

SYLLABUS

IC38 INSURANCE MARKETING FIRM(IMF) (LIFE, HEALTH AND GENERAL)

SECTION I COMMON SECTION

CHAPTER 1: INTRODUCTION TO INSURANCE: Life insurance – History and evolution - History of insurance - Insurance through the ages - Modern concepts of insurance - History of insurance in India - Life insurance industry - How insurance works - Risk management techniques - Risk avoidance - Risk retention - Risk reduction and control - Risk financing - Insurance vs Assurance - Insurance as a tool for managing risk - Considerations before opting for Insurance - Role of insurance in society - Insurance and Social Security.

CHAPTER 2: CUSTOMER SERVICE: General concepts - Why Customer Service - Quality of service - Customer service and insurance - Insurance agent's role in providing great customer service - The Point of Sale - Best advice - The proposal stage - Acceptance stage - The claim stage - Grievance redressal - Integrated Grievance Management System (IGMS) - The Consumer Protection Act, 1986 - The Insurance Ombudsman - Communication process - Non-verbal communication - Ethical behavior.

CHAPTER 3: GRIEVANCE REDRESSAL MECHANISM: Consumer courts, Ombudsman - Integrated Grievance Management System (IGMS) - The Consumer Protection Act, 1986 - The Insurance Ombudsman.

CHAPTER 4: REGULATORY ASPECTS OF IMF: Definitions-Scope and applicability of these Regulations-Application for grant of Registration to Insurance Marketing Firm-Consideration of application and eligibility criteria for Insurance Marketing Firm-Capital Requirements of Insurance Marketing Firm-Principal Officer of the Insurance Marketing Firm – Eligibility Criteria -Training, Examination and Certification of Principal Officer -Fit & Proper Criteria for Principal Officer of the Insurance Marketing Firm-Certification requirements for ISP & FSE-Qualifications and Eligibility criteria for ISP-Training, Examination and Certification of ISP-Engagement of FSE -Remuneration payable to the Insurance Marketing Firm-Remuneration of ISPs and FSEs and migration of ISPs-. Area of operation of the Insurance Marketing Firm-Duties and Obligations of Insurance Marketing Firm towards ISP-Duties and Obligations of Insurance Marketing Firm towards Authority-Duties and Obligations of Insurance Marketing Firm towards Insurance Companies-Cancellation of Registration of the Insurance Marketing Firm with Notice-Code of Conduct of ISP and FSE-

CHAPTER 5: LEGAL PRINCIPLES OF AN INSURANCE CONTRACT: Insurance contracts – Legal aspects and special features - Legal aspects of an insurance contract - Elements of a valid contract - Insurance contracts – Special features - Uberrima Fides or Utmost Good Faith - Measures implemented to reduce the risk -

Breach of Utmost Good Faith - Insurable interest - Gambling and insurance - Proximate Cause - Contract of Adhesion - Indemnity - Subrogation.

SECTION 2 LIFE SECTION

CHAPTER 6: WHAT LIFE INSURANCE INVOLVES: Life insurance business - Components, human life value, mutuality - The Asset - Human Life Value(HLV) - The Risk - Level premiums - The Principle of Risk Pooling - Mutuality - The Life Insurance Contract.

CHAPTER 7: FINANCIAL PLANNING: Financial planning and the individual life cycle - Definition - Types of Goals - Individual's life cycle - Individual needs - Financial products - Risk profile and investments - Role of financial planning - Financial planning - When is the right time to start financial planning - Financial planning - Types - Cash planning - Insurance planning - Investment planning - Investment parameters - Retirement planning.

CHAPTER 8: LIFE INSURANCE PRODUCT I: Overview of life insurance products - What is a product - Purpose of life insurance products and needs covered - Riders in Life Insurance Products - Traditional life insurance products - Term insurance plans - Variants of Term Assurance - Whole life insurance - Endowment assurance - Dividend method of profit participation.

CHAPTER 9: LIFE INSURANCE PRODUCT II: Overview of non-traditional life insurance products - Limitations of traditional products - The shifts - The appeal - Needs met - Non-traditional life insurance products - Types.

CHAPTER 10: APPLICATION OF LIFE INSURANCE: Married Women's Property Act - Beneficiaries under MWP Act & its features - Key man Insurance - Insurable Losses - Mortgage Redemption Insurance (MRI).

CHAPTER 11: PRICING AND VALUATION OF LIFE INSURANCE: Insurance pricing - Basic elements - Premium - Rebates - Determining the premium - Components of Premium - Mortality and Interest - Guiding Principles for determining Amount of Loading - Expenses and reserves - Determination of Surplus and bonus - Ways of Valuing Assets - Allocating the surplus - Bonus - Types of reversionary bonuses.

CHAPTER 12: DOCUMENTATION - PROPOSAL STAGE: Life insurance - Proposal stage documentation - Prospectus - Proposal form - Different Reports - Anti-Money Laundering (AML) - Know Your Customer (KYC) - Free-look period.

CHAPTER 13: DOCUMENTATION - POLICY CONDITION - I: Policy stage documentation - First Premium Receipt - Policy Document - Policy Document - Standard Provisions - Specific Policy Provisions.

CHAPTER 14: DOCUMENTATION – POLICY CONDITION – II: Policy conditions and privileges - Grace period - Policy revival measures - Non-forfeiture provisions - Special policy provisions and endorsements - Provisions related to nomination – Assignment - Types of Assignment - Conditions for valid assignment - Nomination Vs. Assignment - Duplicate Policy – Alteration.

CHAPTER 15: UNDERWRITING: Underwriting purpose - Equity among risks - Risk classification - Selection process - Fraud monitoring and role of agent as primary underwriter - Methods of underwriting - Non-medical underwriting - Conditions for non-medical underwriting - Rating factors in underwriting - Sources of Occupational Hazards - Medical underwriting - Medical Factors that influence an Underwriter’s Decision.

CHAPTER 16: PAYMENTS UNDER A LIFE INSURANCE POLICY: Types of claims and claims procedure - Concept of claims - Risk event and claim - Ascertaining whether a claim event has occurred - Survival Benefit Payments - Surrender of Policy - Rider Benefit - Death Claim - Forms to be submitted for Death Claim - Claim Procedure for Life Insurance Policy - Role of an agent

SECTION 3 HEALTH INSURANCE

CHAPTER 17: INTRODUCTION TO HEALTH INSURANCE: What is health care – Definition of Health Determinants of Health – Levels of Healthcare – Levels of health care – Types of health care – Factors affecting the health systems in India – Evaluation of health insurance in India – Employees State Insurance Scheme - Central Government health scheme – Commercial health insurance - Health Insurance Market – Infrastructure Public health sector - Private sector providers – Pharmaceutical industry – Insurance Providers – Intermediaries – Insurance selling activities – Insurance Servicing activities – financial product distribution – Other important organizations which form part of the health insurance market.

CHAPTER 18: INSURANCE DOCUMENTATION: Proposal forms – Standard form of Declaration – Nature of questions in a proposal form - Elements of Proposal – Medical Questionnaire – Role of intermediary - Duty of an intermediary towards prospect (client) – Acceptance of the Proposal –(Underwriting) – Note on underwriting and processing of proposals – Premium receipts – Definition – Payment of premium in advance - Method of payment of premium – Policy Document - Conditions and warranties – Endorsements - Specimen Endorsements – Interpretation of policies – Renewal Notice – Anti –Money laundering and know your customer guidelines.

CHAPTER 19: HEALTH INSURANCE PRODUCTS: Classification of health insurance product – Introduction – Definition – Features of health policies – Broad classification of health insurance products – IRDA guidelines on standardization in health insurance – Hospitalization indemnity product – Top up covers or high deductible insurance plans – Senior citizen policy – fixed benefit covers – hospital cash – critical illness – hospital daily cash policy – critical illness policy – long term care insurance – combi-products – Package policies – Micro insurance and health insurance for poor sections – Rashtriya Swasthya Bima Yojana - Pradhan Mantri Suraksha Bima Yojana - Pradhan Mantri Jan-Dhan Yojana – Personal accident and disability cover- overseas travel insurance – Group health cover – Special products – Key terms in health policies.

CHAPTER 20: HEALTH INSURANCE UNDERWRITING: What is Underwriting – Definition –need - Underwriting basic concepts – File and use guidelines – Other health insurance regulations of IRDAI – Basic Principles of Insurance and tools for underwriting -Underwriting process – Group health insurance – Underwriting of overseas travel insurance - Underwriting of personal accident insurance.

CHAPTER 21: HEALTH INSURANCE CLAIMS: Claims management in insurance – stakeholders in claim process – Role of claims management in insurance company - Management of health insurance claims – Challenges in health insurance – claims process in health insurance - Documentation of health insurance claims – Claims reserving – Role of third party administrators – Claims management –personal accident – overseas travel insurance

SECTION 4 GENERAL SECTION

CHAPTER 22: PRINCIPLES OF INSURANCE: Elements of Insurance: - Definition - Exposure to risk - Degree of risk exposure - Basis of risk classification- Hazard - Types of hazards - Mathematical principle of insurance (Risk pooling) - Conditions for insuring a risk - The Insurance Contract - Insurance Contract legal aspects - Special Features -Indemnity - Uberrima Fides or Utmost Good Faith - Insurable interest - Proximate cause

CHAPTER 23: DOCUMENTATION: Proposal forms - Role of intermediary - Duty of an intermediary towards prospect - Acceptance of the proposal - Premium receipt - Cover notes-Certificate of Insurance - Policy Document - Warranties - Endorsements - Interpretation of policies - Renewal notice

CHAPTER 24: THEORY AND PRACTICE OF PREMIUM RATING: - Underwriting basics - Definition - Rate making basics - Rating factors - Hazard - Moral Hazard - Physical hazard - Addressing physical hazards - Short Period scales - Minimum Premium - Sum Insured - Deciding the sum insured

CHAPTER 25: PERSONAL AND RETAIL INSURANCE: HOUSEHOLDER'S INSURANCE: - Retail Insurance Products - Sum Insured and Premium - Shopkeeper's Insurance - Sum Insured and Premium - Motor Insurance - Its coverages - 'Third-Party Insurance' - Exclusions - Sum Insured and Premium.

CHAPTER 26: COMMERCIAL INSURANCE: PROPERTY / FIRE INSURANCE: - Variants of fire policy - Market Value or Reinstatement Value Policies - Declaration Policy - Floater Policies - Business Interruption Insurance - Coverages - Burglary Insurance - Risks covered under burglary insurance - Cash cover - Money Insurance - Coverage of Money Insurance - Important exclusions - Fidelity Guarantee Insurance - Bankers Indemnity Insurance - Jewelers' Block Policy - Engineering Insurance - Types of engineering insurance policies - Marine Insurance - Marine Cargo Insurance - Different types of marine policies - Liability Policies - Statutory liability - Types of Liability Policies.

CHAPTER 27: CLAIMS PROCEDURE: Claims Settlement process - Importance of settling claims - -limitations or notice of loss - Investigation and assessment - Surveyors and loss assessors - Claim forms - Loss assessment and claim settlement - Important Aspects in an insurance claims - categories of claim - Discharge vouchers - Post settlement action - Salvage - Recoveries - Disputes related to claims - Other disputes resolution mechanisms