Topic 1: Introduction to Insurance and importance of insurance

1. What is the insurance?

2. What are the subjects of insurance relationships?

3. What are the subjects of Reinsurance relationships?

4. What is the Reinsurance?

5. What is the Self-insurance?

6. What is the Dual-insurance?

7. What is the Co-insurance?

8. What is the Insurable Risk?

9. What is the risk?

10. Peril and Hazard

11. Insurance sum, Insurance premium and insurance payment

12. Loss adjuster and loss assessors

Topic 2: Classification of insurance

1. Risk attitude of the people to the risk?

2. Heinrich Triangle

3. Underwriter and actuary

Topic 3: Insurance market. Risk within the insurance environment and risk management in insurance

1. Risk Management in Insurance markets?

2.Categories of risk/ Financial and non-financial

3.Categories of risk/ Fundamental and particular

4.Categories of risk/ Pure and Speculative

5.Types of risk/ Fortuitous

6.Types of risk/ Insurable interest

7.Types of risk/ Public policy

8.Types of risk/Homogenous exposures

9.Components of risk/ uncertainty

10.Components of risk/ level of risk (severity and frequency )

**Topic 1: Insurance market**

1. Types of insurers as defined by functions
2. Buyers of insurance
3. Sellers of insurance
4. Types of insurer
5. Types of insured

**Topic 2: Insurance Contracts and insurance intermediaries**

1. Insurance contract and insurance policy
2. Insurance intermediaries, Insurance agent, insurance broker

**Topic 3: Compulsory insurances**

1. What is the compulsory insurance?
2. Compulsory insurances in UK insurance market
3. Motor Third Party Liability Compulsory Insurance
4. Compulsory Property Insurance
5. Compulsory insurances in Azerbaijan

**Topic 4: Property insurance**

1. Non-life insurance / Property Insurance
2. Non-life insurance/ Pecuniary insurance
3. Non-life insurance/ Liability Insurance
4. Non-life insurance/ Marine insurance

**Topic 6: The principles of insurance**

1. Principle of Average
2. Options available for insurers for paying insurance payment
3. Deductible or excess
4. Principle of Contribution
5. Principle of Utmost Good Faith
6. Principle of Subrogation
7. Principle of Proximate Cause
8. Principle of indemnity
9. Limiting factor at the indemnity principle

Last questions

1) Problem solving: Insurance sum

2) Problem solving: Insurance Premium

3) Problem solving: Insurance tariff

4) Problem solving: principle of indemnity

5) Problem solving: principle of average

6) Problem solving: insurance payment

7) Problem solving: real value of the subject-matter of insurance

8) Problem solving: principle of contribution

9) Problem solving: conditional deductible

10) Problem solving: unconditional deductible

11) Problem solving: dual insurance

12) Problem solving: contribution

13) Problem solving: Subrogation

14) Problem solving: insurance payment

15) Problem solving: insurance payment

16) Simon was preparing a meal in his kitchen when the front door bell rang, which he left the kitchen to answer. When he finally returned the kitchen was full of smoke. A pair of kitchen gloves had caught fire from one of the oven’s gas rings. The resulting fire had spread to the curtains. Simon managed to put out the fire by using a wet cloth. Simon claimed US$6 for the gloves, US$140 for the curtains and US$4 for the cloth; the cost of the items two years previously. How do you think the insurers decided upon the amount of indemnity in this claim? What payment would you have made to Simon as indemnity? Give reasons for your answer.

17) In what circumstances would an insurer pay the total sum insured under a policy, despite the application of average? Give reasons for your answer

18) Why are benefit policies not policies of indemnity? Give reasons for your answer

19) Why are ‘agreed value’ policies issued in property insurance? Give reasons for your answer

20) Your car is damaged by the negligent act of another motorist. As well as the repairs involved, you claim for the cost of hiring another car in order to carry on working. Your insurer pays only for the repairs to your car and sues in your name for recovery of the paid claim. As a person can only be sued once for one event, how can you recover your costs for hiring the car (an uninsured loss)? Give reasons for your answer

21) In 2012, Claire bought a watch for US$1,600. She added this to her household contents policy as a specified item and provided a valuation of the watch. In 2016 the watch was stolen and its replacement was US$2,400. The policy was still in force, which stated that it would pay the ‘full value’ of property lost or damaged. Write down the sum which you think the insurers were liable to pay the insured. Give reasons for your answer.

22) Why do you think an insurer might allow a reduction in your motor insurance premium if you voluntarily agreed to pay the first US$300 of each claim? Give reasons for your answer.

23) Why are benefit policies not policies of indemnity? Give reasons for your answer

24) Before going on holiday, David purchased travel insurance and, whilst he was away, his camera (worth US$1,000) was stolen. At that time, he also had in force an ‘all risks’ policy covering personal items. What is the maximum amount David can claim under either policy? Give reasons for your answer

25) While your car is parked, another motorist collides with it, causing damage. You claim under your own motor insurance policy and also contact the other motorist’s insurance company to claim damages. You receive two payments in settlement; one from each of the insurers. Are you entitled to keep both payments? Give your reasons.