



معهد الخليج لدراسات التأمين  
GULF INSURANCE INSTITUTE

## Technical Competency Certificate

### Reinsurance

Course Code	TCRE
Content:	Unit 1: Introduction/Reinsurance Markets & Regional Relevance Unit 3: Developing a Reinsurance Programme Unit 3: Financial Aspects & Claims Administration.
Duration	60 hours of classroom learning involving Lectures, and interactive sessions.  Candidates should devote a further 60 hours for private study, further reading and completion of assignments. These assignments are marked and include instructor's comments and advice and carry at 30% of the final examination mark.
Audience	Advanced
Learning Objectives:	At the end of this course participants will be able to:

#### **UNIT 1 – Introduction/Reinsurance Markets & Regional Relevance**

- 1.1 Outline on the main international reinsurance markets, and the types of reinsurers.
- 1.2 Outline prevalent risk profiles of companies in the Middle East and reinsurance protections
- 1.3 Discuss the factors that determine cedants' retention levels
- 1.4 Explain the application of reinsurance as a means of creating gross capacity
- 1.5 Outline the ancillary benefits to direct companies, other than providing capacity, which are provided by professional reinsurers and reinsurance intermediaries
- 1.6 Distinguish between facultative and treaty reinsurance
- 1.7 Explain proportional reinsurance and its application, conditions and exclusions
- 1.8 Explain the application of non-proportional coverage to catastrophic exposures/attributional losses and reinstatement possibilities
- 1.9 Explain working excess of loss reinsurance coverage

#### **UNIT 2 - Developing a Reinsurance Programme**

- 2.1 Elaborate on the designing and placing of reinsurance programmes
- 2.2 Explain the dovetailing of proportional and non-proportional reinsurance
- 2.3 Outline the underwriting process of the various reinsurance programmes
- 2.4 Discuss reinsurance rating factors and techniques.
- 2.5 Define specific conditions and/or clauses applicable to reinsurance such as the Index Clause, Change of Law, Extended Claims Reporting, IBNR, Claims Inflation, Seepage and Pollution Limitations and specific exclusions
- 2.6 Outline portfolio management aspects including compiling and monitoring aggregate



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exposures and reinsurance modeling.

- 2.7 Define retrocession and explain its advantages and disadvantages
- 2.8 Discuss the impact of reinsurance on market cycles and vice-versa
- 2.9 Define ART and discuss its use as a reinsurance complement

**UNIT 3 - Financial Aspects & Claims Administration**

- 3.1 Discuss investment strategies with specific reference to asset/liability management and currency matching
- 3.2 Explain the structure of underwriting accounts
- 3.3 Explain the financial considerations involved in reserve deposits including the payment of interest and cash deposits alternatives
- 3.4 Discuss the importance of rating reinsurers and explain the consequences of reinsurer insolvency
- 3.5 Explain what commutation is and when it is used

- Assessment
- a) Practical Assignment: Students must complete each module including the practical assignment handed out at the end of each unit. The practical assignments carry 30% of the overall mark of 200
  - b) Written Examination: Participants will be asked to sit for a three-hour written examination at the end of the course consisting of:-
    - Part 1: 8 compulsory short questions
    - Part 2: 1 compulsory essay question
    - Part 3: 3 essay questions from a choice of five

The written examination carries 140 marks.

Put of the overall mark of 200, candidates must obtain a minimum 40 marks from the practical assignments and a minimum of 110 marks overall.

Private study Participants should undertake a minimum of 100 hours of private study throughout the course.

Accreditation 2 credits towards Associateship or Fellowship or the GII  
30 specific credits for Chartered Insurance Institute - 785 Principles of Reinsurance.