

An introduction to personal general insurances

P11

Objective: To provide an overview and understanding of the fundamental principles and practices relating to personal general insurances.

	Knowledge rating		Knowledge rating
The personal insurance market-place		Miscellaneous personal insurances	
Characteristics of risks faced by the individual.	1	Cover provided for hospital expenses, legal expenses, caravans, small craft, pets, travel and extended warranty.	2
The individual's need for insurance.	1		
Other service providers, eg, accident management services.	2	Personal accident and creditor insurances	
Types of intermediaries.	2	Cover and benefits provided by accident only and accident and sickness policies.	2
Statutory and self-regulation of the market-place.	2	Cover and benefits of creditor insurances/payment protection plans.	2
		Typical exclusions and conditions.	2
Marketing and distribution		Private motor insurance	
Principal stages of the approach to marketing.	2	Statutory background to motor insurance.	1
The marketing environment for personal general insurances.	2	Types of cover and benefits applicable to private vehicles and motor cycles.	2
The components of the marketing mix for personal general insurances.	2	Additional benefits and extensions.	2
Electronic trading, quotation systems and the Internet.	2	Typical exclusions and conditions.	2
Distribution channels—telesales, direct writers, broker telesales, semi-direct, affinity groups/schemes and delegated authority.	2	Documentation—cover notes, certificates, policies and renewal notices.	2
		Underwriting and pricing.	2
Legal principles		International use.	2
Application of insurable interest, utmost good faith, proximate cause, indemnity, subrogation and contribution.	3	Motor Insurers' Bureau.	1
The Statements of Insurance Practice and other voluntary codes of conduct.	2		
Claims		Reinsurance	
General claims procedures relating to personal general insurances.	2	Application of reinsurance to personal general insurance.	2
Use of loss adjusters and other experts.	1	Types of reinsurance.	1
Resolution of disputed claims. Formal arbitration under policy conditions.	2	Methods of reinsuring:	
Arbitration: Financial Ombudsman Service.	2	– treaty;	1
		– facultative.	1
Household insurance			
Content of proposal forms.	2		
Use of surveys in household insurance.	2		
Fixing the sums insured and index-linking.	2		
Bases of cover—indemnity, reinstatement, new for old and index-linked.	2		
Definitions of property insured.	2		
Insured events.	2		
Typical additions and extensions—personal possessions, bicycles, frozen food, money and credit cards.	2		
Legal liability cover.	1		
Typical exclusions and conditions.	2		
Underwriting and pricing.	2		

Knowledge ratings

Each sub-topic has been designated a numerical knowledge rating as follows:

- 1 General background awareness necessary.
- 2 Requires a knowledge of the major elements of procedures or concepts and their uses.
- 3 Requires the ability to evaluate concepts, issues, policies and procedures, together with an understanding of associated aspects of these items and their application to various situations.

Study materials

The following list provides details of various publications which may assist with your studies. The primary text for this syllabus is shown in bold type. Periodicals and publications listed as additional reading will be of value in ensuring candidates keep up-to-date with developments and in providing a wider coverage of syllabus topics. The reference materials cited are authoritative, detailed works which should be used selectively as and when required.

Most of these additional study materials can be borrowed or purchased from the CII library.

Primary text

Coursebook P11: An introduction to personal general insurances.
The Chartered Insurance Institute.

Additional reading

Understanding insurance: a guide to personal insurances. G. Rogers.
London: Mitre House, 1995.

Reference materials

Handbook of motor insurance. T. Hogg (Chief. ed). Brentford: Kluwer, 1982. (Updated by supplement.)

Motor insurance: theory and practice. 2nd edition. Kenneth Cannar.
London: Witherby, 1994.

Fire insurance: theory and practice. 7th edition. E. H. Gamlen and H. Francis. London: Buckley Press, 1991.

You sign. 2nd edition. T. O'Halloran. London: Witherby, 1992.

Periodicals

The Journal. London: The Chartered Insurance Institute. Six issues a year.
Post Magazine. London: Timothy Benn Publishing. Weekly.