**Insurance**

* **Syllabus**

1. **The Nature of Risk**

* Meaning of risk
* Classification of risk
* Cost of risk
* Management of risk

1. **Risk Assessment**

* Human assessment of risk
* Risk identification

1. **Characteristics of Physical and Moral Hazards**

* Physical
* Moral

1. **Insurance**

* Meaning of insurance
* Functions of insurance
* Benefits of insurance
* Nature of insurable risks
* Subject matter of insurance
* Sum insured
* Contract of insurance (Policy Document)
* Offer and acceptance (Proposal Form)
* Consideration (Premium)
* Capacity (Retention and Reinsurance)

1. **Principles of Insurance**

* Insurable Interest
* Utmost Good Faith
* Proximate Cause
* Indemnity
* Subrogation
* Contribution

1. **Classes of Insurance**
2. Property Insurance

* Basic fire cover and additional perils
* Basis of sum insured – Indemnity and Reinstatement Value Clause (Building, Plant & Machinery) and Stock Declaration Clauses (Raw Material and Finished Goods)
* Bank Mortgage Clause

1. Marine Insurance

* Institute Clauses (Cargo, War and Strikes)
* Basis of Valuation of sum insured
* Marine Policy, Open Policy & Cover, and Certificate
* Assignment of Marine Insurance

1. Motor Insurance (including Insured’s Estimated Value clause)
2. Miscellaneous Insurance (i.e. other classes of general insurance)
3. Life Insurance

* Individual Life – Endowment, Term, Whole Life and Annuity
* Group Life
* Pension (including social security)
* Medical & Disability Insurance

1. **The Insurance Market Place**

* General structure of the market place
* Buyers of insurance
* Sellers (or suppliers) of insurance
* Intermediaries (or middlemen)

1. **Law and Government Supervision**

* The Insurance Ordinance 2000 and Rules
* The role of government supervision
* Securities and Exchange Commission of Pakistan
* Codes of Corporate Governance