

Learning Objectives for Property – Casualty Insurance Fundamentals

Assignment 1: Understanding Risk

MODULE TITLE	LEARNING OBJECTIVES
Understanding and Quantifying Risk	Describe each of the following in the context of risk: <ul style="list-style-type: none"> • Uncertainty • Possibility • Possibility compared with probability
Classifications of Risk	Explain how the following classifications of risk apply and how they help in risk management: <ul style="list-style-type: none"> • Pure and speculative risk • Subjective and objective risk • Diversifiable and non-diversifiable risk • Quadrants of risk (hazard, operational, financial, and strategic)
Financial Consequences of Risk	Describe the three financial consequences of risk.

Assignment 2: Risk Management

MODULE TITLE	LEARNING OBJECTIVES
Basic Purpose and Scope of Risk Management	Describe the basic purpose and scope of risk management in terms of the following: <ul style="list-style-type: none"> • How risk management is practiced by individuals and organizations • The basic distinction between traditional risk management and enterprise-wide risk management
Loss Exposures	Describe the following elements of property, liability, personnel, and net income loss exposures: <ul style="list-style-type: none"> • Assets exposed to loss • Causes of loss, including associated hazards • Financial consequences of loss
Risk Management Benefits	Describe the benefits of risk management and how it reduces the financial consequences of risk for individuals, organizations, and society.
Risk Management Program Goals	Summarize pre-loss and post-loss risk management program goals and the conflicts that can arise as they are implemented.
The Risk Management Process	Describe each of the steps in the risk management process.

Assignment 3: Risk Control

MODULE TITLE	LEARNING OBJECTIVES
Risk Control Techniques	Describe the six categories of risk control techniques in terms of the following: <ul style="list-style-type: none"> • Whether each reduces loss frequency, reduces loss severity, or makes losses more

	<p>predictable</p> <ul style="list-style-type: none"> • How each can be used to address a particular loss exposure • How they differ from another
Risk Control Goals	<p>Explain how an organization can use risk control techniques and measures to achieve the following risk control goals:</p> <ul style="list-style-type: none"> • Implement effective and efficient risk control measures • Comply with legal requirements • Promote life safety • Ensure business continuity
Application of Risk Control Techniques	<p>Explain how risk control techniques can be applied to property, liability, personnel, and net income loss exposures.</p>
Business Continuity Management	<p>Describe business continuity management in terms of its scope, the process used to implement it, and the contents of a typical business continuity plan.</p>

Assignment 4: Risk Financing

MODULE TITLE	LEARNING OBJECTIVES
Risk Financing Goals	<p>Explain how individuals or organizations can achieve their overall and risk management goals by fulfilling the following risk financing goals:</p> <ul style="list-style-type: none"> • Pay for losses • Manage the cost of risk • Manage cash flow variability • Maintain an appropriate level of liquidity • Comply with legal requirements
Retention and Transfer	<p>Describe the following aspects of retention and transfer:</p> <ul style="list-style-type: none"> • Retention funding measures • Limitations on risk transfer measures • The advantages of both retention and transfer
Selecting Appropriate Risk Financing Measures	<p>Explain how the following can affect the selection of the appropriate risk financing measure:</p> <ul style="list-style-type: none"> • Ability of a risk financing measure to meet risk financing goals • Loss exposure characteristics • Characteristics specific to an individual or organization
Risk Financing Measures	<p>Explain how an organization meets its risk financing goals by using the following risk financing measures:</p> <ul style="list-style-type: none"> • Guaranteed cost insurance • Self-insurance • Large deductible plans • Captives • Finite risk plans

	<ul style="list-style-type: none"> • Pools • Retrospective rating plans • Hold-harmless agreements • Capital market solutions
Traditional Risk Management Versus ERM	Contrast traditional risk management and ERM.
Improving Strategic Decision Making With ERM	Explain how an organization can improve its strategic decision-making by incorporating enterprise-wide risk management (ERM).
ERM in Approaching Business Uncertainties	Explain why ERM is an effective approach to use to face business uncertainties.
Major Risk Management Frameworks and Standards	Summarize the main risk management frameworks and standards.

Assignment 5: Insurance as a Risk Management Technique

MODULE TITLE	LEARNING OBJECTIVES
How Insurance Reduces Risk	Explain how insurance reduces risk through pooling.
Benefits of Insurance	Explain how insurance benefits individuals, organizations, and society.
Characteristics of an Ideally Insurable Loss Exposure	Explain why each of the six characteristics of an ideally insurable loss exposure is important to the insurance mechanism.
Insurability of Commercial Loss Exposures	Explain how the six characteristics of an ideally insurable loss exposure apply to commercial loss exposures.
Insurability of Personal Loss Exposures	Explain how the six characteristics of an ideally insurable loss exposure apply to personal loss exposures.
Government Insurance Programs	Explain how state and federal governments are involved in the insurance market and the rationale for, and level of, their involvement.

Assignment 6: Overview of Insurance Operations

MODULE TITLE	LEARNING OBJECTIVES
Classifications of Insurers	Explain how insurers have organized to provide property-casualty insurance.
Insurer Goals	Describe the major goals of an insurer.
Constraints on Achieving Insurer Goals	Describe the internal and external constraints that impede insurers from achieving their major goals.
Measuring Insurer Performance	Describe the measurements used to evaluate how successful an insurer is at meeting its established goals.
Functional View of Insurance	Describe the core and supporting functions performed by insurers.

Assignment 7: Insurance Marketing and Distribution

MODULE TITLE	LEARNING OBJECTIVES
Property-Casualty Insurance Marketplace	Describe the following attributes of the competitive property-casualty insurance marketplace: distinguishing characteristics of insurance customers, insurer marketing differentiations, and unique factors in the insurance marketplace.
Insurer Marketing Activities	Explain how typical insurer marketing activities are performed and why they are performed.
Insurance Distributions Systems and Channels	Describe the main types of insurance distribution systems and channels, including the principal characteristics that distinguish one distribution system from another.
Functions of Insurance Producers	Describe the functions performed by insurance producers.
Distribution System and Channel Selection for Insurance Marketing	Describe the key factors an insurer should evaluate during the distribution-system and distribution-channel selection process.

Assignment 8: Underwriting Property & Casualty Insurance

MODULE TITLE	LEARNING OBJECTIVES
Purpose of Underwriting	Describe the purpose of underwriting.
Underwriting Activities	Describe the underwriting activities typically performed by line and staff underwriters.
Underwriting Authority	Describe the importance of compliance with underwriting authority in individual account selection.
Constraints in Establishing Underwriting Policy	Describe the constraining factors considered in the establishment of underwriting policy.
Implementing Underwriting Policy	Describe the purposes that underwriting guidelines and underwriting audits serve.
Steps in the Underwriting Process	Summarize the steps in the underwriting process and the purpose of each.
Measuring Underwriting Results	Explain how an insurer's underwriting results are measured and how financial measures can be distorted.
Underwriting Property Insurance Using the COPE Model	Describe in detail each of the COPE factors used to evaluate property loss exposures.
Property Policy Provision Underwriting Considerations	Explain how insurable interest, policy provisions for valuing losses, and insurance to value affect a loss payment amount under property insurance.
Measures of Potential Loss Severity	Explain how underwriters use policy amount, amount subject, normal loss expectancy (NLE), probable maximum loss (PML), and maximum foreseeable loss (MFL) to measure potential loss severity.

Underwriting Business Income and Extra Expense Coverage	Describe the underwriting considerations for business income and extra expense coverage.
Underwriting Commercial Crime Insurance	Describe the underwriting considerations and risk control techniques associated with employee dishonesty and crimes committed by others.
Underwriting Commercial General Liability Insurance	Describe the loss exposures and the underwriting considerations for commercial general liability insurance.
Underwriting Personal and Commercial Auto Insurance	Describe the underwriting considerations for personal and commercial auto insurance.
Workers Compensation Underwriting Considerations	Describe the underwriting considerations for personal and commercial auto insurance.
Underwriting Umbrella and Excess Liability Insurance	Describe the underwriting considerations for personal and commercial auto insurance.

Assignment 9: Risk Control and Premium Auditing

MODULE TITLE	LEARNING OBJECTIVES
Insurer Risk Control Goals	Describe the goals of insurer risk control activities.
Risk Control Services Provided by Insurers	Describe the risk control services provided by insurers.
Cooperation Between Risk Control and Other Insurer Functions	Explain how risk control cooperates with other insurer functions.
Reasons for Premium Auditing	Explain why premium audits are conducted.
Premium Auditing Process	Describe the premium auditing process.
Importance of Accurate Premium Audits	Explain why premium audits must be accurate.
Premium Auditing Contributions	Explain how premium auditing contributes to other insurer functions.

Assignment 10: Adjusting Property and Liability Claims

MODULE TITLE	LEARNING OBJECTIVES
Overview of the Claim Function	Identify the goals of the claim function; the users of claim information, and the parties with whom claim personnel interact.
Claim Department Structure, Personnel, and Performance	Describe the claim departments in terms of the following: <ul style="list-style-type: none"> • How they are structured • The types and functions of claim personnel • How their performance can be measured
Measures Used to Ensure Regulatory Compliance	Explain how the following measures are used to ensure regulatory compliance: <ul style="list-style-type: none"> • Claim guidelines, policies, and procedures

	<ul style="list-style-type: none"> • Controls • Supervisor and manager reviews • Claim audits
Activities in the Claim Handling Process	Summarize the activities performed in the claim handling process and the purpose of each.
Framework for Coverage Analysis	Describe the coverage analysis process that is used to determine if the policy provides coverage
Applying the Claim Handling Process and the Framework for Coverage Analysis	Given a claim scenario, demonstrate how a claim representative can use the claim handling process and framework for coverage analysis to resolve a claim.
Property Claim Handling Process	Explain how and why the activities in the framework for handling property claims are accomplished.
Handling Specific Types of Property Claims	Describe the challenges of handling the following types of property claims: <ul style="list-style-type: none"> • Residential dwelling claims • Residential personal property claims • Commercial structure claims • Business income claims • Merchandise claims • Transportation and bailment claims • Catastrophe claims
Liability Claim Handling Process	Explain how and why the activities in the framework for handling a liability claim are accomplished.
Handling Specific Types of Liability Claims	Describe the challenges of handling the following types of claims: <ul style="list-style-type: none"> • Auto bodily injury liability claims • Auto property damage claims • Premises liability claims • Operations liability claims • Products liability claims • Workers compensation claims • Professional liability claims

Assignment 11: Reinsurance Principles and Programs

MODULE TITLE	LEARNING OBJECTIVES
Reinsurance and Its Functions	Describe reinsurance and its principal functions.
Reinsurance Sources	Describe the three sources of reinsurance.
Reinsurance Transactions	Describe treaty reinsurance and facultative reinsurance.
Types of Pro Rata and Excess of Loss Reinsurance	Summarize the types of pro rata reinsurance and excess of loss reinsurance and their uses.
Alternatives to Traditional Reinsurance	Describe finite risk reinsurance and other methods that rely on capital markets as alternatives to

	traditional and non-traditional reinsurance.
Reinsurance Program Design	Describe the factors that should be considered in the design of a reinsurance program.
Reinsurance Program Design Case Studies	Given a case, identify the reinsurance needs of an insurer and recommend an appropriate reinsurance program to meet those needs.

Assignment 12: Insurance Accounting

MODULE TITLE	LEARNING OBJECTIVES
Qualitative Accounting Information Criteria	<p>Explain the following qualitative accounting information criteria:</p> <ul style="list-style-type: none"> • Understandability • Relevance • Reliability • Comparability and consistency • Lack of bias • Cost-benefit effectiveness
Types of Accounting Frameworks	<p>Describe the frameworks and the intended users and focus of each of the following sets of accounting frameworks:</p> <ul style="list-style-type: none"> • Generally Accepted Accounting Principles (GAAP) accounting • Regulatory/supervisory accounting • Tax accounting • Management accounting
Accounting Frameworks and Rule Hierarchies	<p>Explain the concept of a rule hierarchy and the sources of the following accounting frameworks:</p> <ul style="list-style-type: none"> • Generally Accepted Accounting Principles (GAAP) • Regulatory/supervisory accounting • Tax accounting
Selected Accounting Concepts	<p>Summarize the following accounting concepts:</p> <ul style="list-style-type: none"> • Fair value versus historical cost • Recognition versus measurement • Deferral-matching versus asset-liability • Impairment • Revenue recognition • Reporting segment • Liquidation versus going concern • Change in accounting principle versus change in accounting estimate • Principle-based versus rule-based
Fundamentals of Insurer Financial Statements	<p>Describe the purpose and primary components of these key schedules of an insurer's financial statements:</p> <ul style="list-style-type: none"> • Balance sheet • Income statement • Cash flow statement

	<ul style="list-style-type: none"> • Notes and disclosures
Premium Accounting—Revenue Recognition	Explain how and when insurers recognize premium revenue in their financial statements under deferral- matching and asset-liability approaches.
Premium Accounting—Types of Written Premium	Distinguish between the various types of written premium and policy transactions that may not be classified as premium.
Other Premium Accounting Issues	Summarize the implications of these premium accounting issues: <ul style="list-style-type: none"> • Financing—premiums versus service charges • Earning premium before it is written • Extended reporting endorsements (definite versus indefinite periods) • Reinsurance lags • Large deductible credits
Unearned Premium	Summarize the purpose of unearned premium and these issues associated with how premiums are earned over time: <ul style="list-style-type: none"> • Pro rata and non-pro rata approaches to earning premium • Multiyear policies • Liability adequacy test and the premium deficiency reserve
The Relationship Between Loss Reserves and the Unearned Premium Reserve	Explain the relationship between loss reserves and the unearned premium reserve.
Loss and Loss Adjustment Expense Accounting	Describe the following issues related to loss and loss adjustment expense (LAE) accounting: <ul style="list-style-type: none"> • Loss accounts • Loss cycle • Paid loss versus cash payment • Recoverable amounts • Accounting for discounted reserves • Self-insurer issues
Reinsurance Accounting Basics	Explain the accounting and financial reporting considerations, including how values in insurers' financial reports are influenced by lags in the reporting of reinsurance transactions and bordereau reporting, for these types of reinsurance: <ul style="list-style-type: none"> • Assumed reinsurance • Ceded reinsurance • Commutations • Prospective versus retroactive reinsurance
Deposit Accounting	Explain the conditions under which an accounting framework may require deposit accounting for an insurance contract, and the operation of three general forms of deposit accounting rules.

Assignment 13: Insurance Policy Analysis

MODULE TITLE	LEARNING OBJECTIVES
Distinguishing Characteristics of Insurance Policies	Describe the following characteristics of insurance policies, including common exceptions to these characteristics. <ul style="list-style-type: none"> • Indemnity • Utmost good faith • Fortuitous losses • Contract of adhesion • Exchange of unequal amounts • Conditional • Nontransferable
Structure of Insurance Policies	Describe these approaches to insurance policy structure and how they can affect policy analysis: <ul style="list-style-type: none"> • Self-contained and modular policies • Preprinted and manuscript policies • Standard and nonstandard forms • Endorsements and other related documents
Policy Provisions	Describe the purpose(s) and characteristics of each of these types of policy provisions in a property-casualty insurance policy: <ul style="list-style-type: none"> • Declarations • Definitions • Insuring agreements • Exclusions • Conditions • Miscellaneous provisions
Policy Analysis	Describe the primary methods of insurance policy analysis.

Assignment 14: Common Policy Concepts

MODULE TITLE	LEARNING OBJECTIVES
Insurable Interest	Given a case, evaluate one or more entities' insurable interests.
Insurance to Value	Explain why insurance to value is important to property insurers, how insurers encourage insurance to value, and what insureds can do to address the problems associated with maintaining insurance to value.
Property Valuation Methods	Explain how property is valued under each of the following valuation methods in property insurance policies: <ul style="list-style-type: none"> • Actual cash value

	<ul style="list-style-type: none"> • Replacement cost • Agreed value • Functional valuation
Valuation of Liability Claims	Explain how the amount payable for a claim covered under a liability insurance policy is determined.
Reasons for Property Deductibles	Explain how deductibles in property insurance benefit the insured.
Liability Deductibles and Self-Insured Retentions	Explain when and why deductibles and self-insured retentions are appropriate for use in liability insurance.
Other Sources Of Recovery	Describe the multiple sources of recovery that may be available to an insurance policyholder for a covered loss.

Assignment 15: Personal Auto Policy Coverages

MODULE TITLE	LEARNING OBJECTIVES
Overview of the Personal Auto Policy	Summarize the sections of the Personal Auto Policy.
Declarations	Identify the types of information typically contained on the declarations page of a personal auto policy.
Definitions	Define the words and phrases included in the definitions section of the Personal Auto Policy.
Part A - Liability Coverage	Summarize each of the provisions in Part A - Liability Coverage of the Personal Auto Policy.
Part A - Liability Coverage Case Study	Given a case describing an auto liability claim, determine whether Part A - Liability Coverage of the Personal Auto Policy would cover the claim and, if so, the amount the insurer would pay for the claim.
Part B - Medical Payments Coverage	Summarize each of the provisions in Part B - Medical Payments Coverage of the Personal Auto Policy.
Part B - Medical Payments Coverage Case Study	Given a case describing an auto medical payments claim, determine whether Part B - Medical Payments Coverage of the Personal Auto Policy would cover the claim and, if so, the amount the insurer would pay for the claim.
Part C - Uninsured Motorists Coverage	Summarize each of the provisions in Part C - Uninsured Motorists Coverage of the Personal Auto Policy.
UM/UIM Endorsements and State Variations	Describe underinsured motorists coverage in terms of: <ul style="list-style-type: none"> • Its purpose • The ways in which it can vary by state
Part C - Uninsured Motorists Coverage Case Study	Given a case describing an uninsured motorists

	claim, determine whether Part C - Uninsured Motorists Coverage of the Personal Auto Policy would cover the claim and, if so, the amount the insurer would pay for the claim.
Part D – Coverage for Damage to Your Auto	Summarize each of the provisions in Part D - Damage to Your Auto Coverage of the Personal Auto Policy.
Part D – Coverage for Damage to Your Auto Case Study	Given a case describing a damage to your auto claim, determine whether Part D - Damage to Your Auto Coverage of the Personal Auto Policy would cover the claim and, if so, the amount the insurer would pay for the claim.
Part E – Duties After an Accident or Loss	Identify the insured’s duties after an auto accident or loss covered by the Personal Auto Policy.
Part F – General Provisions	Summarize each of the provisions in Part F – General of the Personal Auto Policy.
Common Endorsements to the Personal Auto Policy	Describe policy endorsements that provide coverage additions or modifications for customers who have coverage needs beyond the unendorsed Personal Auto Policy
Personal Auto Coverage Case Study	Given a case describing an auto claim, determine whether the Personal Auto Policy would cover the claim and, if so, the amount the insurer would pay for the claim.

Assignment 16: Personal Home Policy Coverages

MODULE TITLE	LEARNING OBJECTIVES
ISO Homeowners Program	Describe how individuals and families can use the ISO Homeowners insurance program to address their personal risk management needs.
Overview of Homeowners Form HO-3	Summarize these aspects of the 2011 Homeowners Program: <ul style="list-style-type: none"> • Structure of the Homeowners Policy (HO-3) • Key changes in the ISO 2011 Program Revision • Factors important to rating homeowners insurance
HO-3 Section I - Property Coverages	Determine whether the 2011 HO-3 policy provisions in the following Section I - Property Coverages provide coverage for a given loss or loss exposure: <ul style="list-style-type: none"> • Coverage A – Dwelling • Coverage B - Other Structures • Coverage C - Personal Property

	<ul style="list-style-type: none"> • Coverage D - Loss of Use • Additional Coverages
HO-3 Section I - Perils Insured Against and Exclusions	Summarize each of the 2011 HO-3 policy provisions: <ul style="list-style-type: none"> • Perils Insured Against • Exclusions
HO-3 Section I - Conditions	Summarize each of the 2011 HO-3 policy provisions in Section I - Conditions.
2011 HO-3 Section I - Property Coverage Case Study	Given a scenario describing a homeowners property claim, determine whether the 2011 HO-3 Policy Section I - Property Coverages would cover the claim, and if so, the amount the insurer would pay for the claim.
HO-3 Section II – Liability Coverages	Determine whether the HO-3 policy provisions in the following Section II - Liability Coverages provide coverage for a given loss or loss exposure: <ul style="list-style-type: none"> • Coverage E – Personal Liability • Coverage F – Medical Payments to Others • Additional Coverages
HO-3 Section II - Exclusions	Summarize each of the 2011 HO-3 policy provisions in Section II - Exclusions.
HO-3 Section II - Conditions	Summarize each of the 2011 HO-3 policy provisions in Section II - Conditions.
Determining Whether Homeowners Section II– Liability Coverages Covers a Claim	Given a scenario describing a homeowners property claim, determine whether the Homeowners Policy Section II – Liability Coverages would cover the claim, and if so, the amount the insurer would pay for the claim.
Coverage Variations in ISO Homeowners Forms	Compare the coverage provided by each of the following Homeowners policies to the coverage provided by the HO-3 policy: <ul style="list-style-type: none"> • HO-2 Broad Form • HO-3 Special Form • HO-4 Contents Broad Form • HO-5 Comprehensive Form • HO-6 Unit-Owners Form • HO-8 Modified Coverage Form
Commonly Used Endorsements that Modify the 2011 ISO Homeowners Policies	Describe the commonly used endorsements that are used to modify a homeowners policy coverage
HO-3 Coverage Case Study	Given a scenario describing a homeowners claim, determine whether the HO-3 policy that may include one or more endorsements would cover the claim and, if so, the amount the insurer would pay for the claim.

Assignment 17: Commercial Property Coverages

MODULE TITLE	LEARNING OBJECTIVES
Overview of the Commercial Property Insurance	Describe commercial property insurance in terms of these elements: <ul style="list-style-type: none"> • The major categories of loss exposures that can be covered • The components of a commercial property coverage part
BPP Covered Property	Determine whether a described item of property qualifies as Covered Property under one or more of these categories in the Building and Personal Property Coverage Form: <ul style="list-style-type: none"> • Building • Your Business Personal Property • Personal Property of Others
BPP Additional Coverages and Coverage Extensions	Determine which of the additional coverages and coverage extensions of the Building and Personal Property Coverage Form apply to a described loss.
Causes of Loss—Basic Form and Broad Form	Determine whether the cause of a described loss is a covered cause of loss under either the Causes of Loss—Basic Form or the Causes of Loss—Broad Form.
Cause of Loss—Special Form	Determine whether the cause of a described loss is a Covered Cause of Loss under the Causes of Loss—Special Form.
BPP Limits of Insurance and Deductible	Apply the Limits of Insurance and Deductible provisions of the Building and Personal Property Coverage Form to a described loss.
BPP Loss Conditions and Additional Conditions	Explain how each of the Loss Conditions and Additional Conditions affects coverage under the Building and Personal Property Coverage Form.
BPP: Optional Coverages	Explain how each of the following optional coverages described in the BPP modifies the basic coverage of the BPP: <ul style="list-style-type: none"> • Agreed Value • Inflation Guard • Replacement Cost • Extension of Replacement Cost to Personal Property of Others
Commercial Property Conditions	Summarize each of the Commercial Property Conditions.
Common Policy Conditions	Explain how each of the conditions contained in the Common Policy Conditions affects coverage under a commercial property coverage part.

Commercial Property Endorsements	<p>Explain how each of these documents modifies the Building and Personal Property Coverage Form:</p> <ul style="list-style-type: none"> • Ordinance or Law Coverage endorsement • Spoilage Coverage endorsement • Flood Coverage endorsement • Earthquake and Volcanic Eruption Coverage endorsement • Peak Season Limit of Insurance endorsement • Value Reporting Form
Factors Affecting Commercial Property Premium	<p>Explain the factors affecting commercial property premiums.</p>
Determine Whether the BPP Covers a Loss	<p>Given a scenario describing a commercial property claim, determine whether the BPP policy would cover the claim, and if so, the amount the insurer would pay for the claim.</p>

Assignment 18: Commercial Liability Coverages

MODULE TITLE	LEARNING OBJECTIVES
Overview of Commercial General Liability Insurance	<p>Describe commercial general liability insurance in terms of these elements:</p> <ul style="list-style-type: none"> • The types of losses that can be covered by general liability insurance • The components of a commercial general liability coverage part
CGL Coverage A - Insuring Agreement	<p>Determine whether a described claim meets the conditions imposed by the Coverage A insuring agreement of the Commercial General Liability Coverage Form (occurrence version).</p>

CGL Coverage A - Exclusions	Determine whether any of the exclusions applicable to Coverage A of the Commercial General Liability Coverage Form eliminate coverage for a described claim.
CGL Coverage B - Personal and Advertising Injury Liability	Determine whether a described claim meets the conditions imposed by the Coverage B insuring agreement of the Commercial General Liability Coverage Form and whether any of the Coverage B exclusions eliminate coverage for the claim.
CGL Coverage C - Medical Payments	Determine whether a described claim meets the conditions imposed by the Coverage C insuring agreement of the Commercial General Liability Coverage Form, and whether any of the Coverage C exclusions eliminate coverage for the claim.
CGL Supplementary Payments	Summarize the supplementary payments of the Commercial General Liability Coverage Form.
CGL Who is an Insured Provisions	Define whether a described person or organization is an insured under the Commercial General Liability Coverage Form.
CGL Limits of Insurance	Explain how the following limits of insurance in the CGL Coverage Form are applied: <ul style="list-style-type: none"> • Each occurrence limit • Personal and advertising injury limit • Damage to premises rented to you limit • Medical expense limit • General aggregate limit • Products-completed operations aggregate limit
CGL Conditions	Apply the Commercial general Liability conditions to claims or other interactions between the insured and the insurer
Rating CGL Coverage	Explain how the premium for CGL coverage is determined
Determining Whether the CGL Covers a Claims Case	Given a case, determine whether and for what amount the CGL Coverage Form (occurrence version) would cover the described claim

Assignment 19: Specialty Coverages

MODULE TITLE	LEARNING OBJECTIVES
Commercial Excess and Umbrella Liability Insurance	Describe commercial excess liability insurance and commercial umbrella liability insurance in terms of these characteristics: <ul style="list-style-type: none"> • The three basic types of commercial excess liability insurance • The provisions commonly found in

	commercial umbrella liability policies that distinguish them from other types of commercial liability policies
Professional Liability and Management Liability Insurance	Describe professional liability insurance and management liability insurance in terms of these aspects: <ul style="list-style-type: none"> • How they differ from each other • How they differ from commercial general liability policies • The common types of professional and management liability policies
Environmental Insurance	Describe the purpose and characteristics of each of these types of environmental insurance policies: <ul style="list-style-type: none"> • Site-specific environmental impairment liability (EIL) policies • Underground storage tank compliance policies • Remediation stop-loss policies • Contractors pollution liability policies • Environmental professional errors and omissions liability policies
Aircraft Insurance	Describe aircraft insurance in terms of these characteristics: <ul style="list-style-type: none"> • The purposes-of-use categories that insurers used to classify aircraft • The coverages that can be included in an aircraft policy
Cyber Risk Insurance	Describe the types of losses that can be covered by each of the insuring agreements generally available in cyber risk insurance policies.
Insuring Foreign Operations	Explain how an organization domiciled in the United States can insure foreign loss exposures that would not be covered under standard property and liability insurance policies.
Terrorism Endorsements for Commercial Property and Liability Forms	Summarize the purpose and provisions of the terrorism endorsements developed by Insurance Services Office, Inc., and the National Council on Compensation Insurance, Inc.
Types of Surety Bonds	Summarize the guarantee provided by the particular types of surety bonds within the following bond classifications: <ul style="list-style-type: none"> • Contract bonds • License and permit bonds • Public official bonds • Court bonds • Miscellaneous bonds

Assignment 20: Insurance Regulations

MODULE TITLE	LEARNING OBJECTIVES
Economic Impact of the Insurance Industry	Explain the economic impact of the insurance industry.
The Objectives of Insurance Regulation	Describe the objectives of insurance regulation.
The Sources of Insurance Regulation	Describe the three sources from which insurance regulatory powers originate: <ul style="list-style-type: none"> • Legislation • Judicial review • Administrative agencies
The Structure of Insurance Regulations	Describe the structure of insurance regulations.
Elements of Rate Regulation and Ratemaking	Describe the following elements of rate regulation and ratemaking: <ul style="list-style-type: none"> • Purpose and unique qualities of the insurance industry • Actuarial ratemaking principles and considerations in rate regulation • Insurance advisory organizations
Types of Rate Regulations	Compare the following types of rate regulation: <ul style="list-style-type: none"> • Prior approval • File and use • Use and file • Open competition • Flex rating • Government-mandated rates
Effects of Rate Regulation on Insurers	Summarize the effects of rate regulation on these aspects of insurance: <ul style="list-style-type: none"> • Resources required for complying with rate regulations • The underwriting cycle • Insurers' decision making regarding where to operate

Assignment 21: Insurance Ratemaking Basics

MODULE TITLE	LEARNING OBJECTIVES
Ratemaking Requirements Related to Exposure	Describe, analyze, or design the information requirements for ratemaking related to exposures and demonstrate the use of exposures in ratemaking <ul style="list-style-type: none"> • Definition of exposure base Aggregation of exposures <ul style="list-style-type: none"> • Organization of data: calendar year, policy year, accident year • Changes in exposure • Basic insurance measures
Ratemaking Exposure Data	Explain how exposure data is used in ratemaking. <ul style="list-style-type: none"> • Internal data • Risk data • Accounting information

	<ul style="list-style-type: none"> • Data aggregation <ul style="list-style-type: none"> ○ Calendar year ○ Accident year ○ Policy year ○ Report year • External data
Ratemaking Requirements Related to Premium	Describe the types of premium-related information required for ratemaking . <ul style="list-style-type: none"> • Premium aggregation • Adjustments to premium
Ratemaking Premium Data	Using the loss ratio approach, explain how premiums are used in ratemaking analysis. <ul style="list-style-type: none"> • Loss Ratio Indication • Current Rate Level • Premium Trend • Loss Development • Loss Trend
Ratemaking Requirements Related to Loss and Loss Adjustment Expenses	<ul style="list-style-type: none"> • Loss definitions policy year, accident year, report year • Loss data aggregation methods • Common ratios involving loss statistics • Adjustment to losses • Loss adjustment expense (allocated and unallocated expenses)
Rating Differentials for Increased Limits and Deductibles	Develop rating differentials and relativities for deductibles and increased limits. <ul style="list-style-type: none"> • Increased limits ratemaking • Deductible pricing •
Pricing Solutions to Achieve an Organization's Goals	Assess the considerations for implementing rates to achieve an organization's goals. <ul style="list-style-type: none"> • Rating algorithms • Rating variables and differentials • Expense calculation • Other considerations

Assignment 22: Estimating Claim Liability

MODULE TITLE	LEARNING OBJECTIVES
Overview of Basic Claims Terminology	Understand the basic terminology used in estimating unpaid claims liability including: <ul style="list-style-type: none"> • Insurer • Reserves • Claims, Losses and Claim Count • Reported Claims • Ultimate Claims • Claims Related Expense • Experience period • Emergence

<p>Understanding the Claims Process</p>	<p>Summarize the activities and important characteristics of the claims process.</p> <ul style="list-style-type: none"> • Claims Professionals • Claims Reporting • The life of a claim
<p>Understanding Data Used in Estimating Unpaid Claims</p>	<p>Describe the information requirements for estimating unpaid claims.</p> <ul style="list-style-type: none"> • Types of data and their sources • Insurer reporting and understanding data • Verification of the data • Organization of data: calendar year, accident year, policy year, underwriting year, report year claims
<p>The Claims Development Triangle</p>	<ul style="list-style-type: none"> • Organization of the development triangle • Detailed examples of development triangles
<p>Using the Claims Development Triangle as a Diagnostic Tool</p>	<p>Given an insurer's claims experience, explain how actuaries can use development triangles for diagnostic review.</p> <ul style="list-style-type: none"> • Premium history • Reported and Paid Claims Triangle • Ratio of Paid to Reported Claims • Ratio of Paid Claims to On Level Earned Premium • Claims Count Triangles • Ratio of Closed to Reported Claim Counts • Average Claims