



معهد الخليج لدراسات التأمين
GULF INSURANCE INSTITUTE

Licentiate in General Insurance Business

Course Code	Lic. GII (General Insurance)
Course Jurisdiction	Bahrain
Content	Unit 1: Risk and Insurance Unit 2: Legal principles Unit 3: Insurance Market and Practice Unit 4: Insurance regulation and Consumer protection
Duration	30 hours of structured learning involving classroom sessions, quizzes and case studies.
Audience	New entrants to the industry, Appointed Representatives, Sales persons and all persons handling customer services in insurance.
Learning Objectives	At the end of this course participants will be able to:

UNIT 1 – Risk and Insurance

- 1.01 *Define* the concept of risk
- 1.02 *Define* the characteristics of risk and *explain* how risks are categorized
- 1.03 *Explain* how risk is measured
- 1.04 *Define* risk management and *outline* the main constituents of a risk management programme.
- 1.05 *Define* insurance and explain its objectives
- 1.06 *Explain* the relationship of risk and insurance and which risks can be insured.
- 1.07 *Distinguish* between a peril and a hazard
- 1.08 *Explain* the economic basics of insurance; Pooling, Law of large numbers, homogeneity of risks, uncertainty, spread of risk and risk sharing
- 1.09 *Outline* the typical inflows and outflows from an insurance pool
- 1.10 *Outline* the benefits of insurance to policyholders and to society in general

UNIT 2 - Legal principles

- 2.01 *Be aware of* elements of a valid contract in relation to insurance contracts
- 2.02 *Explain* contract fulfillment, void and voidable contracts and cancellation of contracts of insurance.
- 2.03 *Be aware of* the principles of the law of agency and its application to insurance
- 2.04 *Define* Insurable Interest and *explain*, with examples, how insurable interest may arise
- 2.05 *Define* Utmost Good faith
- 2.06 *Define* Material Facts and *explain* material facts in relation to moral and physical hazard, giving examples
- 2.07 *Distinguish* between facts which need to be disclosed and those which do not.
- 2.08 *Distinguish* between non-disclosure and misrepresentation and the effect on the contract of insurance when a breach by either party occurs
- 2.09 *Explain* proximate cause and its application in different situations
- 2.10 *Explain* the principle of indemnity and discuss the methods by which insurers provide indemnity.
- 2.11 *Be aware of* the main clauses limit, reduce, extend or modify the principle of indemnity
- 2.12 *Explain* the application of the principle of contribution to basic insurance situations



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2.13 *Explain* subrogation as a corollary of indemnity and how it may arise

UNIT 3 – Insurance Market and Practice

- 3.01 *Outline* the structure of the International insurance market and that in Bahrain
- 3.02 *Distinguish* between different types of insurance carriers
- 3.03 *Be aware of* the principles of Takaful and how it is practiced in Bahrain
- 3.04 *Distinguish* between the various types of insurance intermediaries and explain the main features in the context of the CBB Rule Book and market practice.
- 3.05 *Explain* the concept of reinsurance and discuss the role of reinsurers in the market.
- 3.06 *Be aware of* the role and services provided by associations and organizations ancillary to the insurance market
- 3.07 *Explain* the functions of underwriting and claims staff and other service providers to the insurance industry.
- 3.08 *Outline* the content and purpose of Insurance Documentation such as Proposal forms, Certificates, Policies, Endorsements and Renewal Notices
- 3.09 *Be aware of* the purpose of compulsory insurance legislation and outline the main compulsory classes in Bahrain.

UNIT 4 – Insurance Regulation and Consumer Protection

- 4.01 *Be aware of* the global role of the International Association of insurance Supervisors
- 4.02 *List* the functions of the Central bank of Bahrain (CBB) as the insurance supervisory authority for insurance in Bahrain under the Central bank of Bahrain and Financial Institutions law 2006.
- 4.03 *Outline* the structure of Volume 3 - Insurance of the CBB Rule Book
- 4.04 *Be aware of* the types of Authorization that apply to insurance activities in Bahrain
- 4.05 *Outline* the fundamental obligations of insurance licensees and approved persons under the Principles of Business module of the CBB Rule Book
- 4.06 *Be aware of* the concepts applied as a means of controlling capital adequacy of insurance companies.
- 4.07 *Be aware of* the obligations of insurance market practitioners for the prevention of insurance fraud and money laundering and be aware of common signs of transactions that may involve financial crime.
- 4.08 *Outline* the principles of data protection and privacy laws.
- 4.09 *Explain* the GII Code of Conduct for its members
- 4.10 *Outline* the powers of enforcement and redress available to the CBB.
- 4.11 *Be aware of* procedures and practice for the handling of complaints from insurance customers.
- 4.12 *Outline* the alternative dispute resolution methods practiced in the insurance market.
- 4.13 *Be aware of* the main provisions for models of compensation schemes for victims of uninsured accidents or claims against failed insurers.

Language	Arabic and English
Private study	Students should undertake a minimum of 30 hours of private study throughout the course.
Assessment	Candidates must sit for a Two hour paper consisting of 100 Multiple Choice Questions. Certificates are only awarded to participants who pass the examination.
Course Material	Provided by GII.



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Definitions

The following definitions of italicized key words used in the learning objectives provide the learner with the extent of knowledge he or she is expected to have gained at the end of the course.

Be aware of

This term implies that the learner is aware of the existence of a particular fact, scenario, law, organization, principle etc., and is able to give a short non-technical interpretation. Questions which test the learners in this objective would typically be straightforward questions which start with the words “what” or “which”

Define

Implies that the learner is able to provide an authoritative definition of a concept or principle, quoting from case law, universally or industry-wide accepted text or schools of thought. Whilst own words will be credited, the learner should seek to quote as nearly as possible the words used in the authoritative definition. The learner should also include a brief reference to characteristics of the concept or principle or term being defined

List

Where the learner is expected to provide a list, he or she must be able to mention and be aware of the various components of a particular subject. The learner may be requested to explain the components of the list in which case a more thorough explanation is required (see Explain)

Outline

This term is typically used when the learner is expected to provide an overview of a structure or body of content of the subject. The learner should be able to map out the various sub headings, corollaries or branches which fall under the subject and give a brief explanation of each. A bullet point type of answer or graphical representation would be the best way to answer such a question.

Explain

The term “Explain” shall imply a sufficient understanding and grasp of the subject being learnt which enables the learner to describe it in non-technical and clear words as well as provide detail as to its various characteristics, its role, purpose or function (as applicable) advantages and disadvantages (if applicable).

Elaborate

The learner is expected to have a thorough understanding of the subject and is able to explain the concepts or theories of the subject as well as to provide detail using references to resources such as case law, conventions, industry clauses, standard terms and clauses etc. Dates and correct titles of such resources earn the learner more credit. Whilst detail is required, the learner should display an ability to use straightforward language and is expected to be able to stick with the subject.

Discuss

This term is used where the learner is expected to provide an argumentative essay in respect of a given situation. This term is used where the learner should show a thorough understanding of the subject and is able to analyze such issues as pros and cons of taking a particular position, liability under the law or under a policy in a given situation, and give advice in choosing a product or service. In making his or her case, the learner should be able to back up his or her arguments by quoting authoritative case law or industry wide clauses as well as actual historical data or experiences.

Distinguish

This type of approach requires the learner to have a broad knowledge of the subjects between which he or she is asked to distinguish and be able to explain the differences between them indicating the areas of difference and if relevant the advantages and disadvantages for each.

Apply

This term is used where the learner is expected to provide a solution to a practical case study using theories learnt or methods learnt in the subject. The learner should outline the solution he is proposing and provide reasons for suggesting such solutions. Where mathematical formulas are required, all workings should be shown. The term Draw Up may be used interchangeably where the learner is expected to draw up a report.