

## SYLLABUS

# IC38 INSURANCE AGENTS (LIFE BRANCH)

## SECTION I

**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 INSURANCE AGENT:** Definitions- Appointment of Insurance Agent by the Insurer- Appointment of Composite Insurance Agent by the insurer- Insurance Agency Examination- Disqualification to act as an Insurance Agent- Code of Conduct- Suspension of Appointment of an Agent- Procedure for Cancellation of Agency- Effect of suspension/cancellation of Agency appointment- Procedure to be followed in respect of resignation/surrender of appointment by an insurance agent- General conditions for appointment of Agents by the insurer-

**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**

**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**

**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.