

Applied Certificate in Insurance Finance

Course Code	ACIF
Content	Unit 1: Insurance Market Structure Unit 2: Pricing of insurance Unit 3: Technical provisions Unit 4: Capital Adequacy and Solvency Unit 5: Accounting principles and practice Unit 6: Financial ratios Unit 6: Asset Liability Management
Duration	24 hours of structured learning involving classroom sessions, Q & A and case studies.
Audience	Intermediate
Learning Objectives	At the end of this course participants will be able to:

1. Insurance Market Structure

- 1.1 Explain of the different market players in insurance and their role and respective interests and duties.
 - 1.1.1 Corporate Buyers
 - 1.1.2 Personal Buyers
 - 1.1.3 Insurers
 - 1.1.4 Brokers
 - 1.1.5 Agents
 - 1.1.6 Loss Adjusters
 - 1.1.7 Rating Agencies
 - 1.1.8 Auditors
 - 1.1.9 Supervisory Authority
 - 1.1.10 Associations
- 1.2 Explain the different types of insurance providers
 - 1.2.1 Proprietary
 - 1.2.2 Takaful
 - 1.2.3 Mutual

2. Pricing Structure

- 2.1 Explain the underwriting function with specific reference to risk pricing
- 2.2 Explain the components of an insurance premium
- 2.3 Explain the need for reinsurance as an underwriting functions
- 2.4 Be aware of the different reinsurance methods available to an insurer
 - 2.4.1 Facultative and Treaty
 - 2.4.2 Proportional and non proportional
- 2.5 Explain how premiums, claims and commissions are flow between the cedant and the reinsurer

3. Technical Reserves and Underwriting results

- 3.1 Explain the nature, purpose and methodology of the following:
 - 3.1.1 Claims Outstanding
 - 3.1.2 IBNR
 - 3.1.3 Unearned premium reserve
 - 3.1.4 Unexpired Risk reserve
- 3.2 Be aware of the importance for accurate reserving and its impact on financial stability of an insurance company
- 3.3 Outline the calculation of underwriting results on a financial year basis

4. Capital Adequacy & Solvency

- 4.1 Outline the principles of capital Adequacy and Solvency in accordance with the IAIS guidelines
- 4.2 Explain the nature and need for solvency margins
- 4.3 Explain how solvency margins are calculated giving a case example

5. Accounting Principles and Practice

- 5.1 Explain the purpose and function of financial accounting
- 5.2 Distinguish between financial accounting and management accounting
- 5.3 Outline the construction and purpose of the following in respect of an insurance company
 - 5.3.1 CEO report
 - 5.3.2 Auditor's report
 - 5.3.3 Balance Sheet
 - 5.3.4 Profit and loss
 - 5.3.5 Cash flow Statements
 - 5.3.6 Notes to the accounts
- 5.4 Be aware of statutory requirements in respect of the financial statements of an insurance company

6. Financial Ratios

- 6.1 Be aware of the purpose and nature of financial ratios:
 - 6.1.1 Loss ratios
 - 6.1.2 Profitability
 - 6.1.3 Liquidity
 - 6.1.4 Turnover
 - 6.1.5 Gearing

7. Asset Management

- 7.1 Outline the provisions of the Standards on Asset Management published by the IAIS
 - 7.1.1 Asset Liability Management
 - 7.1.2 The Investment Process
 - 7.1.3 Definition of the Investment Policy and Procedures
 - 7.1.4 Monitoring and Control
 - 7.1.5 Supervision

8. Exposures to financial crime

- 8.1 Outline the risks that an insurance business faces in relation to
 - 8.1.1 Data protection
 - 8.1.2 Employee Infidelity
 - 8.1.3 Insurance Fraud
 - 8.1.4 Money laundering
- 8.2 Be aware of techniques on identifying criminal transactions
- 8.3 Be aware of measures to control the risk of criminal activities

Private study	Students should undertake a minimum of 40 hours of private study.
Assessment	Test: Two hours, 100 multiple choice questions. 70% pass mark.
Language	These courses are available in English and in Arabic.
Accreditation	1 credit towards Associate of the Gulf Insurance Institute 10 non specific CII credits at Certificate level
Certificates	Certificates will only be issued to candidates passing the test.