Income — Pension Plans – Contribution to pension schemes of Central Govt., – Insurance of Joint Lives – Deferred Annuity Policy – Wealth tax and Life Insurance Policies – Saving in Wealth tax – Service Tax and Life Insurance. Appointment of Life Insurance Agent, Licence etc. Legal Status of Individuals and Life Insurance; Nationality, Domicile Citizenship – Exchange Control Regulations – Issue of policies and collection of premium – Settlement of claims. Nationalisation of Life Insurance ; Life Insurance Corporation Act, 1956 – Valuation. Protection of Interest of Consumers; Consumer Protection Act, 1986 – Consumer in relation to Service – Service Under the Act – “Deficiency” defined – “Unfair Trade Practice” defined – “Restrictive Trade Practices” defined – Manner in Which Complaint is to be Made – The Three Tier system of Redressal of Complaints – Implications of Consumer Protection Act to Life Insurance Industry – Formation of Consumer Protection Councils and its objects – Insurance Ombudsman. Life Insurance Legislation Abroad and Policy Initiatives in India; Insurance Companies Act, 1982 of U.K – Classification of Insurance Business – Authorization by the Secretary of state – Regulation of Insurance business – Authorization – Investment of Life Fund – Life Insurance & Unit Trust Regulatory Organization (LAUTRO) – Fit and Proper Persons – Know your client – Disclosure of Information – The Financial Service Tribunal . Life Insurance Laws in USA – The Distinctive features of Insurance Contracts in U.S.A – Human Life Value – Policy conditions – Interpretation of life assurance contracts – Insurance Agents – Category of Agent – Estoppels Vs Waiver – Government regulation of Insurance in USA – Impact of Supreme Court Decisions – Responsibilities of the State Insurance Depts. – Miscellaneous Insurance laws enforced by the state – Federal laws affecting insurance – Life Insurance Laws in the European Economic community – The Rome Convention – Insurance Contracts – Life Insurance Directives – Competition Rules – Insurance regulation in India — Formation of Insurance regulatory Authority in India. INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY ACT, 1999. Important Sections in IRDA Act, 1999 –Insurance Act, 1938 – Section 42(6) of Insurance Act, 1938 – Section 114A of Insurance Act, 1938 Power of Authority to make regulations – An Annexure Note on the Insurance Act 1938 – Ensuring soundness of the Company – Protection of Interest of Individual policyholder – Insurance amendment Act, 1950 – Effect of the Provisions of the Insurance Act 1938 on LIC of India Act, 1956. Annexure on Important cases decided by the Courts and National Commission.

IC25 LIFE ASSURANCE MANAGEMENT - Year of Edition 2000

(Existing Course of Year of Edition 2000 is Discontinued for fresh Registration.) For Already Registered candidates existing course of Year of Edition 2000 is applicable up to May 2012)

Principles of organization - Different structures. - Office procedures - Handling grievances - Consumer Protection Act. - Office management - Records - Work simplification - forms - control.

IC 26 LIFE ASSURANCE FINANCE- Year of Edition 2011 (Revised)

Elementary Principles of Accounts, Life Insurance Business, Various Types of Insurance Policies (including ULIP policies and Health policies)

Accounting Procedures - Premium Accounting Including ULIP charges. (ULIP Premium Accounting & Health Insurance Accounting)

Accounting Procedures – Disbursements - Including – Free looks, Policy Payment including Claims, (Special emphasis on ULIP Claims) Accounting and Health, Insurance Accounting. Expenses of Management (Special emphasis on ULIP & Health Insurance that require allocation to several heads) Investment (Including investment of ULIP, Pension Group Insurance & Health Insurance Policies). Final Accounts – Revenue Account and Balance sheet as per IRDA Requirements (Policyholders and Shareholders Accounts) . Budget and Budget control. Innovative Concepts in Accounting, Accounting Standard Applicable to Life Insurance Companies, Financial Management Environment in India. (Special emphasis on Capital Markets). Application of Financial Management concept in Insurance Industry, Taxation (Current scenario), Anti-Money Laundering Guidelines & PMLA Act, Compliance with IFRS (Involving broader concepts)

IC 27 HEALTH INSURANCE – Year of edition 2010 (New Course)

INTRODUCTION: Health as an asset—Health systems—Health services: Public/Private;—concept of Health financing —concept of Health insurance- Adverse Selection and Moral Hazard issues in Health insurance. Indian context - Health Financing in India and Health Systems in India.

Health financing models: Concept of Universal Coverage- Social Health Insurance and Tax-Funded Health financing schemes: Government sponsored insurance schemes; Community schemes and Micro Health Insurance. Private Voluntary Health Insurance. Health insurance in USA; UK; Switzerland; Chile; Singapore; Thailand; Brazil; China; Indonesia

Health: Scope of Health Insurance Covers- Individual and Group indemnity plans—Floater Plans- Benefit plans- Critical Illness plans- High Deductible plans- Comprehensive coverage plans- Long term care insurance — Travel Insurance- Micro Health Insurance—Health Insurance plans for Senior Citizens — Disease Management plans- Other Products

Health Insurance Underwriting: — The underwriting process—Risk classification and analysis— Underwriting practices—Principles of group underwriting

Health Insurance Policy Forms and Clauses; The Health Insurance Contract—Proposal forms and questionnaires—Policy form/Schedule—Coverage in hospitalization indemnity products and other major product types—Common Definitions—Common Insuring clauses— Key Policy Conditions— Group policies—customized or tailor-made policies. Cost sharing mechanisms in Health insurance policies. Standardization of key terms and its relevance.

Health Insurance Data, Pricing and Reserving - Importance of Data for Health Insurance- Basic data elements—Data warehousing—Collection and collation of data—Data interpretation—Fundamentals of pricing—Data and pricing models—Role of an actuary—Actuarial techniques—Risk factors and pricing—Claims costs and reserving- ICD-10 Coding System- Data Initiatives in India and the IRDA Data Repository

Regulatory and Legal Aspects of Health Insurance; Provisions of the relevant laws and regulations applicable to Health insurance: Insurance Act, 1938; IRDA Act 1999; File and Use procedure of IRDA; Micro-insurance regulations, TPA Regulations, Other IRDA directions and guidelines on Health Insurance;

Customer Service in Health Insurance; Consumer protection and awareness in the context of Health Insurance—Customer services for Health insurance: Leveraging technology; Grievance Redressal Mechanisms: IRDA-PPI Guidelines, Grievance Cells; Ombudsman; Judicial channels; Servicing senior citizens, Issues related to Standardization of Care and Quality of Care. Regulator's role in Customer protection.

Health Insurance Frauds: Consumer fraud—Intermediary/ employee/hospital/policyholder frauds— Detecting and investigating frauds — Anti-fraud measures.

Role of Insurance Councils in Health Insurance; Life Insurance Council; General Insurance Council. Reinsurance: Health insurance and reinsurance models. Niche products supported by reinsurers.

IC 28 FOUNDATION OF ACTUARIAL SCIENCE (Year of First Edition 2011) (New Course)

Compound Interest, Accumulated Value, Present Value Investment Value, Level Annuities, Variable Annuities, Redemption of Loans, Further Compound Interest and Annuities certain, Probability, Mortality Table, Construction of Mortality Table, Well Known Mortality Tables and Indices for comparison of different mortality tables, Life Assurance Premiums, Assurance Benefits, Net Premium for assurance plans, Net Premium for Annuity Plans, Premium Conversion Tables, Office Premiums, Policy values, Further Life contingencies.

SUBJECT IC 45 GENERAL INSURANCE UNDERWRITING- (Year of edition 2010) (New Course)

Profile of an Underwriter – What is Underwriting – The Objectives of Underwriting – Why Underwriting is Important – The Underwriting Process – Functions of Underwriting – Risk Selection – Classification and Rating – Policy Forms – Retention and Reinsurance – Rate Making – Underwriting Decisions – Policies on a preferred basis – Policies on a Standard Basis - Policies on a substandard basis – Higher premium – Limit Policy benefits – Excluding certain provisions from coverage – Rejecting Proposals – Monitoring Underwriting Decisions Methodology and Procedures of underwriting of new business – scrutiny of the proposal – limit of acceptance – acceptance subject to controlling office approval – acceptance of extra-hazardous risks – acceptance of risks subject to underwriting safeguards – provisional acceptance – issue of policies – underwriting of renewal business principles of ratemaking

making the rate structure – the process of ratemaking – mathematical equations – trended, projected ultimate losses – loading factors – individual risk rating – experience rating – composite rating approaches in pricing class rating – individual or merit rating – schedule rating – experience rating – the objective of experience rating – basis of experience rating – Applicability of experience rating – essentials of experience rating – disadvantages of experience rating methods – exposure rating – illustration – premium workout. file and use regulations filing of rates and policy forms for regulatory review – prior approval – file and use – use and file – flex rating regulations – Indian insurance market – IRDA requirements for consideration and review of products – classification of products Applications of file and use regulations file and use requirement – role of board – underwriting policy – role of moderator – role of compliance officer – Role of Appointed Actuary - Role of Advocate – Internal Technical Audit – Practical Applications of the Guidelines – Product Details – Product Features – Marketing – Underwriting and claims – Actuarial Support – Rates and terms – Documents – Supplementary Information Tools of Underwriting Risk Management Framework – Insurance Documentation – Proposal Form – The Policy Document – Endorsements – The Reinsurance Placement Slip – Insurance Certificates – Cover Note – Renewal Notice – Exclusions – Deductibles – types of Deductibles – Co-Insurance – Reinsurance and Levels of Retention types of Policies Named Perils Policy – All Risk Insurance Cover – Package Policies – Customized Insurance Policies – Special covers – First Loss Policy – Fire Declaration Policy – Fire Floating Policies – Valued Policies Underwriting Profitability and Re-underwriting Strategies Reviewing the Underwriting Policy or Re-underwriting – Underwriting Audit – Review of Claims and Special Events – Conclusion – Protection of Policyholders Interests – Point of Sale – Proposal

for Insurance – Grievance Redressal Procedure – Contents of A General Insurance Policy – Claim Procedures – Policyholders’ Servicing – Mutual Obligations – Policyholder Awareness – Disclosure by Insurers Research and Development in Underwriting, Rating and Product Innovation – challenges Ahead Innovative Rating Programs – Rate Making – Data, Concepts, terminology – Product Innovation I.T. Applications in Underwriting Technology and Underwriting – Underwriting – A Different Perspective – The Current Model of Underwriting

SUBJECT IC 46 GENERAL INSURANCE ACCOUNTS PREPARATION AND REGULATION OF INVESTMENT - (Year of edition 2010 (New Course))

Accounting Scope - Contents - Principles and Standards - Financial Accounting—Meaning and Scope Introduction - Meaning of Accounting - Objectives of Accounting - Functions of Accounting - Limitations of Accounting - Books of Accounts - Accounting Concepts - Principles and Convention; Introduction - Accounting Concepts - Accounting Principles - Accounting Conventions - Accounting Assumptions - Financial Statements - Accounting Standards- Objectives and Interpretation; Introduction - Objectives - Applications & Limitations - Indian Accounting Standard & International Accounting Standard - GAAP and IFRS - Accounting Policies; - Objectives of Accounting Policies - Selection of Accounting Policies - Change in Accounting Policies - Accounting Policies applicable to Non-life Insurance Business - Disclosure of Accounting Policies. Accounting Process - Methods & Control and Finalization of Accounts - Golden Rules of Accounting - Primary Books & Secondary Books - Capital & Revenue Expenditure and Receipts and treatment. - Accounting Methods & Control; - Journals - Cash Book - General Ledger - Trial Balance; Objectives - Rules & Process - Final Accounts.

Depreciation Accounting: Objectives of providing Depreciation - Methods of providing depreciation - Change in method of depreciation - Disposal of Depreciable Assets & Accounting Treatment - Revaluation & impairment of Depreciable Assets -- Bank Reconciliation Statement: Introduction - Importance of BRS - Preparation of BRS - Analysis of BRS and Accounting Control - BRS and Accounting Adjustment Entry for rectification of errors - Introduction to Company Accounts - Introduction - Meaning of Company - Financial Statements in Company - Accounting of Share Capital- Issue - Reissue & Forfeiture - Debenture — Non-life Insurance Business Accounting Methods - Techniques & Process - Accounting Process & Techniques of General Insurance Business; Functional Divisions & Books of Accounts - Premiums; Received - Received in Advance - Outstanding - Earned - Claims; Paid - Incurred & Provisioning (including IBNR & IBNER) - Investments - Un-expired Risk Reserves - Co-insurance - Solvency Margin - Accounting Regulations; Introduction - IRDA Regulations on Insurance Accounts - IRDA Regulations— Applications & Interpretations - IRDA Regulations & Accounting Principles - Preparation & Presentation of Financial Statements; Non-life Insurance Business. Preparation of Financial Statements - Revenue Accounts - Balance Sheets - Profit & Loss Accounts - Cash Flow Statements - Financial Statement Analysis and Disclosures - Management Report.

Reinsurance Accounting: Objectives: proportional & non-proportional arrangements - Requirements of Reinsurance Accounting - Reinsurance Portfolio Statement - Statement of Reinsurance Treaty - Reinsurance Accounting Techniques - Reinsurance Commission & Profit Commission Statement - Investment Accounting - Classification of Investments & exposure norms of investment - Valuation of Investments - Provisioning - Disclosures.

Annual Reports - Disclosures and Audit in General Insurance Business - Annual Reports; Basic Contents of Annual Reports - Contents of Directors Reports - Disclosure in Director’ Report - Interpretation of Directors’ Report - Annual Report & Director’s Responsibility statement. Audit; Introduction; Scope - Concepts and Standards of Audits - Internal Audit & Internal Control - Internal Audit Techniques & procedures in Computerized Environment - Statutory Audit & the Companies Act 1956 (As amended) - Statutory Audit & Auditing and Assurance Standards - Govt. Audit & Statutory Provisions - Special Audit (tax audit - regulatory inspections)

**SUBJECT IC47 (A-1 FOUNDATION OF CASUALTY ACTUARIAL SCIENCE PART-I)
(Year of Edition 2007) for Associateship (Non-Life)**

Introduction - the Actuarial Science - theory and practice - Characteristics of Actuarial Science, - Actuarial education - Actuarial research - insurance risk –rate making-pricing-credibility-reserving-risk theory-definition of risk- types of risk – risk management – risk control – risk financing – risk financing option for an insurer- financial – applications – examples.

Rate making – concept of rate making- basic terminology – rate making process – trended – projected – ultimate losses – expense provisions – profit and contingencies – expense provisions – overall rate indications – classification rates.

Individual risk rating – introduction – goal of individual risk rating – prospective systems – schedule rating – experience rating- composite rating – retrospective rating – designing an individual risk rating system.

Loss reserving – accounting system – claim department reserving – loss reserve definitions – loss reserving principles – loss reserving process – explanatory data analysis – loss reserve estimation methods – paid loss development – incurred loss development – claim count development – average paid claim projection – allocated loss adjustment expenses – unallocated loss adjustment expenses – evaluation of ultimate loss estimates – monitoring result – an actuarial model of loss development.

Risk classification – introduction relationship to other mechanisms – criteria for selecting – rating variables – examples of classification systems –forces affecting classification systems – measures of efficiency – estimating class relativities.

SUBJECT 51 FIRE HAZARD OF SPECIFIC INDUSTRIES (For already Registered candidates Existing course of Year of Edition 2001 is Continued up to May 2012)

The processes, fire hazards and loss prevention measures thereof, relating to the following industries: Cotton ginning and pressing factories and godowns - Textile Industry - Tea Industry - Rubber Industry - Paper Industry - Chemical Industry - Solvent extraction plants - Hydro-Carbon processing industries - Engineering industries - Jute industries.

SUBJECT 52 General FIRE HAZARDS (For already Registered candidates Existing course of Year of Edition 2001 is Continued upto May 2012)

Originating and contributory causes of fire hazards - Fire load – Fire resistance – Fire grading of structures – Hazards arising from construction - Hazards arising out of exposure and height, size - Hazards of air-conditioning and ventilation systems - Air moving equipments, Refuse handling systems and such other services - Hazards of boilers and furnaces - Industrial furnaces/ ovens – Heat transfer and fluid power systems – Internal combustion engines - Nature of combustion, explosion and implosion - Inorganic and organic chemicals and their hazards - Industrial processes – Silent Risks - Hazards of electrical equipment – Power transmission - Hazards of static electricity - Misuse of electricity – Prevention of electrical hazards - Hazards of dangerous atmosphere - Assessment and prevention to fire hazards of substances Spontaneous combustion - Fire protection and detection systems – Management and good housekeeping – Role and functions of LPA and Fire Brigade – Mutual Aid Schemes.

SUBJECT 54 FIRE INSURANCE UNDERWRITING (For already Registered candidates Existing course of Year of Edition 2001 is Continued upto May 2012)

Application of basic principles to fire insurance - Structure of All India Fire Tariff and Rules and Regulations there under - The Standard Fire and Special Perils Policy - Coverage, exclusions and conditions - Add-on covers - Floater policies, Declaration policies, Floater-Declaration policies, Reinstatement Value policies - Insurance of rent and additional expenses for alternate accommodation - Special clauses - Theory of rating - Tariff system of rating - Basic rate, discounts and extra premium - Method of computation of Rate - Fire Insurance documents - Proposal form -

Risk Inspection report - Acceptance-cum-Receipt - Renewal Notice - Cover note - Drafting of policies and endorsements - Calculation of premium - Underwriting - Retention's - Probable Maximum Loss - Reinsurance - Petrochemical Risk - Industrial Risks policy - Mega risks - Fire insurance practice in the U - K - and the U.S.A.

SUBJECT 55 CONSEQUENTIAL LOSS (FIRE) INSURANCE (For already Registered candidates Existing course of Year of Edition 1999 is Continued upto May 2012)

History, evolution and scope - Effects of interruption - Conditions and exclusions - Underwriting - Rating - Forms - Determination of loss - Extensions and additional perils.

SUBJECT 56 FIRE INSURANCE CLAIMS (Year of Edition 2010) (Revised Course)

Principles of Fire Insurance - Utmost Good Faith, Insurable Interest, Indemnity, Subrogation and Contribution - Standard Fire and Special Perils Policy - Coverage - General exclusions - Add-on Covers and related exclusions - Special Clauses applicable to basic cover and Add-on covers. - Conditions and Warranties - Various Fire Warranties - Situations leading to Non-Standard Claims settlements and Ex-gratia settlement and their features

Procedural Aspects - Preparation of Claim Notes - Office procedures relating to claims. Claim Forms- Appointment of Surveyors. Rights - Duties - Duty of the Insured - Onus of proof - Duty of the Insurers after a fire claim - Claims Under Special Policies - Reinstatement Value Policies Local Authority Clause-Declaration Policy - Floating Policy-Impact of 'Omission to Insure Additions, etc.' Clause- types of Losses - Meaning of Indemnity- Extent of indemnity & associated limitations - Meaning of Value and Depreciation - Reinstatement Value, Market Value, Depreciated Value and Book Value in Fire Insurance.

Issues Affecting Claim Amounts - Value of Salvage - underinsurance/pro-rata condition of average - Effects of Contribution - Claims under Concurrent & Non-concurrent Policies. Salvage disposal Procedures - Arbitration Procedures. Process of SURVEY & LOSS ASSESSMENT- Preliminary Survey Report - Final Survey Report- Loss minimization suggestions by the Surveyors- Legal Aspects of FIRE Insurance - Case Laws Related To Fire Material Damage - Doctrine of Proximate cause - Insured Perils/ Excluded Perils/ Extended Perils (add-on covers)- Modifications in 'excluded perils' wordings under the Fire policy- Direct & Indirect Losses - "Without Prejudice" Waiver & Estoppel-Rules of Construction of policy Assignment of Claim Proceeds- Payment by mistake - Frauds in Fire insurance & Fraudulent claims - Case Studies on Complicated claims -Worked out sums for simple & complicated Fire Claims and related question solving - Various Redressal Forums Available in Relation to Fire Insurance Policies - Protection of the Policy Holders' & Other Stake Holders' Interest.

SUBJECT 57 - FIRE & CONSEQUENTIAL LOSS INSURANCE -(Year of edition 2010)

(Revised Course)Application of Basic principles - The Standard Fire and Special Perils Policy - Add On covers- Special Policies - Reinstatement Value - Declaration Policy - Floater Declaration Clause - Fire Hazards - Fire Prevention and Control - Rules and Regulations of Practice - Documents - Proposal Form - Risk Inspection Report - Acceptance cum Receipt - Cover Note - Policy - Endorsement - Renewal Notice - Underwriting Traditional Approach - New Dimensions as per IRDA Regulators - Rating- Retentions and Reinsurance - claims (Legal Aspect) Onus of Proof - Proximate Cause - Warranties - Ex-Gratia Payment - Rules of Interpretation of Policies - Amount of claims Payable - Pro-Rata Average - Salvage - Claims (Procedural Aspects) Claim Form - Survey and Loss Assessment - Consequential Loss Insurance - Basis of Insurance Cover Definitions and Conditions of C. L. Policy - Premium Rating - Extensions and Modifications of Policy - Claims Procedure and Loss Assessment Specialized Policies - Overseas Practice.

SUBJECT 61 CARGO LOSS PREVENTION (For already Registered candidates Existing course of Year of Edition 2000 is Continued upto May 2012)

Types and causes for marine cargo loss. Role of Insurers in cargo loss prevention. Activities and role of L.P.A. (Loss Prevention Association) and IUMI (International Union of Marine Insurers). Packing and Packaging: Progress made in other countries of the world. Various types and methods of packing. Role of Indian Institute of Packaging. Storage of cargo: Factors affecting safety of cargo in storage. Staking methods for bagged cargo, cases, cartons, bales, barrels, drums, C.I. sheets, pipes and bars, etc. Special precautions for storage of hazardous cargo.

Material handling: Safe handling practices for various types of packages and cargo. Road transportation of hazardous substances – Motor Vehicles Act and Rules – Loading and unloading operations and suitability of cargo handling gear, safe working practices and systems.

Common causes of loss/ damage to cargo during inland transit by rail/ road and minimization of losses.- Stowage on board ships: Types of damage cargo can suffer from improper stowage and how this can be avoided through correct preparation of cargo holds to receive various types of cargo. - Unitization and containerization: Major types of losses to which unitized/ container cargo is prone to General stowage rules for safe carriage of unitized cargo – containerization of dangerous cargo – JMDG Code – Multi Modal transportation. - Theft/ Pilferage: - Ports and customs procedures.

SUBJECT 62 COMMERCIAL GEOGRAPHY (For already Registered candidates Existing course of Year of Edition 1999 is Continued upto May 2012)

Scope and relevance to marine insurance. - International trade and factors governing supply and demand. - Study of basic geographical concepts, like the Solar System, Latitudes and Longitudes, sea depth distribution, ocean currents, tides, coral reefs and islands, etc. Earthquakes and volcanic eruptions and areas prone to these catastrophes. - Institute Warranties and their application. - A detailed study of the main sea routes of the world, including Suez and Panama Canal Routes and geographical and commercial factors involved. - Rail and Road Transportation - Coastal trade - Air transport. - The attributes of ports, harbors and hinterlands. Principal ports of the world including a study of conditions in each such port, Geographical location, extent of commercial importance and facilities available for handling and storing cargo etc. - Major principal commodities.

SUBJECT63 MARINE CLAUSES (For already Registered candidates Existing course of Year of Edition 1999 is Continued upto May 2012)

S.G. Form and the New MAR form of the Marine Policy Endorsements Institute of London Underwriters – Technical and Clauses Committee of I.L.U.

Fishing Vessels Clauses. Institute clauses for Hull, freight, and cargo used in the international market – Non-Institute clauses – Institute Standard Conditions for Cargo Contracts Clauses used in India – Sailing Vessels clause - Inland Vessels clause – Trading Warranties. Trade Clauses. Duty and increased value insurance clause - seller's contingency clause - Rejection Insurance Clause. Duty Exemption Scheme - Marine policy form. Special Declaration Policy and Annual Policy for inland Transit - Inland Rail/ Road Transit clause - F.O.B. Shipments - Registered Postal Sendings - Clause for Diamonds and Precious stones exports.

SUBJECT65 MARINE UNDERWRITING(For already Registered candidates Existing course of Year of Edition 1999 is Continued upto May 2012)

Marine insurance market in India and the U.K. - Marine Insurance associations and marine publications. - International and domestic trade - Markets, parties to a contract and role of intermediaries. - Contracts of sale – INCOTERMS. - Finance for trade (Bills of exchange, documentary credits, etc.) - Underwriting documents - Rules of interpretation - Payment of premium - Stamp duties - Exchange control regulations regarding payment of premiums. - Risks and rating factors in Cargo Underwriting. - Types of commodities, methods of packing, stowage and their susceptibility to loss or damage - extraneous risks and their effects on cargo. - Containers, pallets and

multi-modal transport systems and the particular characteristics of these systems. - Common types of vessels including their operating and risk characteristics. - Types of policies to cover ship owner's insurable interests. - Salient features of Institute Time Clauses Hulls (1.10.83). - Hull underwriting and rating. - P & I cover in general. - Types of maritime frauds and precautionary measures for their prevention. - Abbreviations - Shipping, insurance and commercial terms. - New developments in underwriting in the international market.

SUBJECT 66 MARINE INSURANCE CLAIMS (Year of edition 2010 (Revised Course))

Utmost good faith – representations and warranties – Insurable Interest - Indemnity – Subrogation – Contribution – Proximate Cause – Sentimental and Sympathetic damage – Onus of proof of loss – Construction of policy – “Without Prejudice – Lloyd’s Agents – Salvage Association – Classification Societies – Association of Average Adjusters – Loss Prevention Association (LPA). Types of Losses; Actual and Constructive Total Loss (CTL) – CTL when ship is damaged – CTL when goods are damaged – Total Loss (TL) under freight policies – Measure of indemnity for TL – Subrogation & Abandonment – Letter of Subrogation – Particular Average - General Average (GA) - Particular Charges – Sue and Labour Charges – Salvage Charges – Extra Charges – Average Adjusters – Customs of Lloyd’s – Rules of Practice (ROP) of the Association of Average Adjusters – York-Antwerp Rules (YAR), 1974 – Successive Losses – Excess and Franchise. Cargo claims (PART:- 1) – Claims generally and amounts recoverable- Actual total loss – Total loss of part of the cargo – CTL – Salvage Loss – Partial Loss (damaged cargo) – Bonded Price – Trade Losses – Goods accidentally mixed – Increase in weight of commodities . Cargo claims (PART:- 2) Duty Insurance – Increased Value Insurance – Claims under War and Strikes – Claims under Sellers’ Interest Contingency Insurance – Claims on cargo carried by Sailing Vessels and Inland Vessels Claims Documents – Claims Payable Abroad – Appointment of surveyors – Survey Fees – Standard Form of Survey Report (Cargo) - Purposes of survey – Short Packing – Tests for Salt Water . Cargo claims (PART:- 3) Cargo Claims Procedure: (I) when cargo arrives at destination with loss/damage,- Exchange Control Regulations affecting claims– Export procedures – Bill of Entry Form . Cargo claims (PART:- 4) Recoveries under doctrine of abandonment and under subrogation - Duties of the Assured clauses – Claims procedures: Claims settlements on shipments by sea – – TL/CTL claims under Duty and Increased Value insurance - GA claims – Claims settlement on dispatches by Inland Transit: – pilferage and other damages, etc. – Marine Claim Form – RECOVERIES: Law relating to carriage of goods – The Hague –Visby Rules, 1968 – Indian Carriage of Goods by Sea Act, 1925 (as amended) – The Hamburg Rules – Warsaw Convention, 1929 and Indian Carriage of Goods by Air act, 1934. RECOVERIES (continued) Carriage of goods by rail: Indian Railways Act, 1989 – Railway Claims Tribunal Act, 1987 – Rail clearance procedures – Carriage of goods by road: - Carriers Act, 1865 – Clearance procedures of road transits – Multi-model Transportation of Goods Act, 1993 – Liabilities of Port Authorities in India – Postal sending – Recovery from Customs. Claims On Policies of Insurance on Ships; Claims generally and amounts recoverable in respect of total loss, partial loss, general average, etc.- Marine insurance coverages for hull and machinery – Measure of indemnity – successive losses – Notice of claim to Insurers – survey arrangements – removal expenses – Warranties – Policy Deductible- – Dry docking expenses – Gas freeing – Wages & Maintenance – Fuel & Stores – Bottom Treatment – Agency Commission. – Sue and Labour Charges : Ocean-going Vessels, Sailing Vessels, Fishing Vessels, Inland waters Vessels – Hull Surveys. COLLISION LIABILITIES AND FREIGHT CLAIMS “Collision” – How collision liabilities may arise – Three-Fourths Collision Liability Clause – Single and Cross Liabilities – Maritime Conventions Act, 1911 – Limitation of liability – Deductible – Position of cargo owners – Sister-ship Clause – Demurrage – P. & I. Associations - FREIGHT claims: Partial and Total Loss of freight – Valued and unvalued policies on freight – Total or CTL of freight – Documentation of freight claims . General AVERAGE & SALVAGE: Definition and examples of GA – Essential features of GA – York- Antwerp Rules – Average Adjusters – Rules of Practice of the Association of Average Adjusters – Jettison of Cargo – extinguishing fire on shipboard – voluntary stranding, etc.-

Basis of Valuation Repairs – Expenses at Port of Refuge – Amounts made good in GA: Ship, Cargo and Freight – Ship, Cargo and Freight Non-separation Agreement – provision of funds – GA Procedure – Salvage and Salvage Charges – – Examples of Adjustments.

Appendix ‘1’ – Marine Insurance Act, 1963. **Appendix ‘2’** – General Average Security Documents. **Appendix ‘3’** – (a) Measure of Indemnity (Cargo Claims) (b) Brief note on Cargo and Hull Insurance Surveys. (c) Recoveries

SUBJECT IC 67 MARINE INSURANCE -(Year of edition 2010 (Revised Course)

Basic Aspects- Historical Background, Meaning & Scope- Marine Insurance & Trade- Important Institutions - LLOYDS, IUA, IUMU, IMB, FERIT, TAC, GIC, General Insurance Council, Indian Insurance Market, Laws Applicable in India, Marine Insurance Act 1906/ 1963, Salient Features, Major Provisions, Fundamental Principles, Utmost Good Faith, Insurable Interest, Indemnity, Subrogation, Abandonment, Contribution. Proximate Cause - Underwriting, Arranging for Insurance – Proposal Form, Declaration, Premium, Etc., INCOTERMS 2000, Underwriting Factors, Documents, Use of I.T. in Underwriting – Coverage.

Institute Cargo Clauses- Non-Institute Clauses, - Trade and Other Clauses- Inland Clauses - types of covers- Specific, Open, Multi-Transit, Duty, Increased Value, FOB, Export Incentives, Sellers Interest, Stocks Throughput, sales Turnover, Insurance of Empty containers, Shut-out Cargo, Buyers’ Interest, Differential Conditions, Marine Loss of Profits – International Covers – Hull Insurance; Basic principles, types of covers - Underwriting; ITC Hulls 1983, International Hull Clauses 2002 - Marine Insurance claims; Cargo claims Hull claims, GA & Salvage claims, Use of IT in Marine Claims - Recoveries; Principles of Subrogation and Abandonment, Laws Applicable, Other Provisions like Time Limitations, Monetary Aspects Etc., - Marine Insurance & Bankers; Methods of Payments in International Trade, Letter of Credit, L/C & Compliance (in Brief), UCPC 600, Article 28 - Reinsurance, Cargo Loss Prevention, Maritime Frauds & Prevention.

SUBJECT IC 71 AGRICULTURE INSURANCE- (Year of edition 2010 (Revised Course)

Introduction to Indian Agriculture - Situation in India- Role of Agriculture in Indian Economy - Agriculture Research & Network -Agricultural Census- Agricultural Resources -Land records (computerization etc.) Risks in Agriculture - Risks in Agriculture -Changing face of Agricultural Risks in India –Climate change and Agriculture-Managing Agricultural Risks.

Evolution of Crop Insurance in India-individual based crop insurance -Pilot Crop Insurance Scheme (PCIS)-Comprehensive Crop Insurance Scheme(CCIS)- Experimental Crop Insurance Scheme(ECIS)-National Agricultural Insurance Scheme (NAIS)-Farm Income Insurance Scheme (FIIS)-Types of agricultural insurance-Obligations of insurers in rural sector- Crop insurance: Benefits of crop insurance-Crop insurance vs Agricultural relief- Key elements & generic - Considerations in crop insurance design and operations. Crop insurance: National Agricultural Insurance Scheme (NAIS) -Components of NAIS-NAIS - underwriting and claims-Role of yield data in NAIS-Actuarial premium rating in crop insurance-Proposed modifications in NAIS. -Comparison between NAIS and Weather insurance -Weather insurance - underwriting and claims-Role of weather data in Weather insurance- (yield, weather, satellite based crop health, named perils).Traditional crop insurance: Underwriting and Claims-Conceptual framework of traditional crop insurance-Plantation/ Horticulture insurance schemes-Traditional crop insurance - Underwriting and Claims-Premium rating in crop insurance- Agriculture insurance in other countries-Global outlook: - Agriculture insurance in important countries (US, Canada, Spain, Japan, Italy, Sri Lanka, Mexico etc.)-Role of global multi-Lateral financial institutions in promoting index based crop insurance scheme (World bank, World food program, etc.)-Problems associated with crop insurance. livestock wealth in Indian economy (Importance of livestock production in rural India; Potential markets for dairy and poultry products; National dairy development board; Military dairy farms; Government’s efforts to promote livestock production, etc.) Types of cattle & buffaloes-Cattle and buffalo breeds- Important cattle and buffalo breeding/farms in India -Common diseases- Valuation

of cattle-Cattle markets and cattle shows-Effect of climate on cattle/ buffaloes-Livestock census. Cattle insurance in India -History of cattle insurance-Cattle insurance policy –New livestock insurance schemes promoted by Central government, etc, -Cattle insurance policy – Loss assessment & settlement, Loss minimization, Methods of identification of cattle – Various methods including micro-chip identification – types, price, , advantages and disadvantages, etc, -Weather index based livestock insurance of Mongolia. poultry insurance in India- History of poultry insurance-Poultry insurance policy – Scheme and non-scheme, Market agreement, High-tech farms & fully environmental control farms, etc,-Poultry insurance policy – Underwriting, loss assessment & settlement, Loss minimization, latest industry claim ratios, etc, Miscellaneous agriculture insurance schemes- Insurance of pigs, sheep, goats, camels, silkworm, honey bee, aquaculture, etc.-New central insurance schemes for sheep & goats sponsored by central wool board-bio-gas, Animal driven cart, Kalihan insurance, Farmers’ package insurance policy, etc.- Agricultural pump-Set insurance-personal accident insurance covers – JPA, Gap, State government sponsored group insurance schemes, etc, Agriculture reinsurance - Need for agriculture reinsurance - Various reinsurance techniques used for agriculture sector-Agriculture reinsurance – Indian scenario-Global agriculture reinsurance status-Government as ‘reinsurer of last resort’

SUBJECT IC72 MOTOR INSURANCE -(Year of edition 2010 (Revised Course)

Application of basic principles – Types of motor vehicles- private cars, motor cycle/ scooters, commercial vehicles, trailers, miscellaneous and specific types of vehicles- Legal aspects- Motor vehicles act 1939-

Motor vehicles act1988- Requirements for compulsory third party insurance certificate of insurance – Liability without fault – Compensation on structure formula basis- “Hit and Run” Accidents Solatium fund –

Motor accident claims tribunals – Lok nayalaya- Jald rahat yojana- International practice in third party insurance. types of motor policies – Liability only and package policies and coverages there under- Policy conditions – Motor trade policies-

Motor insurance practice- Rules and regulations- Add on covers- Documents- Proposal form - Certificate of insurance and cover note- Policy forms – Endorsements and renewal notice-

Underwriting and rating – No claim discount- Insurance and road safety- Claim (own damage) Documents and procedures- Types of losses – Claims (third party liability) – Legal and procedural aspects- Control of frauds-

Motor third party pool- Objectives and procedures-

I.T Applications in motor insurance – Role of TAC as data depository.

SUBJECT 73 - PERSONAL ACCIDENT, SICKNESS AND MISCELLANEOUS INSURANCE (For already Registered candidates Existing course of Year of Edition 1999 is Continued up to May 2012)

Personal Accident Insurance - Basic Principles - Coverage and Benefits - Provisos and Exclusions - Rating - Extensions - Discounts - Claims procedures - Group policies. Mediclaim - Benefits - Exclusions - Discounts - Conditions - Group - Claims - Cancer policy - Deferred mediclaim. - Overseas medical - Benefits and conditions - Exclusions - Overseas practice. - Anatomy and physiology - Types - Burglary - Scope - Exclusions - Extensions - Underwriting - Survey - Claims. - Baggage - Underwriting - Claims. - Money in transit - Exclusions - Conditions - Extensions - Underwriting. - Fidelity guarantee - Coverage - Types - Conditions - Underwriting - Investigation. - Court Bonds - Liquidator and Receivership Bonds - Government bonds. - Banker's Blanket and Jewellers Block policies - Exclusions - Conditions - Rating - Claims. - Other miscellaneous policies - Pedal cycle - Plate glass - Special contingency - Missing documents - Neon sign - Blood stock (Horse) - Pet dog - Sports - Television - Shopkeepers - Householders – Multi peril for LPG (Gas) dealers - Doctors package - Office protection - Adhikari Suraksha Kavach - Suhana Safar.

SUBJECT IC74 LIABILITY INSURANCE –Year of edition 2011 (Revised Course)

Introduction, Legal Back ground, Liability Underwriting, Statutory liability- General Public liability Product liability, Professional indemnities - Commercial General Liability (CGL),Directors & Officers (d & o) Liability insurance, Other policies and overseas practices, Claims, Reinsurance.

SUBJECT IC 77 ENGINEERING INSURANCE-(Year of edition 2010 (Revised Course)

Section-I The engineering insurance business - Development of engineering insurance and relevant legislation - Historical background and development of engineering insurance internationally and in the Indian Market.Statutes & Regulations that affect conductance of business in India. - Classes of business covered, Special characteristics, Principles and practices of engineering insurance description of and hazards associated with plant and machinery commonly found in all types of industries. Description of processes in and hazards associated with, plant and machinery used in major industries.

Section-II - The project stages, The works contract & Other contracts contractor's all risks insurance - Erection all risks, Marine-Cum-Erection & Contract Works Insurance, Contractor's Plant & Machinery Insurance, Advance loss of profits/ Delay in start-up insurance, Tariff endorsements including supplementary covers for car/ear, Information required for framing construction phase insurance program for a project.

Section III - Operational phase insurances of machinery insurance, Boiler & pressure plant insurance machinery loss of profits insurance, Electronic equipment insurance, Other annual policies in the engineering department

Section IV - Other related topics reinsurance in India – Pre & Post Nationalisation & Liberalisation, Statutory cessions, Functions of reinsurance, Types & methods of reinsurance, Reinsurance program, reinsurance aspects of engineering insurance. Risk Management, Risk inspections & loss prevention

SUBJECT IC78 MISCELLANEOUS INSURANCE -(Year of edition 2010 (Revised Course)

Personal Accident Insurance- Introduction, Principles affecting Personal Accident Insurance, Basic Coverage, Additional Benefits, Exclusions, Conditions, Underwriting considerations, Rating, Claims procedure, Legal Aspects of Personal Accident Insurance, Group Personal Accident Insurance, Different Types of Personal Accident Insurance. Eg, Traffic Accident, Gramin PA, Janta PA, Amartya Shiksha- Student Safety etc. Introduction to Health Insurance. Burglary Insurance Introduction, Different IPC Sections and their relevance to our Policy, Coverage, Exclusions, Conditions, Extensions, Underwriting Considerations, Rating Pattern, Claims Procedure, Types of Burglary Covers, Different kinds of policies covering burglary risk e.g. Baggage Insurance, Laptop Insurance, All risk Insurance etc, Present day market scenario and demands (Elaborate), Health Insurance Money Insurance- Introduction, coverages, Special features, Exclusions, Conditions, Underwriting considerations, Rating Pattern, Claims Procedure. Fidelity Insurance Introduction, Coverages, Exclusions, Conditions, Underwriting Considerations, Rating Pattern, Claims Procedure, kinds of policies like collective, Individual, Blanket, Court and Government Bonds

Bankers Indemnity and Jewelers Block Insurance Introduction, Coverages, Exclusions, Conditions, Special features, Underwriting Considerations, Rating pattern, Claims procedure, Other Miscellaneous Insurances Pedal Cycle Insurance, Plate glass insurance, Neon sign Insurance, Missing documents indemnity, Restoration of documents cover, Blood Stock (Horse) Insurance, Pet Dog Insurance, Sports Insurance, etc.

Package covers- Shopkeepers Package, (evolution and present status), House Holders Package, Office Umbrella, Doctors Package, and Package Policies for Credit societies. Event Insurances Matches, Weddings, Sports and Entertainment events the latest requirement and covers. Contemporary covers and Product Development for the current market Kidnap and Ransom covers, Intellectual Property Rights insurance, Key Man Insurance, E-Commerce Insurances etc. What are the aspects to be kept in mind while developing an insurance product and how to convert an idea or a want into a concrete foolproof coverage. Rural Insurances Kinds of Coverages available/Required

(Cattle, Poultry, Goat Sheep, Horticulture APS, animal Drawn Vehicle etc etc.), IRDA Regulations on rural insurances, Government Role, NGOs and Agents Role, Underwriting, Rating, Claims Servicing, Reinsurance.

SUBJECT79 LIABILITY AND ENGINEERING INSURANCE (For already Registered candidates existing course of Year of Edition 1999 is Continued upto May 2012)

Scope of liability insurance - Application of basic principles - Onus of proof - Damages. - Legal aspects - Common Law and statutory liabilities - compulsory public liability - Insurance Act - National Environment Tribunal Act - Workmen's Compensation Act. - Scope of cover, rating, underwriting and claims processing - Policy Public Liability (industrial/ non-industrial risks) - Products liability - Directors and Officers Liability. - Workmen's compensation policy. - Reinsurance in engineering and liability insurance. - Scope of engineering insurance - application of basic principles. - Scope of cover, rating, underwriting and claims processing under various engineering policies - Erection All risks - Marine-cum-Erection - Contractors All Risks - Contractors plant and machinery - Boiler and pressure plant - machinery breakdown - Loss of profits - Cold storages - Electronic equipment - Surveys and Risk inspection.

FELLOWSHIP EXAMINATION

(Students are advised to learn from contemporary publications and be aware of the changes in the insurance industry. Upto 25% of questions may be asked from outside the Study Course duration of Exam of Fellowship is 3.00 hours.)

SUBJECT 81 MATHEMATICAL BASIS OF LIFE ASSURANCE - Year of Edition 1991

Elements of compound interest, accumulated value and present value-nominal and effective rates of interest – immediate annuities certain and deferred annuities certain – perpetuities – functions included in compound interest tables and their uses.

Redemption of loans – Sinking funds – average interest yield on the fund of a life office. Elementary theory of profitability – mortality table – concept of stationary population – expectation of life – select rates.

General nature construction, characteristics and uses of mortality tables, mortality of Indian assured lives - Premiums – General principles – natural premiums – level premiums – net premiums – office premiums – loading for expenses with profit and without profit premiums – adequacy of premiums and relative consistency – use of commutation function in finding values of premiums and assurance benefits.

Life office valuations – general principles – policy values – retrospective and prospective methods of valuation of liabilities – different methods of valuation – concept of estate and trading profit special reserves and adjustments in the valuation – sources of surplus – methods of distribution of surplus.

SUBJECT 82 STATISTICS - Year of Edition – 2011 (Revised)

Introduction to Statistics: Basic Concepts – Historical Perspective – Vital Statistics – Descriptive Statistics – Inductive Statistics – Quantitative Data — Variable – Errors in Approximation – Causes - Applications to Insurance. Presentation of Data: Primary Data – Secondary Data– Frequency Distribution – Sorting of Data – Frequencies — Pie Chart – Histogram – Frequency Polygon – Cumulative Frequency Curve . Frequency Curves: Normal Frequency Curve or Normal Curve of Error – Frequency Curve corresponding to Histogram – Frequency Polygon – Linear Relationship.

Measures of Location and Dispersion: Averages — Summation Notations Arithmetic Mean – Calculation of Median –Mode -Geometric Mean –Mid-Point —Range –Absolute Deviation (M.A.D.) – Variance (V) and Standard Deviation (S.D.) .Theory of Sampling: Population- Census – Sampling. Theory of Probability: Relative Frequency Definition of Probability – Experiment, Outcome, Sample Space, and Event .Probability Distributions: Types of Probability Distribution – Cumulative Density Function - Measures of Variability — Proportion of Success –Characteristics of the Poisson Process . Estimation:– Point Estimates –Sampling Distribution – Significance of Distribution of Sample Mean —Law of Large Numbers -Square Distribution – Cost versus Reliability. Testing of Hypothesis: Two-Action Decision Problems –Decision Rule — β Probability in Lower Tail and Upper Tail –Power Curve –Testing by ‘t’ Statistics . Analysis of Variance: Variance Estimate – Splitting the Square Deviation into Components – Testing of Null Hypothesis – General Application of ANOVA – Simplification of Computations of Total Sum Square , Treatment Sum Square, and Error Mean Square .Linear Regression and Correlation: Uni-Variate Population – Bi-Variate Population– Mathematical Function of Linear Relationship – Spurious Correlation Time Series: Functional Relationship Between the Components – Secular Trend –Method of Semi-Averages – Method of Least Squares – Trend - Variations (Randomness) – Forecasting.

Index Numbers: Purpose and Use of Index Numbers – Method of Computing Index Numbers – Average Price Index – Weighted Price Index (Laspeyres’ Approach) – Weighted Price Index (Paasche’s Approach) – Price Index. Multiple Regression and Correlation: Determination of a Value of Interception (β_0) and Slope of the Regression Line (β_i) – Coefficient of Determination (ρ^2) - Regression . Risk Measurement and Law of Average Numbers: Probability Distribution of a Sum

of Random Variables – Mean and Variance of a Distribution of a Sum of Random Variables – The Law of Large Numbers – Types of Portfolios – The Law of Large Hypothetical Examples. Non-Parametric Methods: Power Efficiency ($1 - \beta$) – Chi-Square Test of Test for a Normal Distribution with μ and σ Estimated – Kolmogorov Smirnov Goodness of Fit Test (K-S Test) – Procedure to Conduct the Test . Statistical Tables: Distribution - Correction Factors — Kolmogorov Smirnov Test with Parameters – K-S Test with Estimated Parameters – R-Distribution Sign Test– Common Log and Anti-Log

SUBJECT 83 GROUP INSURANCE AND RETIREMENT BENEFIT SCHEMES (Year of Edition 1986 is Continued)

Historical background to employee benefits in India – Provident funds, Superannuation and Gratuity Schemes.

Group Insurance Schemes – Segments of group schemes market – Origin and development of group schemes characteristics of groups – group underwriting, rate making and experience rating adjustment.

Gratuity and Superannuation Schemes – Different ways of arranging schemes – Un funded schemes and funded schemes – Trustee administered and insured schemes – methods of costing past service benefits and future service benefits – annual premium and single premium – method of costing, definite funding and indefinite funding and controlled funding, methods – cash accumulation system of securing gratuity and pension benefits determination of contribution – rates under gratuity and benefit purchase superannuation schemes. Legal aspects and taxation treatment of retirement provisions under provident, gratuity and superannuation funds – Documentation of Trust deeds and Rules. Data processing and Group Schemes.

SUBJECT 84/A-2 FOUNDATION OF CASUALTY ACTUARIAL SCIENCE A-2 – 2007

Reinsurance - what is reinsurance- the foundation of reinsurance – forms of reinsurance – the cost of reinsurance to the cedant – the reinsurer's margin – reinsurance pricing method – formula – thirteen step programme to reinsurance pricing – facultative certificates – property certificates – casualty certificates – the role of actuary – reinsurance treaties – monitoring and testing predictions – reinsurance loss reserving.

Credibility – classical credibility – least squares credibility – Bayesian analysis – conjugate priors – practical issues – solutions.

Investigation issues in property liability insurance – investment income – investment and tax strategies – rate return measures – impact of investment income on pricing.

Special issues – valuing an insurance company – operating an insurance company – regulating an insurance company.

SUBJECT IC85 REINSURANCE MANAGEMENT - (Year of edition 2010 (Revised Course)

Introduction – Nature of reinsurance - Brief historical background - Functions of reinsurance forms of reinsurance - Facultative and Treaty - Methods of reinsurance proportional – Surplus, - Quota share -FAC obligatory commission non-proportional - Stop loss/ aggregate excess of loss- Cost/rating, Law relating to reinsurance contracts- Fundamentals of contract law as applicable to reinsurance - Reinsurance contract wordings- Common clauses in reinsurance contracts- Certain special clauses- Reinsurance documentation – Slip – Cover note – Agreement certain special clauses. retentions- Setting retentions – General considerations - Common factors that influence retention - special factors for - Property reinsurance - Accident/ liability reinsurance - Marine and aviation reinsurance - Basics of life reinsurance. reinsurance programme – Designing - Programme design – Analyzing reinsurance needs- Needs based on business strategy – Financial needs- needs based on management style and attitude- Construction of reinsurance programme - Reinsurance – Distributing the programme arrangements-negotiation and placement of reinsurance – Direct - Direct placement- Placement through intermediaries- Advantages and disadvantages of direct placement and dealing

through intermediaries. reinsurance accounting- Special nature of reinsurance accounts- Taxation aspects- Exchange control regulations. Reinsurance markets - Special characteristics of certain important markets- Lloyd's-reinsurance exchanges- Pools. Reinsurance financial security- Importance - Managing re-insurer security- Selecting re-insurers- Establishing criteria for security evaluation- Financial strength ratings- Major rating agencies. Alternatives to reinsurance - New forms of reinsurance - Finite risk/ Financial reinsurance - Reinsurance futures- Securitization of reinsurance contracts- New markets- Impact of captives and high self retention. Inward reinsurance business- Need for inward business- Objectives - Business strategy- Retrocession arrangements- Reciprocal trading. Importance of statistics in reinsurance - Gathering and analysing statistics- Use of communication and information technology- Organisation of reinsurance department **appendices:** IRDA regulations - Life reinsurance - General reinsurance - Specimen reinsurance slip wording- Calculation of solvency margin – Life business- Calculation of solvency margin – Non-life business - Glossary of reinsurance terms - Credit rating – Definitions.

SUBJECT IC-86 RISK MANAGEMENT (Year of edition 2011 (Revised course)

a) Theoretical aspects of risk management: Risk concepts, Risk and uncertainty, Risks classification – Approaches & Philosophy, Risk categorisation, Risk possibilities, Cost of risk, Formal system of risk threats – Contributory factors, Measures for economic control, Basic components of the risk management system, Risk management definitions, Risk management process & administration, Possible contributions of risk management to a business, Potential benefits of risk management to a business, Risk manager – Role, Functions and Duties, Risk management techniques, Risk identification – Approaches and Techniques, Risk control, Loss control management, Risk financing & Transfer mechanisms, Risk retention, Risk management policy – Objectives & Implementation strategies, Key risk management tasks, Risks profiling & risk audits,. Monitoring & control – Objectives, Timings & methodology, Practical problems of risk management,. Tools of risk management – Nature & selection, Risk analysis methodologies – Qualitative & Quantitative approaches, Concepts and Significance of PML as a risk management tool, Enterprise risk management – Approaches and Methodologies, Multinational risk exposures & their treatment, Global risk management issues in perspective, Project risk management, Disaster/ Emergency management & recovery plans, Role & contributions of insurers, Re-insurers and Other service providers,

b) Practical aspects of risk management application: Asset exposure analysis, Fire loss control approaches – Pre event, During event & Post event,. Trend analysis from study of losses, Techniques for handling commercial risks,. Health & safety – Important steps in risk assessment, Common equipment risks, Management of liability loss exposures – Public & product liability, Pollution risk management, Theft & frauds exposure assessment techniques, Road accident risk control approach, Warehouse risk control, Political risks, Terrorism risks. Typical hazards & their control relating to hazardous materials – Transport& handling, Risk Characteristics & underwriting control approach for major civil construction project, Risk management for profits protection.

C) Various flow charts, Checklists, Diagrams Etc.

SUBJECT 87 LAW AND ECONOMICS OF INSURANCE (Year of Edition 1988 is Continued upto Oct. 2012)

Law – The principles of the law of contract (India Contract Act, 1872) – Ingredients of a valid contract – Modes of discharge of contracts – Contracts of indemnity and guarantee – Bailment – Assignments – Law of agency – Law of arbitration – application to Insurance. Laws regulating insurance business – Life Insurance Corporation Act, 1956 – General Insurance Business Nationalization Act, 1972 – Insurance Act, 1938.

Economic – Economic Analysis – Concept of equilibrium – Resource allocation – Concepts of supply and demand – Theory of production – Analysis of costs – Theory of distribution –

Equilibrium price under different market structures – non-price competition – Application to insurance. Concept of social control and nationalization – Economics of public enterprise and insurance, Monopolies and Restrictive Trade Practices Legislation.

SUBJECT 88 MARKETING AND PUBLIC RELATIONS (Year of Edition 2001)

Introduction to Insurance - Basic Principles of the insurance business - Life/Non-Life/Pensions/Health - Place in Economy, Support to Government - History and Growth, Size - Contribution to GDP/social Security/savings/investments - Global/Indian - New Developments – Blurring of boundaries.

Introduction to Marketing - Concepts, Tasks - Definition - Difference from sales/product orientations - Marketing Orientation & Mix - Segmentation, Research - Strategies, Planning Audit - Life Cycle, Positioning, Branding - Transaction vs. Relationship marketing (Loyalty building) - Positioning, - Brand building, Premium price.

Consumer Behavior - Needs, Wants & Demands -Unique - Before, During and After purchase - Strife towards Individuality (fashion) Similarity (Conformity) - Buying decision process Search for options - Perception, Strokes, Dissonance - Rationality in decision making - Insurance Consumers - Who decides, Individual vs Group - Level of involvement in decision cf. Risk in decision.

Introduction to Services - Characteristics and Problems - Additional Ingredients in the Mix.

Quality in Services - Levels of Quality, Costs, Elements - Gaps to Manage, Responsibility - Moments of Truth - Check Lists, Monitoring, Measuring - Structures, Tools, Complaints.

Strategies for Insurance - Product - Research - Pricing - Distribution - Promotion - Physical factors.

The People Factor - Criticality (Determinant of quality) - Training - Empowerment - Reward Systems.

Rural markets - Profile of the market (Size, significance, Importance) - Difficulties (Logistics, Linkages, Malpractices) - Economics.

Consumerism and Ethics.

SUBJECT 89 – MANAGEMENT ACCOUNTING – (Year of edition-2001).

Accounting:- Basic Principles of Accounts - Manufacturing & Insured Business - Insurance Act, 1938 - Final Accounts - Life & General Insurance Business - Revenue Account & Balance Sheet - Terms - Format - Adjustments - Provisions - Reserves - Problems.

Management Accounting:- Definitions - Comparisons with Financial Accounting - Ratio Analysis - Kinds - Advantages and Limitations - Problems - Usefulness of Ratio Analysis of Life & General Insurance Business - Problems.

Budget and Budgetary Control:- General Terms - Advantages & Limitations - Preparation - Control in Insurance Business - Planning.

Cash Flow - Funds Flow:- Working Capital - Analysis - Advantages - Changes in Working Capital - Problems.

Cost Accounting:- General Terms - Definitions - Various Methods of Costing - Advantages & Limitations - Classification of Costing. Reconciliation of Costing and Financial Results.

Standard Costing:- Definition - Setting of Standards & Comparison with Actuals - Variance Analysis - Material - Labour - Fixed & Variable overheads - Problems - Standard Costing and Budgetary Control - Application to Insurance Provisions.

Marginal Costing:- Concepts - Contribution - Breakeven Point - PV Ratio - Advantages & Limitations of Break even Analysis - Problems.

Management Information System:- Concepts - Importance - Usefulness of Reports - Audit - Types - Internal, Statutory - Cost - Management Audits - Computers. Importance - Usefulness to Industry and Insurance Business.

SUBJECT 90 – HUMAN RESOURCE MANAGEMENT – (Year of Edition -2000)

Evolution & Development of Management & concomitant implication for people at work.

Different Management Approaches:- Max Weber's ideal Bureaucracy - Taylor's Scientific Management Movement - Administration Theory - Human Relations Approach, System Approach and the Contingency Approach. Comments regarding approach towards people at work for each Management Approach.

Management Function:- Planning - Organizing - Line & Staff concepts - Authority - Decentralization - Delegation - Differentiation & Specialization.

Management Practices:- Role of Manager - Concept of work - Sources & Extent of Authority - Responsibility & Accountability.

Some Management Processes:- Decision Making - Leadership styles, Job Attitudes - Groups & Group Dynamics, Managing Planned Change - Overcoming resistance to change.

Human Resources Management:- Personnel Management A traditional view of Managing Human Resources - Overview & functions Man-power planning - Job Analysis - Recruitment - Selection - Induction & Placement - Training & Development - Appraisal - Counseling.

Other Personnel Functions:- Wage Administration, Industrial Relations - Disciplinary Procedure - Personnel Research Human Resource Management - Emerging thoughts & concepts since Eighties - Settle differences between Traditional & Emerging views & practices.

International Human Resource Management (IHRM):- Specific issues involved in Managing Human Resources for businesses across the National Boundaries, like - Culture, Compensation, Communication, Competence & Co-ordination - IHRM - Issues related to impact on domestic competitors.

Management & Society:- Management and the public - Quality of life - Social Responsibility.

SUBJECT 92 – ACTUARIAL ASPECTS OF PRODUCT DEVELOPMENT- 2011

What is a product?, Why design of Product is Important ?, Pricing of Product-1, Types of Insurance Products –Individual, Pricing of Products – 2, Types of Insurance Products – Group, Premium bases – Interest rate, Premium bases – Mortality and Morbidity rates, Premium Bases – commission rates, Premium bases – Expense rates, Reinsurance Support, Financial Viability –Profit Margin and Solvency Margin, Conclusion, References, ANNEXURE I: Specimen Policy document, etc, Specimen Proposal for Group Contract etc, IRDA File and use procedure.

SUBJECT 97 – LEGAL ASPECTS OF INDUSTRIAL RELATIONS (Year 1986 Edition is Continued upto Oct. 2012)

Background of Labour Laws – Sources of Industrial Laws – Constitutional provisions – Prerogative Writs – Social Justice – Natural Justice - –Industrial Disputes Act, 1947 –Definition of certain terms – ‘Industrial Dispute’ – ‘Industry’ – ‘Workman’ – ‘Employer’ – ‘Wages’ – ‘Appropriate Government’ - – Distinction between Individual dispute and Industrial dispute - Authorities under the Act - – Works Committee - Grievance Settlement Authority - Conciliation - Procedure and Power of conciliation and conciliation Officers, Boards, Court and Tribunal - Boards of Conciliation - Labour Courts - Industrial Tribunals and National Tribunals - Reference of Dispute to various authorities - Representation of parties -

Awards and settlements - Notice of change-conditions of service to remain unchanged during tendency of proceedings - Suspension - -Strike-Lockout and lay off – Retrenchment-Transfer and closure of undertakings - Offences under the Act-Recovery of money due from an employer- Jurisdiction of Courts - Unfair Labour practices-Shops and Establishments Act-Applicability of the Act - Registration of Establishment-Hours of Work-Rest interval – Weekly holiday – leave - Application of other Acts to shops and establishments- Workmens Compensation Act, 1923 - Definition of Workman and wages-Employers liability for compensation - Payment of Wages Act, 1936-Objective and scheme of the Act-Definition of ‘wages’ - Trade Unions Act, 1926-Scope and objects of the Act-Regulations and trade unions - Trade disputes and ‘Industrial disputes’- Payment of Gratuity Act, 1972 - Objects of the Act - Payment of gratuity - Determination of amount of

gratuity – Nomination for gratuity payment - Industrial Dispute Act, 1947-Workmen's Compensation Act, 1923 - Trade Unions Act,1926- Payments of Gratuity Act, 1972-Shops and Establishments Act-Payment of wages Act, 1936 .

SUBJECT 98 – ADVANCED INFORMATION TECHNOLOGY (YEAR OF EDITION 2005)

Computer Hardware – Commercial – Personal – Laptop – Network Computers – Multimedia
Operating Systems – DOS – Windows 98 – Unix – Office Productivity Packages – Word Processors
– Spreadsheets – Presentation – Dbase – Personal Organizer; Programming Languages – C –
COBOL – RPG – Basic – FORTRAN – Others; Languages for GUI – C++ - Visual Basic – Power
Builder – Motif – Visualage - Object Oriented Analysis and Design – OO Methodologies – Rapid
Application Development Relational Database – DB2 – Oracle – Informix – Sybase – Database
Administration - Network – LAN – MAN – WAN - Network Backbone Alternatives; Network
Protocols – TCP/IP – ATM – ISDN – SNMP – Software Application Architectures – Mainframe –
Client/ Server – Two Tier C/S - Three Tier C/S- Transaction Processing – Batch Processing – On-
line Transaction Processing (OLTP) – OLTP applications in Insurance Industry-Application
Software Development – Need analysis, requirements and functional specification analysis, and
design analysis – Structured System Analysis and Design – Methodologies – Project Management
Processors – Massively Parallel Processors (MPP) Business Intelligence Applications – Data
Warehouse – Data Marts – – Statistical Analysis – Multidimensional Analysis (OLAP) – Data
Mining for Knowledge Discovery. Business Intelligence Applications in Insurance Industry –
Introduction to ERP (Employee Resource Planning) – Packages like SAP, BAAN, Peoplesoft etc.
Document Imaging and Management – Software Packages – Computer Output to Laser Disk
(C.O.L.D) – Document Imaging products. Web Technology – Languages for Web – HTML – JAVA
– JAVA Script – Others – Internet – Intranet – Extranet – E-mail – File transfer (FTP) – Telnet –
Web Page creation and maintenance – Internet Marketing – E-commerce-.
Data Integration Standards in Insurance Industry – EDI – ACORD's Olife standard.....object
standard for data integration – Origo standards -Training Modes and Media – CBT – Multimedia –
Multimedia Applications- IT Role in Marketing - Security Issues - Audit of Data Creation,
Maintenance and Transaction Processing.

SUBJECT 99 – ASSET MANAGEMENT (Year of Edition -2005)

Introduction – Importance of asset management for various organizations
Risk return relationship – Expected rate of return – Kinds of risk – Trade-off between risk and return
Securities – Money market securities – bonds and debentures – Equity shares – convertible securities
– Primary market – Secondary market – Stock exchanges – Over the counter (OTC) markets –
Market Indexes – Construction of an index – Arbitrage
Construction of portfolio – Diversification – Portfolio analysis – Asset allocation and portfolio
design – Markovitz diversification – Capital asset pricing model (CAPM)
Equity valuation – Fundamental analysis – Capitalizing earnings – Price-earnings (PE) ratio –
Economy, industry and firm – Charting and technical analysis
Bond valuation – Market interest rates – Yield spreads – Yield to maturity – Yield curve – Interest
rate swaps and bond swaps – spot and forward rates – Interest rate risk
Mutual Funds – Benefits of diversification – advantages of liquidity – Investor needs and investment
objectives – Sectoral funds
Evaluation of portfolio performance - Derivatives – Futures and options – Index futures – puts and
calls – Applications of derivatives – Hedging and speculation
Regulation of asset management – Regulation of foreign exchange and money markets by RBI –
Regulation of capital market by SEBI – Regulation of insurance sector by IRDA

CERTIFICATE IN INSURANCE SALESMANSHIP

SUBJECT 30 PRACTICE OF LIFE ASSURANCE (Life Branch)-2010

Life Insurance Organisation – Important Activities, The Indian Context, Internal Organisation, The Distribution System, Appointment of Agent, Functions of Agents, Remuneration to Agents, Trends in Distribution Channels.

Plans of Life Insurance – Need Levels, Basic Elements, Some Popular Plans, Limited Payment Plans, Participating Policies, Convertible Plans, Joint Life Policies, Children’s Plans, Educational Annuity Plans, Variable Insurance Plans, Riders, For the Handicapped, Miscellaneous.

Annuities – Nature of Annuities, Types.

Group Insurance – Nature of Group Insurance, Types, Group Gratuity Schemes Ways of meeting Gratuity Liability, Group Superannuation Schemes, Other Group Schemes, Social Security Schemes. Other Special Need plan – Industrial Life Insurance, Salary Saving Schemes, Additional Benefits Married Women’s Property Act.

Application & Acceptance – Principal of Utmost Good Faith, Insurable Interest, Prospectus, Proposal Forms & other related documents. Medical Examination Age proof, Special reports, Specimens of Proposal, Medical report.

Policy document – Need and Format, Policy Preamble, Schedule, Attestation, Conditions and Privileges, Alteration, Duplicate Policy, Specimen of policy document.

Premium payment lapse and revival – Premium, Surrender Values, Non-Forfeiture Options, Revival. Assignment Nomination Loans, Surrenders, Foreclosure – Assignment, Nomination, Loan and Surrenders, Foreclosure.

Policy Claims – Maturity claims, Survival Benefits, Death Claims, Claim concession, Presumption of Death, Accident Benefit and Disability Benefit, Post-maturity options, Settlement options, Valuation and Surplus.

Miscellaneous – Reinsurance, Exchange Control Regulations, Consumer Protection Act, Ombudsman, Information Technology, IRDA Regulations.

Note: There will be 3 objective type of questions. Out of 10 questions, candidate is expected to attempt 8 questions only.

SUBJECT 32 – PRACTICE OF GENERAL INSURANCE (GENERAL BRANCH)-2010

Insurance Legislation – The Insurance Act, 1938 – General Insurance Business (Nationalisation) Act, 1972 – IRDA – Amendment of Insurance Act – The Insurance (Amendment) Act, 2002, Motor Vehicles Act – 1988 – The Inland Steam – Vessels (Amendment) Act, 1977 – Marine Insurance Act, 1963 – The Carriage of Goods by Sea Act – 1925, The Merchant Shipping Act, 1958 – The Bill of Lading Act – 1855, The Carriage by Air Act 1972, Workmen’s Compensation Act, 1923 – Employees State Insurance Act, 1948 – Public Liability Insurance Act, 1991 – The Indian Stamp Act, 1899 – Marine Claims – Overseas Medical Insurance – Reinsurance – Consumer Protection Act, 1986 – Insurance Ombudsman.

The Insurance Market – Corporate Agents – Broker – Function of Insurance Broker – Tariff Advisory Committee – Insurance Forms – Proposal of Insurance – Cover Notes – Motor Vehicles Act, 1988 – Fire & Marine Coverage – Standard Policies – Reinstatement Value Policies – Declaration Policy – Floating Policy – Marine Insurance Coverage – Type of Marine Policies. Miscellaneous Coverages – Group Policies – Health Insurance Mediclaim Insurance – Jan Arogya (Bima) Policy – Cancer Insurance – Universal Health Insurance Policy – Overseas Medical Policy – Bhavishya Arogya Policy – Burglary Insurance – Money Policy – Baggage Policy – Fidelity Guarantee Insurance – Specialized Insurance – Oil & Gas Insurance – Satellite Insurance – Rating Premium – Tariff Rating – Physical & Moral Hazards – Underwriting of Moral Hazard – Premium – Agreement in the Policy – Fidelity Guarantee Insurance – Declaration Policy – Underwriting Practice in India & other important Insurance Market Limit of Acceptance – Fire – Marine – Miscellaneous – Renewal Procedure – Risk Inspection – Insurer’s role in Risk Management – IRDA

Regulation – 2002. Claims Procedure Preliminary Procedure – Investigation & Assessment Role of Surveyors & Loss Assessors – Arbitration – Limitation – Settlement of Claims Discharge Vouchers. Investment & Accounting – Unexpired Risk Reserves.

Note: There will be 3 objective type of questions. Out of 10 questions, candidate is expected to attempt 8 questions only.

COMMON SUBJECT.

IC31 INSURANCE SALESMANSHIP (Year of Edition 2005)

Basic Marketing Principles- What is Marketing-who is customer- Marketing & selling-Basics of Financial Planning-Person Level-Investment option- positioning of Life insurance-Corporate level- Role of insurance in financial Planning-Amount of Insurance – Planning for old age-Consumer Behavior - The Insurance Customer-Customer satisfaction.

The Insurance Product – Risks - Human Life Value – Sentiments – Sharing – Underwriter – Limitations - Faith-Salesmanship an introduction –Why sell-why buy-Dyadic Relationship-Flexibility.

Prospecting- why prospects-prospecting Attitude-who is prospect-sources for names –qualifying.

The selling process – compulsion – price - satisfaction - equation - stages. - Pre-approach and approach – using information to advantage – preparation – approach. -Interview and close-Guidelines- use of emotions - use of ideas- useful tips. - Handling objections – opportunity – varieties of objections – ways of meeting objections.

Characteristics of human life values – service building relationship- corporate bodies-human life values – possibility of loss of human life value –tax laws and insurance life – non life insurance –gift tax – Key-men insurance – partnership insurance – the concept of professionalism – agency as profession – habits – reading habits.

Note: There will be 3 objective types of questions. Out of 10 questions, candidate is expected to attempt 8 questions only.

SURVEYORS EXAMINATION

IC-S01 – PRINCIPLES AND PRACTICE OF GENERAL INSURANCE AND SURVEY AND LOSS ASSESSMENT- (Year of Edition-2003)

Risk and Theory of Probability The Concept of Risk, Pure Risk, Minimisation of Risks, Classification of Risk, Insurable Risks. Exceptions Theory of Probability.

Fire and Loss of Profits (Fire) Insurance, Fire Insurance Exclusions, Special Policies, Reinstatement Value Policy, Declaration Policies, Floating Policy, Industrial All Risks Policy, Petrochemical Risks, Loss of Profits (Fire Insurance), Motor and Engineering Insurance, Miscellaneous Insurance: Legal Liability Insurance, Personal Accident Insurance, Group Personal Accident Policy, Mediclaim Insurance, Rural Insurance, Property Insurance. Marine Cargo and Hull Insurance: Marine Cargo Insurance, Institute Cargo Clauses, Special Declaration Policy, Insurance Annual Policies, Duty and Increased Value Insurance Package Policy for Exporters, Marine Hull Insurance, War and Strike Risks, Types of Loss: Actual Total Loss, Salvage Loss, Partial Loss, Consequential Loss. – Hazards and Risk Exposures: Exposure Hazards, External Exposures and Internal Exposures, Segregation of Processes, Layout for Fire Protection Systems, Petrochemical Complexes, Other Industries. Law & Relating to Insurance Business – I: Insurance Act 1938, Insurance Regulatory and Development Authority Act 1999, Important Amendments, The Insurance (Amendment) Act 2002. Commission Brokerage or Fee to Intermediary or Insurance Intermediary, General Insurance Business (Nationalization) Amendment Act, 2002. IRDA Regulations 2002, Contents of a General Insurance Policy Consumer Protection (Amendment) Act 2002, Ombudsman .

Laws Relating to Insurance Business – II :Indian Contract Act, Offer and Acceptance, Legality of the Contract, Construction of Policies, Insurance Policies Act, Exchange Control Regulation, Indian

Penal Code, Offences Against Property, Offences relating to documents, Offences affecting the Public Health, Safety Convenience, Decency and Morals.

Introduction to Surveys: Human Element, Technical Element, Contractual Element, Administrative Element. Admissibility of Claims: Factors affecting the Admissibility of the claim, Examination of policy contents, Verification of Multiple Policies, Insurable Interest, Proximate Cause of Loss, Operation of Exclusions, Examination of Warranties.

Evaluation and Loss Assessment: Basis of Indemnity, Basis of Valuation, Valued Policies, Market Value Policies, Reinstatement Policies, Insurer's Liability/ Breach of Warranties, other issues.

Objectives, Processes and Professional Skills: Insurance Contract/ Policy Nature and Conduct of the Insured, Business Expediency of the Insurer, Business Expediency of the Third Parties, Surveyors Limitations, Professional Skills, Investigation Skills, Negotiation Skills.

Accounting Principles and Practices ; Book Keeping, Double-Entry Book Keeping, Trial Balance, Final Account, Manufacturing Account, Trading Account, Profit and Loss Account, Balance Sheet, Applicability of Accounting Knowledge, Limitations of Scrutiny of Books of Accounts. Survey Profession-Past and Present : Origin-Licensing of Surveyors, based only on qualifications-Licensing Procedure, Constitution and Functions of Surveyors and Loss Assessors Committee. Duties and Responsibilities of a Surveyor and Loss Assessor, Categorization of Surveyors, Code of Conduct, Practical Training.

IC-101 – INSURANCE BROKING- (Year of Edition-2004)

Role and Nature of Insurance Broking Services – Historical Background of Insurance Broking – Functions of Direct Broker (Regulation 3) – Record of Documentation – Renewal of Policies-Negotiation Claims – Role of Reinsurance Brokers – Screening of Securities. Risk Analysis & Management – Risk Concepts – Type of Risks – Risk Management – Role of the Insurance Brokers in Risk Management – Principles of Insurance – Insurance Contracts – Principle of Utmost Good Faith – Principle of Indemnity – Needs & Insurance – Premium and Bonuses – What is Premium – Loadings – Level Premiums – Life Fund – Actuarial Valuation. Life Insurance Products – Basic Elements – Variable Insurance Plans – Annuities. General Insurance Products – Classification.

Underwritings – Classification of Risks – Financial Underwriting – Underwriting by Broker.

Insurance Documents – Proposal Forms – First Premium Receipts, Renewal Premium Receipts – Broker's Slips. Policy Conditions – LAP & Non-Forfeiture – Paid-up Values – Revival Assignment – Surrenders and Loans – Married Women's Property (MWP) Act Policies. Claims – Maturity Claims – Survival Benefit Payment – Death Claim – Presumption of Death – Accident & Disability Benefits – Rural & Social Sectors – Legal Provisions – Rural Sector – Social Sector.

Insurance Marketing – The Distribution Channel – Segments – Customer Service – Difference between need & want – Customer Delight – Product development – Insurance Claims Service – Recovery of Claims – Assessment of Lok Adalats. Organization of Brokers Office Accounting System – Segregation & Insurance Money – Maintenance of Books of Accounts, Records etc. Structure of a Brokers Organization. Laws & Regulations having a bearing on Insurance Broking – Insurance Act 1938 – Commencement of Risk – Life Insurance Corporation Act, 1956 – General Insurance Business (Nationalization) Act - Insurance Regulatory & Development Authority Act, 1999 – Laws Relating to Marine Insurance.

CERTIFICATE OF FOUNDATION of CASUALTY ACTUARIAL SCIENCE

(Students are advised to learn from contemporary publications and be aware of the changes in the insurance industry. Upto 10% of questions of Subjects 01 and 11 may be asked from outside the Study Course)

1. Subject 01: Please refer the syllabus of Licentiate exam Subject Principles of Insurance-(2010 Edition).

2. Subject 11: Please refer the syllabus of Licentiate exam Subject Practice of General Insurance.(2010 Edition)

3. Subject –A-1: Introduction - the Actuarial Science - theory and practice - Characteristics of Actuarial Science, - Actuarial education - Actuarial research - insurance risk –rate making-pricing-credibility-reserving-risk theory-definition of risk- types of risk – risk management – risk control – risk financing – risk financing option for an insurer- financial – applications – examples.

Rate making – concept of rate making- basic terminology – rate making process – trended – projected – ultimate losses – expense provisions – profit and contingencies – expense provisions – overall rate indications – classification rates.

Individual risk rating – introduction – goal of individual risk rating – prospective systems – schedule rating – experience rating- composite rating – retrospective rating – designing an individual risk rating system.

Loss reserving – accounting system – claim department reserving – loss reserve definitions – loss reserving principles – loss reserving process – explanatory data analysis – loss reserve estimation methods – paid loss development – incurred loss development – claim count development – average paid claim projection – allocated loss adjustment expenses – unallocated loss adjustment expenses – evaluation of ultimate loss estimates – monitoring result – an actuarial model of loss development.

Risk classification – introduction relationship to other mechanisms – criteria for selecting – rating variables – examples of classification systems –forces affecting classification systems – measures of efficiency – estimating class relativities.

4. Subject –A-2: Reinsurance - what is reinsurance- the foundation of reinsurance – forms of reinsurance – the cost of reinsurance to the cedant – the reinsurer’s margin – reinsurance pricing method – formula – thirteen step programme to reinsurance pricing – facultative certificates – property certificates – casualty certificates – the role of actuary – reinsurance treaties – monitoring and testing predictions – reinsurance loss reserving.

Credibility – classical credibility – least squares credibility – Bayesian analysis – conjugate priors – practical issues – solutions.

Investigation issues in property liability insurance – investment income – investment and tax strategies – rate return measures – impact of investment income on pricing.

Special issues – valuing an insurance company – operating an insurance company – regulating an insurance company.

SPECILISED DIPLOMA - MARINE INSURANCE

(Students are advised to learn from contemporary publications and be aware of the changes in the insurance industry. Upto 10% of questions of Subjects 01 and 11 may be asked from outside the Study Course)

1. Subject 01: Please refer the syllabus of Licentiate exam Subject Principles of Insurance-(2010 Edition).

2. Subject 11: Please refer the syllabus of Licentiate exam Subject Practice of General Insurance.(2010 Edition)

3. MARINE INSURANCE claims (IC66 Year of edition 2010 Please refer the syllabus of Associateship exam Subject Marine Insurance Claims.(2010 Edition)

4. MARINE INSURANCE COVERAGES (IC68 Year of edition 2010)

Introduction – .I.L.U. – Revised marine policy form – Endorsements – Rules of interpretation. Fundamental principles applicable to marine insurance - Cargo coverages – Types of covers- Cargo clauses – I.C.C. a, b, c – explanatory notes on various clauses under the institute clauses – Detailed study.- Inst. war clauses (Cargo) – Inst. strike clauses (Cargo) - Inst. war & strike clauses (Air cargo)- Duty insurance clause -Increased value insurance clause- Sellers’ interest contingency insurance-Major commodities trade clauses -Rejection insurance cargo clauses – Inland transit (rail/road) a, b, c clauses. –S.R.C.C. clause -Special declaration policy – Annual policy for inland transits- F.O.B. shipments -Special storage risks insurance policy -Registered postal sendings- Clauses for export of diamonds and precious stones. Hull coverages – Types of covers - Inst. time clause (hulls) – International hull clauses dt.1-11-2003- I.T.C.. Hulls port risks dt.20-7-1987 –I.V.C.. hulls 1-10-1983- I.T.C.. hulls (inc. value & disbursements)T.I.O.- I.T.C. hulls (inc. value & disbursements incl. excess liabilities) 1-10-1983- I.T.C.. freight –I.V.C. freight- inst. fishing vessel clauses dt.20-7-1987- inst. clauses for builders’ risks. freight clauses- I.T.C. freight – I.V.C. freight-inst. war & strikes clauses – Freight-inst. war & strikes clauses – Hulls-Hull war risk scheme (time) – Erstwhile govt. scheme-Ship repairers’ liability insurance-SRCC clause for hulls (time)- Misc. Clauses – Inst. warranties-Premium installment clause, etc.

5.) MARINE INSURANCE RATING AND UNDERWRITING (IC69 Year of edition 2010 NEW Course)

Introduction – Sea routes – Inland/national waterways – rail/road transport multi-Modal transport- Important ports of India, Asia, Europe and other international ports -Incoterms – Domestic & International Trade. Marine Ins. Act, 1963 – Important provisions relating to underwriting cargo underwriting – Factors – Detailed analysis viz a viz modes of transport cargo rating factors hull underwriting – Different types of vessels – Ocean-going vessels – Sundry hulls - Classification of vessels – I.R.S. – Role hull rating factors – Initial rating and renewal rating deductible – Factors – Applicability - Cargo and hull reinsurance – Types – Methods – Applicability - Maritime fraud – Types - Prevention of maritime fraud – Role of IMB - Precautionary measures - Loss prevention – Cargo & Hull insurances.

SPECILISED DIPLOMA - FIRE INSURANCE

(Students are advised to learn from contemporary publications and be aware of the changes in the insurance industry. Upto 10% of questions of Subjects 01 and 11 may be asked from outside the Study Course)

1. Subject 01: Please refer the syllabus of Licentiate exam Subject Principles of Insurance-(2010 Edition).
2. Subject 11: Please refer the syllabus of Licentiate exam Subject Practice of General Insurance.(2010 Edition)
3. FIRE INSURANCE CLAIMS (IC56 Year of edition 2010 Please refer the syllabus of Associateship exam Subject Fire Insurance Claims.(2010 Edition)

4 . FIRE INSURANCE COVERAGES (IC58 Year of edition 2011)

Introduction of Fire Insurance - Application of Basic Principles to Fire Insurance Standard Fire and Special peril Policy - General Exclusions – Conditions and Warranties- All Types of Policies Available in Fire Insurance in Indian Market –Reinstatement Value Policies for Capital Assets like Building and Plant & Machinery , Furniture / Fixtures / Fittings with Coverage- Exclusions and conditions- Floater Policies- Declaration Policies- Stocks in Process- Stocks in Open Stocks storages Covered under Fire Policies During Multi Transit Structure of All India Fire Tariff as General Practice and Rules and Regulations their Under. Fire Insurance Documents- Proposal form Brief Risk Inspection Report- Acceptance - Cum – Receipt Renewal Notice- Cover Note-

Calculation of Premium- Drafting of Policies and Endorsement-Ad-on Covers – Special Clauses-Modification of Policy – Mega Risks Fire Insurance Coverages available in the Global Market(U.K and U.S.A.)

5. FIRE INSURANCE RATING AND UNDERWRITING (IC59 Year of edition 2011)

The Meaning And Objective Of Underwriting

- Traditional Concept Of Underwriting: Well Spread Of Large Volume Of Business; Proper Selection Of Business And Appropriate Rate Of Premium; Retention Limits; P.M.L; Reinsurance.
- Evaluation of hazards arising from construction, Exposure , Height, Size, etc.; - Erstwhile tariff system of rating – Basic rate - Discounts and extra premium fire protection and detection systems-good house keeping – Method of computation of premium.
- Erstwhile Tariff regulations for practice - Proposal form – Risk inspection- Objectives and contents.-New dimensions of Underwriting and Rating as per IRDA guideline on File and Use procedures –Underwriting policy approved by Board – Parameter for design and pricing of products – Role of appointed Actuary – Advocate-Compliance Office – Internal Technical Audit Department-Role of TAC and General Insurance Council. - Underwriting Practices- Acceptance limits-Acceptance subject to controlling office approval- Risk inspections – Underwriting safeguards-Declared Risk acceptance procedure.
- Underwriting through special Policies – Declaration Policy, Floating Policy- Reinstatement value policy- Valued Policies. - Petrochemical risk ; Industrial All Risk; Mega Policies; - Policy holders Interest Protection Regulations.- I.T. application in rating and underwriting - Rating and Underwriting practices in the U.S.A .and U.K.

SPECIALISED DIPLOMA ON CASUALTY ACTUARIAL SCIENCE

1. SUBJECT 01: Please refer the syllabus of Licentiate exam Subject - Principles of Insurance.
2. SUBJECT 11: Please refer the syllabus of Licentiate exam Subject - Practice of General Insurance.
3. Subject A-1 Please refer syllabus of Subject - Certificate of Casualty Actuarial Science subject A-1
4. Subject A-2 Please refer syllabus of subject - Certificate of Casualty Actuarial Science subject A-2

5. SUBJECT A-3 -BASIC RATEMAKING

Introduction- Rating manuals-Basic insurance terms-Fundamental insurance equation- Basic insurance ratios-Summary, **Rating manuals**- Rules-Rate Pages – Rating Algorithms-Underwriting Guidelines- Homeowners rating manual example-Homeowners rating manual example- Medical malpractices rating manual example-U.S. workers compensation rating manual example **Ratemaking Data**-Internal Data- Data Aggregation-External Data

Exposures – Criteria for exposure bases- Exposures for large commercial risks- Aggregation of exposures-Exposure trend, **Premium** –Premium aggregation-Adjustments to premium, **Losses and LAF**- Loss definitions-Loss data Aggregation Methods-Common Ratio involving loss statistics-Adjustments to losses- Loss Adjustment Expenses, **Other expenses and Profit**- Simple example-Underwriting Expenses categories-All Variable expenses method-Premium based projection method-Exposure-Policy –Based Projection Method-Trending expenses-Reinsurance costs-Underwriting profit provision-Permissible loss ratios , **Overall Indication**- Pure Premium method- Loss ratio method-Loss ratio versus pure premium methods, **Traditional risk classification**-Importance of equitable rates-criteria for evaluating rating variables-typical rating (or underwriting)variables-determination of indicated rates differentials-worksheet example, **Multivariate classification** – Review of shortcomings of univariate methods-minimum bias procedures- the adoption of multivariate methods- The benefits of multivariate methods-GLMs- Sample GLM output- Sample of GLM diagnostics- Practical consideration- Data mining techniques- augmenting multivariate

analysis with external data, **Special classification** – Territorial ratemaking-increased limit ratemaking-Deductible pricing-size of risk for workers compensation- insurance to value, **Credibility**- Necessary criteria for measures of credibility- methods of determining credibility of an estimate- desirable qualities of a complement of credibility-credibility using statistical methods, **Other considerations**-Regulatory constraints – operational constraints- marketing considerations.

Implementation-Example imbalance- non-pricing solutions- pricing solutions-calculating new rates for an existing product-calculating new rate based on bureau or competitor rates-communication and monitoring

Commercial lines rating mechanism-manual rate modification techniques-rating mechanism for large commercial risks, **Claims made ratemaking**- Report year aggregation-Principles-Determining rates- coordination policies.

6. SUBJECT A-4 -ESTIMATING UNPAID CLAIMS USING BASIC TECHNIQUES

Part 1- Introduction : Overview – The claims process. **Part 2 - Information Gathering** – Understanding the types of data used in the estimation of unpaid claims-Meeting with management-Development triangle-The development triangle as a diagnostic tool.

Part 3 - Basic Techniques for estimating unpaid claims- Development Techniques- Expected claims Techniques-Bornhuetter Ferguson Techniques- Cape Cod Techniques – Frequency Severity Techniques- Case Outstanding Development Techniques – Berquist Sherman Techniques-Recoveries: Salvage and subrogation and Reinsurance- Evaluation of Techniques. **Part 4- Adjustment Expenses**- Estimating unpaid allocated claim adjustment expenses. **Appendices** – statement of principles and Actuarial Standards of Practice. Appendices - A, B & C.

Note:

Some Questions may be asked from topics that are not covered in the syllabus/ Study courses (upto 10% Licentiate, upto 20% Associateship and upto 25% Fellowship). Specialised Diploma course upto 20% . This is to ensure that candidates keep themselves aware of major changes in the insurance Industry, published in authentic open sources like national news papers and websites of the Insurance Regulator.