



Pakistan Insurance Institute

Pakistan Insurance Institute Calendar 2013

Diploma		
Post Graduate Diploma (PGD) in Insurance (in affiliation with University of Karachi) The 2 Semester PGD offers specialization in Property and Business Interruption Insurance Marine and Transport Insurance Motor, Liability and Miscellaneous Insurance Actuarial Science Life Insurance		January July
Commencement of Classes		
Certification		
Agent Foundation Course (General) Online Examination Tutorial classes for preparation for the exams		March June February May
Agent Foundation Course (Life) (30 lecture hours)	New	May December
Agent Foundation Course (Takaful) (16 lecture hours)		June December
Life Policy Underwriting (30 lecture hours)	New	May November
Banc assurance (16 lecture hours)	New	April
Orientation Course for Management Trainees (16 lecture hours)	New	April September
Introduction to Risk, Insurance, and Loss Surveying/Adjusting (Level A) (26 lecture hours)		February October
Introduction to Risk, Insurance, and Loss Surveying/Adjusting (Level B) Motor (28 lecture hours) Property & Business Interruption (40 lecture hours) Engineering & Construction (30 lecture hours) Marine Hull (26 lecture hours) Marine (30 lecture hours)		January March August September November
Continuous Professional Development (CPD)		
Workshops Risk Assessment Property & B/I Financial Management Business Communication Time and Stress Management Clauses – Marine Marketing Business Ethics Reinsurance Business Interruption due to fire & Machinery Breakdown Bill of Entry & Bill of Lading Compliance		January February March April May June August September October November December
Seminars Health Insurance Financial Lines Insurance Alternate Energy Claims Reserving		March June September December
Chartered Insurance Institute (CII)		
Certificate Diploma Advanced Diploma Examination		April October
Tutorial classes (free of charge) for preparation for the exams		March September

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Pakistan Insurance Institute

Pakistan Insurance Institute Quarterly Newsletter

INSURE

First Issue Mar-May, 2013

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Institute Calendar 2013



Chairman Message

Dear Readers,

It is utmost pleasure for me to announce that the first edition of PII quarterly Newsletter is in your hands. This publication aims to keep you abreast with the happenings in our industry covering the broad spectrum starting with regulation, industry statistics and activities besides an interesting article or two to whet your technical intellect.

We have started this year by formulating a detailed five year plan and have shared it with the SECP to align our product not only with the present but also future needs of the market. By the end of the five years, PII hopes to produce our own APIs (Associates of Pakistan Insurance Institute). To achieve our objectives, we will need the support of the entire industry and that of the Regulator as well.

Finally, I congratulate Ms Farzana Siddiq, PII's Executive Director and her team on the first issue of Insure and as all of you, await succeeding issues with great anticipation.

May 2013 be a great year for Pakistan Insurance Institute.

Tahir Ahmed
Chairman



Our strength & sustainability adds to your confidence

adding value through best practices

Insurance Career 'A promising Future'

Views of eminent personalities of the Insurance Industry



Zehra Naqvi

Chief Executive Officer, Ace Insurance

Insurance is part of the financial services sector of the economy. It is a service that rests at the core of every significant financial transaction, yet its visibility remains low. Personal insurances such as motor and life insurance have an outreach to people and are relatively more visible. Since Pakistan has relatively low insurance penetration, it is no surprise that for graduates entering the job market, this is seldom a preferred career option. Working this sector, one has the opportunity of transacting with most businesses in the country, keep abreast of economic activity and build bonds within the insurance fraternity both, in Pakistan as well as outside the country. It is a field equally suited to women and men. Pakistan Insurance Institute, an affiliate of the Chartered Insurance Institute, UK, has over the years provided for insurance

professionals to enhance their professional qualifications through courses offered locally and by conducting the CII examinations locally. PII offers programs aimed at professional development with a focus on Insurance. A committed career in insurance, augmented by on-going formal professional development provides an individual, sound employment options both in Pakistan and overseas. I joined the Insurance Industry over 30 years ago and looking back, I consider myself fortunate in having taken up this career option and would strongly recommend this field to young graduates who are yet un-decided as to the choice open to them.



Nasar us Samad

Chief Executive Officer, Alfalah Insurance Company Limited

Insurance has established itself as a promising career in various markets around the world. Young graduates from prestigious universities are joining companies like Swiss Re, AXA and Munich Re and others as a matter of choice because growth opportunities offered by insurance industry are numerous and wide ranging as compared to many other occupations. The trend is slowly emerging in Pakistan too as more educated young men and women are joining this exciting profession. Universities in this country have now started to offer insurance related degrees and the response from the fresh youngsters is very encouraging. BBA/MBA in Insurance and Risk Management from Hailey College of

Commerce and MSC in Actuarial Science are producing good quality candidates for the industry. Government of Pakistan has also realized that insurance penetration in this country is one of the lowest in the world and the regulators SECP is introducing far reaching measures which will propel this industry forward thus providing growth potential to all people. This is very encouraging as young qualified and educated people who are joining this profession these days will no doubt be the leaders of the future as the country comes out of the recession phase.



Manzar Mushtaq

Chief Executive Officer, Adamjee Insurance Company Limited

Insurance careers in the technical fields are highly specialized and require relevant skill-sets and qualifications. Entry level jobs are available in sales and college students can start their career by working as sales executives/ trainees/ agents and gain valuable job experience. Insurance companies need to create synergy with educational institutions to offer job guarantees to students who enroll in specialized programs. This concept of synergy with the educational institutions will be a win-win opportunity for all corporate set ups and students involved.



Khurram Alikhan

Chief Executive Officer, Aon Pakistan

Aon is the world's premier insurance brokerage and consulting firm with offices in more than 120 countries. We offer global insurance, reinsurance, risk management, and human resources job opportunities that will empower an individual's career and expose him / her to new cultures. We welcome everyone from those just embarking on their careers to seasoned professionals.



Saifuddin Zoomkawala

Chairman, EFU General, Insurance Limited

Pakistan Insurance Industry is a stable and yet dynamic industry that provides wealth of advancement and career opportunities, to young talents of Pakistan, who are keen to work hard, learn and eager to serve as a true professionals. College students/ young graduates may have options to choose their career as an underwriter, claims handler, or a clients' manager. However, the trick of trade is that one should never refuse to attend a client, whatever is the status. Be humble, honest, and impress upon them that their efforts are intended to give the clients the best solution in trying circumstances. If you adopt not to say 'no attitude' as all problems there lays a solution, I am sure you have a glittering career and a comfortable life to lead.



Ayaz Hussain M. Gad

Executive Director, Pakistan Reinsurance Company Limited

Insurance is a field of tomorrow. It is beaming to attract young professionals in competitive environment, who could adopt as a career. The insurance sector, comprising 15 percent of the country's population, is likely to flourish with tremendous pace in the foreseeable future to explore untapped markets. The industry is looking for more dynamic people, who are capable to deliver extraordinarily with creative and out-of-box solutions and ideas in the emerging and financially strong sector. The insurance sector has come out of 'life' to 'non-life' and has expanded its influence and proximity to crops, assets and business. This is just the beginning and we may witness many new products with changing lifestyle and risks associated with individuals' lives.

Features

Some questions and answers about the actuarial profession in Pakistan

What is an actuary?

An actuary is a professional person who applies a mathematical mind to long-term financial problems, especially those which involve risks and probabilities.

In our country, a Fellow ("FIA") of the UK Institute and Faculty of Actuaries ("UK Institute"), or a Fellow ("FSA") of the US Society of Actuaries ("US Society") is regarded as a fully qualified actuary. Both bodies are highly respected internationally.

Which are the main areas of actuarial work?

The actuarial profession originally developed around the life insurance business. The first scientifically run life insurance organisation was the Equitable Life Assurance Society, which was established in London in 1762. Thus the profession is 250 years old. Life insurance remains a core area of actuarial work.

Under our insurance law, actuaries are responsible for the design of policies; the calculation of premiums, surrender and encashment values; the periodic actuarial valuations; and bonus and dividend recommendations. In addition to these statutory duties, they are often involved in other financial aspects of life insurance company management.

Private sector life insurance companies and family takafuls now work in Pakistan, in addition to the State Life Insurance Corporation of Pakistan and Postal Life. This has increased the demand for actuarial expertise.

Actuaries study the mortality experience of life insurance companies. The medico-actuarial studies carried out in other countries, especially North America, highlighted the influence of build, blood pressure and other conditions on death rates. These studies had a big influence on medical thinking, and helped to improve life expectancy by focussing on healthy life styles. The mortality of lives insured in Pakistan was recently studied by Pakistani actuaries.

Pensions, gratuities and retirement benefits schemes form another core area of actuarial work. Actuaries help industrial and commercial organisations in the public and private sectors to design such schemes and work out their long term financial implications. Periodically, they value the assets and liabilities of these schemes, and recommend what contributions should be made to the funds of the schemes, and what costs should be recognised in the accounts of the entity concerned.

International Accounting Standard 19 applies to listed companies in Pakistan. This requires periodical actuarial valuations, where there is a defined benefit pension or gratuity

scheme, or a post-retirement medical scheme, or leave accumulations encashable on retirement.

Social Insurance is also a core area. In Pakistan, the EOBI statutorily provides pensions to insured persons and their spouses working in various establishments covered by the law. Actuaries have helped in the design and costing of the EOBI scheme, right from its inception in 1976. By law, an actuarial valuation of EOBI's assets and liabilities has to be done at least every 3 years.

The Provincial Social Security Institutions provide medical care and cash benefits to workers and their families in notified establishments. The law also requires actuarial valuation of these Institutions every 5 years.

In our country, there has been some actuarial involvement in Assessing the technical reserves and evaluating reinsurance arrangements of **Non-life insurance**.

The design of Employee medical plans.

Judging by the experience in other countries, the expansion of the non-life insurance and financial services industries in Pakistan and the growth of employee benefits, actuarial involvement in these fields is likely to grow.

In many countries, like the UK, actuaries are heavily involved in investment work and in financial institutions. They have contributed much to investment research. 40% of all French actuaries work in banks. The International Actuarial Association has set up a section devoted entirely to financial institutions. In the long run, and as the number of actuaries grows in Pakistan, these fields could also use actuarial services, subject to law.

Do actuaries work full time in the organisations which need their services?

Many actuaries are indeed employed full time by the organisations which need their services. For example, in life insurance companies. But other actuaries provide their services as Consultants, through a firm or company of Consultants.

Who is likely to make a good actuary?¹

Most actuaries were first attracted to the profession as a way to use their mathematical ability. But actuaries also need broad-based business skills. Some qualities the profession seeks in new recruits are:

- Above-average student, excelling in mathematics.
- Likes writing and talking to people. Knows English well.

- Has an enquiring mind, and likes to solve complicated problems.
- Is outward looking, interested in what goes on in the world around him or her.
- A self-motivated achiever who gets results.

Professional actuarial examinations are difficult, and a number of students fail to complete them. A person should start actuarial studies only if he or she is highly motivated to become an actuary, and is very confident about his or her abilities.

The time taken depends on individual ability and hard work. It ranges from 4 years to 10 years or more. The general average is around 6 to 7 years.

Which organisations conduct professional actuarial exams in Pakistan?

The UK Institute, and the US Society, conduct their exams in Karachi and Lahore.

All exam requirements for the Fellowship of the UK Institute can be completed from Pakistan. Within 12 months after becoming an FIA, the UK Institute require attendance at a short Professionalism Course in the UK; failure to comply would attract disciplinary procedures².

Most exam requirements for Fellowship of the US Society can be completed in Pakistan, but attendance at some overseas seminars is required. The US Society requires attendance at a 3-day Professionalism course in USA/Canada before granting the FSA status³.

Continuing Professional Development (CPD)

The UK Institute and the US Society both have CPD requirements. These can be met by web-casts, e-learning and attendance at professional events organised in Pakistan by the Pakistan Society of Actuaries, or by other professional bodies, on topics relevant to actuarial work.

How does one start?

A minimum educational standard is recommended for new recruits. See the respective websites. Almost all actuarial students work for an employer like State Life, an insurance company, or a firm of actuaries. So the first step is usually to find

an actuarial job or traineeship. These are advertised from time to time. A person can indeed take the exams on his or her own, but the sooner he or she gets actuarial employment the better.

The prospects for actuaries are good. Income levels vary from time to time, and between organisations. A new FIA or FSA can currently expect a handsome salary.

However in Pakistan, the demand for actuaries and the supply of actuaries are both very much smaller than for other professional people, like chartered accountants. An imbalance in this demand in Pakistan may result at times in "more actuarial jobs available than actuaries", or "more actuaries available than actuarial jobs".

What is the Pakistan Society of Actuaries?

The Pakistan Society of Actuaries ("PSOA") consists of actuaries resident in Pakistan, who are Fellows and Associates of the UK Institute, or of the US Society; and students studying in Pakistan for the examinations of these bodies. It is a professional and educational body incorporated by guarantee under the Company Ordinance 1984, and recognised in the Insurance Rules, 2002. It meets at intervals to discuss topics relevant to the actuarial profession.

Entrance requirements and procedures for actuarial students in Pakistan

Please check from the web site of the UK Institute (<http://www.actuaries.org.uk/>) or of the US Society (<http://www.soa.org/>) The UK Institute's examinations are administered by the British Council.

The US Society's exams in Pakistan are administered by the Pakistan Society of Actuaries.

Concessional fees and charges

Please check from the websites of the UK Institute and the US Society.

Official tuition by correspondence courses

The UK Institute offer an official tuition service by correspondence courses. Please check details through the internet.

1. This section is based on a booklet issued by the Society of Actuaries, USA.

2. Please check latest position from the UK Institute web site.

3. Please check latest position from the US Society web site.

Risk Management – Investment or Cost

Mr. Mansoor Ali Khan, General Manager
Hamid Mukhtar & Co. (Pvt.) Ltd

The recent disaster at the Baldia town Garments factory and the totally unnecessary loss of 260 plus lives and property damages, serves as a stark reminder of how things can go horribly wrong when basic principles of industrial facility management are ignored. As the investigation into what actually caused this catastrophe are still ongoing, it would be unfair to speculate and pin point on the actual cause trigger, however to the experienced loss investigator there are significant pointers as to what happened. Equally disturbing is the Loss management capacity of our Public rescue services, which if properly equipped and trained would have been successful in saving scores of precious innocent lives. Sadly none of that happened and today with hundreds of bread winners gone, families are left to pick up the pieces of their shattered lives, and the powers to be are no wiser as to how they prevent this from happening again. This is our dilemma and thus it is imperative to give it serious thought, create and plan and action it. The Insurance companies along with Regulators have a prime responsibility to help people make their lives and assets safe and secure.

The word Risk often evokes a scare or negative connotation when it appears either in conversation or as a narration of an outcome of an event/s. Yet, when you add the word Management to it, the meaning changes to one of comfort and security. Risk Management is Good Management is an oft repeated Mantra in many organizations be they Manufacturing, Services or other Public service entities. The greater emphasis in today's world is on Risk awareness, protection, mitigation and management arising out of the conditions and times we live in. The Global security situation post 9/11 has led to the world being very different from the one we were born into and grew up in. Life has become risky due to terrorism, law and order, advancements in technology, increased use of gadgets of all descriptions in our work and home lives and the spiraling increase in travel by all forms of transport.

These changed conditions make the management of risk, hazards and associated consequences all the more important and therefore the emergence of Risk management functions in virtually all sectors of business life. Financial, Manufacturing, Information Technology, Transportation, Health Services, Media & even the Armaments industry, all have sophisticated procedures, practices and highly qualified and trained professionals making sure that business continues as usual and adequate measures are in place to cater for the foreseen and unforeseen in their respective areas. As an example post the Tsunami in 2006 which caused such massive destruction and loss of lives across Asia and as far as the East African coast, a Global Tsunami Warning system is now in place which is accessible to all countries.

From an Insurance perspective particularly in the Non life sector, Risks are classified into 2 categories;

1. Natural and Physical Risks – Earthquakes, Floods, Tsunami, Storms, Locust attacks
2. Man made or man created Risks – Fires, Explosions, Accidents, Mechanical & Electrical failures, and Terrorism, Riots and Civil commotion, Thefts, Forgery, Fraud and Intellectual piracy.

Both categories are not illustrated exhaustively, but to highlight their nature and differences. Manufacturing Sector: Industry manages their Risks by Proper design, Construction, Adequate Firefighting & Safety equipment, properly trained personnel and an effective oversight system for compliance. Each Industry be it a Power Plant, Fertilizer factory or Nuclear facility has its own specific Risk management SOPs.

Service Sector: As the nature of Assets differ in complexity and value, this Sector relies on well designed Firefighting & safety systems and trained personnel. A Hotel will have proper exits, smoke detectors, and a well rehearsed evacuation plan for guest and staff in emergencies. IT Sector: Computers and computer systems are protected by Antivirus, Firewalls,

Encryptions and many other security features to safeguard against compromising the integrity of both Hardware and Software.

Products & Pure Services: Are protected by Trademarks and patents

Transportation: Increasingly Motor vehicles, Motorcycles and other vehicles have advanced and safety features designed to protect passengers and also other users on the Roads and highways. Aircraft now use fly by wire technology with multiple backups. A look into recent aviation accident history shows that a high percentage of accidents were caused by human error, and others from Act of God perils, whereas only a handful were due to technical failures. Piracy on the high seas particularly the incidents off the east African coast also highlights the increasing risks to the Maritime industry affecting nearly all countries involved in cargo and people transportation. This has led to extreme security measures and use of technology to counter this growing threat.

Contrary to popular belief, the cost of incorporating these measures is a small investment compared to massive following benefits both in Economic, Financial and Human terms.

- Organizational Reputation
- Higher profits
- Improved Productivity
- Better Employee morale
- Lower Insurance Premiums
- Better relationships between Insurers & Insured

The Insurance industry can play a major role in spreading the message and creating more widespread awareness of the benefits of prudent Risk Management. Not to be overly critical of the current situation, the Industry has so far not risen to the challenge as it might have...and the phrase – “ They can and should do more ” would be appropriate to include here. Insurance companies need to set up credible Risk Management (RM) Departments, organize and staff them with experienced technical personnel and provide this as a value added service to their insured both existing and those in their target market. Currently the practice is to conduct a Risk survey, produce a report and let the Underwriter make the call of accepting and or refusing new business or renewals. Very little effort goes into educating the Insured on the benefits of evaluating observed deficiencies, hazards and potential flash points. When that is done, invariably, the insured shies away due to the reason that the nature of recommendation involves major investment, or is beyond the organizational capacity of the Insured. What is needed is to provide simple, can do measures and guidance on how to go about it. The investment in Human Resources and related administrative infrastructure is a small percentage of the benefits that accrue to Insurers and in turn to Insureds in terms of improved underwriting and avoidance / reduction of losses.

A few basic pointers on how Insurers can assist their Customers to start thinking and acting on the Risk factors present in their businesses;

- Types of Risks existing – Most likely to cause losses and least likely.
- Assessment of the Risk comparing it to quantum of loss potential
- Current state of preparedness
- Desired state and how to practically narrow the gap
- Translate cost of improvements to financial benefits long term
- Staff Training needs Assessment
- Encouraging business manager to talk to their peers in same line to share experiences.

The subject being so vast, complex and multidimensional cannot be dealt with fairly in the time and space allowed, however it may interest readers in terms of the basic principles to be followed and a guideline on where and how to start.

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News & Events

Presentation of 5 year Business Plan of PII to Commissioner (Insurance) SECP



Chairman Mr. Tahir Ahmed presenting a bouquet to Mr. M. Asif Arif, Commissioner (Insurance), Securities & Exchange Commission of Pakistan on the occasion of his visit to PII.

Pakistan Insurance Institute was honored to receive Mr. Mohammed Asif Arif, Commissioner (Insurance), Securities & Exchange Commission of Pakistan when he visited the Institute's premises on November 19, 2012 to meet the council members and learn about the current status of activities and development initiatives taken by PII.

Mr. Tahir Ahmed, Chairman PII, lauded the pro-active role of the SECP in addressing issues of the insurance industry and specially providing the encouragement and support to the Institute in expanding its activities in its core business. Addressing the PII Council, the Commissioner stressed the need for closer cooperation between the regulator and the insurance industry to improve professionalism in the industry.

Ms Farzana Siddiq, Executive Director, PII presented the five year business plan of the Institute when the number of courses / programmes being offered and proposed from 2013 was highlighted.

Ms. Siddiq further stated that we have set challenging objectives for the Institute and with the encouragement and continued support of the stakeholders we shall soon attain the status of a self reliant centre of excellence as envisaged in our vision statement.

'A centre of academic excellence in the discipline of Insurance, in Pakistan'

Fairwater UIB collaboration:

Fairwater Risk Consultants & Insurance Brokers (Pvt.) Ltd is proud to announce to be the network partner of United Insurance Brokers Limited (UIB). UIB is an independent Lloyd's registered Broker with headquarters in London and representation in 110 countries worldwide.

Election of Chairman & Vice-Chairman, Lahore Insurance Institute

Mr. Nasar us Samad Qureshi, Chief Executive Officer, Alfalah Insurance Company Limited & Choudhry Maqsood Ahmed, Regional Chief, State Life Insurance Corporation of Pakistan, elected as Chairman & Vice-Chairman, Lahore Insurance Institute for the year 2013-14 in the meeting held on January 31, 2013.

Agent Foundation Course Goes on Line

Since 2003 Pakistan Insurance Institute has been conducting Agent Foundation Course that has been designed to provide foundation for all persons already working in the Insurance Companies as well as for those who may have recently joined the sales team. On conclusion of the course the participants will have a sound introduction to the basic concepts, principles and practice of insurance business.

To facilitate persons desirous to obtain the required certification the course is now being offered on line and the Institute plans to offer the course on quarterly basis.

Grand Reception by CEO of ARIG

"Mr. Yassir Al Baharna, Chief Executive Officer of Arab Insurance Group (ARIG) visited Pakistan after a gap of more than 10 years. He and Mr. Hameed Al Ammadi, Account Executive - Pakistan hosted a grand reception for the Pakistani insurance market at Sheraton Karachi Hotel on 12 November 2012. A large number of senior executives and the eminent personalities of the insurance industry including the Commissioner-Insurance SECP and the Chairman IAP attended the event. Mr Baharna in his speech while lamenting that he is visiting Pakistan after a long time under scored the importance of this market to ARIG. He reiterated ARIG's commitment to support our market through thick and thin. His affection for Pakistan was evident as he reminisced about various friends (some no more) he has made in our industry and praised Pak professional standards.

ARIG is the largest Arab owned re-insurer and comprises a team of qualified international insurance professionals. The Company offers a broad range of treaty and facultative reinsurance services for Property & Casualty, Specialty as well as Life and Medical lines to its clients from the region and beyond. Under the leadership of Mr. Al Baharna the company's business is growing rapidly around the world."



Courses

Introduction to Risk, Insurance and Loss Surveying/Adjusting

Level – B – Marine (30 lecture hours) November 5, 2012 to November 16, 2012

Specialization course on Marine Insurance & Loss Surveying adjusting in Level 'B' series was held in the Institute from November 5, 2012 to November 16, 2012. The course was largely attended by 32 participants from Insurance companies and surveyor firms.

Learning objectives of the course were:

- To understand basic principles of marine insurance
- Know about Marine Policy, its warrantee etc
- To know marine insurance Act
- Learn the type & characteristics of various cargo and risk associated with them
- Have a knowledge about various marine clauses
- Appreciated procedures of cargo and hull clauses
- Know about unloading supervision of bulk cargo

The sessions were very interactive and in the last 2 sessions case studies were discussed.

Mr. M. Sohail Nazir, Assistant Executive Director, Marine & Aviation Department, EFU General covered the topics of Principles of Marine Cargo, Marine Insurance Act 1906, Marine Clauses. Hull portion was conducted by Capt. Asif Naqvi, Director Milverk (Pvt.) Ltd, and sessions on survey reports and documentation, unloading supervision of bulk cargo were conducted by Mr. Ejaz Reza, Senior Surveyor Nanjee & Co.

CII Examination

Chartered Insurance Institute (CII) examination for Certificate, Diploma and Advanced Diploma will be held from April 8 – 11, 2013.

Tutorial Session

In order to facilitate candidates appearing for the examination, Pakistan Insurance Institute (PII) is pleased to announce commencement of tutorial session (free of charge) with effect from February 2013.

List of New CII Books (first examination April 2013)

Diploma in Insurance

1. P61 - Life, critical illness and disability underwriting
2. P62 - Life, critical illness and disability claims
3. P63 - Long term insurance business
4. P64 - Private medical insurance practice

Certificate in Insurance

1. IF8 - Packaged commercial insurances

Post Graduate Diploma (PGD) in Insurance - 2013

Admissions for 4th Batch from May 15 to June 10, 2013 for Semester commencing July 2013.

For more information visit website www.pii.com.pk.

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Workshops

Marine Hull Insurance - July 18, 2012

Structured as an interactive session covering topics ranging from Shipping Market Analysis / ship Valuation, Energy Insurance, P & I Risks and Specialist Covers to Interpretation of CTL and Loss of Hire Forms and their Interpretation, the Workshop was conducted by Mr. Asif Naqvi, Master Mariner, Dip CII, Associates AAA(UK) Director Milverk (Pvt.) Ltd.



Interspersed with case studies and interesting facts, the session was very well received by young professionals of insurance industry. This was followed by an informative Q&A session where by the participants asked pertinent questions from the expert on various subjects covered earlier and later they actively participated in the session.

Reinsurance Treaty - August 28-29, 2012



Aon Pakistan organized a Reinsurance Treaty Workshop for 3 days in August 2012 at the Avari Hotel which was well attended, having participation of 40 people from the Private & State Insurance Companies as well as nominations from the Insurance Regulator (SECP) to learn from an experienced and well known Trainer, Charles Robertson. Charles travelled to Karachi from Aon Benfield Singapore for this purpose.

The Insurance Commissioner, the Honorable Mr. Muhammad Asif Arif, graced the occasion on the last day of the Workshop to distribute the Certificates to all participants attending which made the event even more memorable!

Time / Stress Management - October 23, 2012

A duo of young professionals Mr. Safdar Abbas and Miss. Uzma Zaidi of Human Resource Department of Century Insurance Company conducted a very interesting half day workshop on the topic of Time / Stress Management on October 23, 2012.



The workshop organized by Karachi Insurance Institute was highly interactive and the team highlighted the reasons giving rise to stress and shared the tools and techniques to appropriately handle time / stress management in everyday life.

Seminar

Claims Management - December 04, 2012

Over 200 guests, representing insurers, clients of insurance companies, brokers, loss adjusters/surveyors, gathered in Pearl Continental Hotel, Karachi, to participate in the full day Seminar on the topic of Claims Management held on December 04, 2012 organized by Karachi Insurance Institute, a local affiliate of Pakistan Insurance Institute.

The Seminar proceedings commenced with recitation from the Holy Quran. Mr. Ayaz Hussain M. Gad, Chairman, Karachi Insurance Institute welcomed the speakers and delegates and thanked Mr. Asif Arif, Commissioner Insurance, Securities & Exchange Commission of Pakistan (SECP) who graced the event as Guest of Honor. Speaking on the occasion, Mr. Gad emphasized the importance of fair and prompt settlement of claims that play a key role towards building the clients confidence.

The Guest of Honour Mr. Asif Arif, Commissioner (Insurance) SECP delivered his opening address by emphasizing the need for insurance companies to upgrade and introduce new and effective tools/ techniques and use them in processing the claims accurately and efficiently.

Quick disposal of settlement cases results in building mutual trust and confidence between the insurer and the insured which in turn lead to an overall growth in the insurance business. He underscored the need of training for the sale force as according to him any lack of understanding between the underwriter and the sale person could lead to a dispute which may result in un-necessary delays in claims settlement.

Mr. Saifuddin M. Zoomkawala was invited to chair the morning session and in his address, he spoke at length about the





importance of role, the loss adjuster plays in the claim settlement process. According to him, the job of surveyor/loss adjuster is very challenging because the insurer has to depend on him for claim settlement.

A loss adjuster has to satisfy both the parties i.e. the insurer and the insured. As such, he should be well aware of the intricacies of his job. He also emphasized the need for using statistical models / tools and new techniques by the loss adjusters in the claim settlement process.

Working session 1

Claim Management for Life Insurance by Mr. Zain Ibrahim, Deputy Executive Director, EFU Life Assurance Limited, Karachi spoke at length on claim management process in life insurance. According to him the crux of claim Management Process should be the delivery of promise made to the insured. In other words, claim management ensures that claims are fulfilled. He went on explaining the audience various types of insurance claims, claims management process in life

assurance, duty of disclosure, and frauds in claims and anti-fraud measures. He was of the view that life becomes easy for insurance professionals if the life insurance contract is worded in a way that it is easily understood by the insured. He also described various steps followed in claim management process and the roles played by different parties, both internal and external, in handling the claim settlement process.

Mr. Nigel Paul Carter, Senior Claim Consultant, Marsh, London; Mr. Derek Patterson, Regional Managing Director, Middle East Crawford, UAE; Mr. Robert Sands, Energy Manager, Middle East Charles Taylor Adjusting, UAE; and Mr. Kamran Arshad Inam, Deputy Executive Director, EFU General jointly presented on the topic of Achieving a Successful Outcome for a Major Energy Loss.

The presenters described various important steps taken during major claim settlement procedure and shared their expertise in order to achieve successful outcome for a major energy loss. After the presentation, a lively discussion was held in which the delegates also participated.

Working session 11

Chaired by Mr. Munawar Opel, Chairman, Pakistan Reinsurance Company Limited the session commenced with the presentation by Mr. Mansoor Ali Khan, General Manager, Hamid Mukhtar & Company on the topic of Power Plants Claims – Examples from Pakistan who dealt at length with the subject of power plants claims, Pakistan's perspective. He then went on explaining the types of power plants which have been in operation in Pakistan and common types of failures that these plants have been experiencing. According to him, losses in power plants can occur either due to human error, or because of faults in designs. In either case, the plant failure could lead to losses which accordingly give rise to claims. Here comes the role of loss adjusting firms i.e. how well they manage to deal with such claims. The speaker also highlighted in his presentation a host of challenges faced by loss adjusters in the process of claim settlement.

Burglary Claim – A Case Study was presented by Ms. Tania Saulat, Director, Khalid & Associates (Pvt.) Limited who explained as to how a loss adjuster should proceed when a burglary claim is lodged by the insured taking into consideration exclusions, warranties and conditions as contained in the policy.

Syed Imran Rabbani, Joint EVP Jubilee General gave the final presentation of the session on the topic of Textile Fires in Pakistan. He also underscored the need for a professional approach with which a loss adjuster has to handle claims of textile sector due to fire.

After the presentations, lively discussions took place between the presenters and the delegates on the topics presented earlier.

Mr. Asad ur Rehman was the master of ceremony for the seminar.

The Seminar concluded with a vote of thanks by Mr. Jaffer Dossa, Vice Chairman, Karachi Insurance Institute.

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 Aon Risk Solutions
 2nd Floor, Bahria Complex III, M.T. Khan Road, Karachi - 74000
 Ph: +9221-111-266-266 Fax: +9221-35615336

alhar.khan@aoon.com
 kamal.nasir@aoon.com