

Applied Certificate in Reinsurance

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| Course Code | ACRI |
| Content | Unit 1: Purpose of Reinsurance Unit 2: Legal Principles Unit 3: Methods of reinsurance Unit 4: Proportional Treaties Unit 5: Non proportional Treaties Unit 6: Classes of Insurance Unit 7: Reinsurance Market |
| 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. Purpose of Reinsurance 1.1 Explain the reasons for buying reinsurance 1.2 Outline retention policies and capacity of an insurer 2. Legal principles 2.1 Be aware of the following legal issues involved in reinsurance: 2.1.1 Formation of Contract 2.1.2 Privity of Contract 2.1.3 Law and Jurisdiction 2.1.4 Alternative Dispute resolution 2.1.5 Regulatory Issues 3. Methods of reinsurance 3.1 Explain the meaning of Facultative reinsurance and its application 3.2 Explain the meaning of treaty reinsurance and its application 3.3 Be aware of Facultative Obligatory reinsurance 3.4 Be aware of Retrocession and its affect on the cedant 4. Proportional Treaties 4.1 Explain the types of proportional treaties 4.1.1 Quota Share 4.1.2 Surplus 4.2 Explain the treatment of premiums, commissions and claims under proportional treaties 4.3 Outline the reporting and accounting duties of the cedant under proportional reinsurance 4.4 Outline the statistical requirements for the placing and pricing proportional treaties. 5. Non proportional treaties 5.1 Explain the types of non-proportional treaties 5.1.1 Excess of Loss 5.1.2 Stop Loss 5.2 Explain the treatment of premiums, commissions and claims under non-proportional treaties 5.3 Outline the statistical requirements for the placing and pricing of non-proportional treaties. 6. Wordings 6.1 Outline a typical Reinsurance wordings including: 6.1.1 Proportional Business Clauses Territorial limits Limits and retentions Attachment and termination Original Terms |

Other Reinsurance
Commission
Accounts
Claims advice ad settlement
Premium reserve
Outstanding Loss reserve
Portfolio transfer

6.1.2 Non proportional

Basis of cover
Territorial limits
Event Definition
Losses Occurring/Discovered/Claims made
Ultimate Net loss
Premium income
Reinstatement
Claims Notification and reporting

6.1.3 Common

Underwriting policy
Access to/inspection of records
Arbitration
Communication
Terrorism exclusion
Law and jurisdiction

7. Classes of insurance

7.1 Outline the most appropriate reinsurance arrangements for the following classes of insurance

- 7.1.1 Property
- 7.1.2 Accident
- 7.1.3 Liability
- 7.1.4 Motor
- 7.1.5 Medical
- 7.1.6 Life
- 7.1.7 Marine

8. Reinsurance markets

- 8.1 Be aware of the type of buyers of reinsurance including composite companies, captives, mutuals and underwriting members at Lloyd's
- 8.2 Be aware of the types of providers of reinsurance and the services they offer including specialist reinsurers, general insurance and reinsurance companies, Lloyd's and underwriting pools
- 8.3 Explain the role of the Reinsurance Broker
- 8.4 Be aware of the principal reinsurance markets in the world
- 8.5 Be aware of the regulatory approach to the selection of reinsurers
- 8.6 Be aware of the factors affecting the attraction of reinsurance business into a market.
- 8.7 Be aware of the use of IT in the transaction of reinsurance business

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| 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. |