

## **Standard Curriculum - For Insurance Agents - Foundation Course - Life Insurance**

### **Course Outline**

#### **1. Introduction to Insurance**

- What is Insurance?
- Brief History of Insurance
- Purpose and Need of Insurance
- Insurance as a social security tool
- Role of Insurance in economic development
- Bifurcation of Insurance Sector:
  - Life Insurance, and
  - Non-Life Insurance

#### **2. The Life Insurance Market**

- Operation and structure of the life insurance market
- Distribution channels in the life sector:
  1. Direct Sales Force
  2. Bancassurance
  3. Web sales, and
  4. Telesales
  5. InsureTech and its role
- Insurance intermediaries:
  1. Insurance Agents
  2. Insurance Brokers
  3. Third Party Administrators
  4. Insurance Surveyors
- Life insurance market of Pakistan

#### **3. Insurance Agency**

- Definition of an insurance Agent
- Agency contract under the insurance ordinance 2000
- Legal status, rights and responsibility of the agent and the principle

#### **4. Risk & Insurance**

- Definition of risk as it relates to insurance
- Categories of risk
- Types of risk which can be insured
- Types of risk which cannot be insured
- Components or risk

- Basis of insurance as a risk transfer mechanism
- Pooling of risks
- Self-insurance; co-insurance; dual insurance; reinsurance
- Benefits of insurance

## **5. Basic Insurance Principles**

- Essentials of a valid contract
- Insurable interest
- Utmost good faith
- Indemnity
- Proximate cause
- Subrogation
- Underinsurance and the application of average
- Non-Life Reinsurance and its types

## **6. Principles of Life Insurance**

- Life insurance contract
- Principle of utmost Good faith
- Insurable interest
- Principle of Indemnity
- Need and Insurance

## **7. Life Insurance Products**

- Unit Linked Policies
- Universal Life Policies
- With profit and without profit
- Individual and Group Policies
- Types of Insurance Products as Whole Life Product, Interest sensitive product, Term Assurance, annuities, Endowment Assurance etc
- Concept of Annuities
- Pension + Annuity Product
- Insurance Products for Female and Children etc

## **8. Underwriting**

- Introduction
- Classification of Risks
- Financial Underwriting
- Non-Medical Underwriting
- Underwriting by agents
- Recent Trends

## **9. Insurance Documents**

- Insurance documents including Proposal Forms, Illustrations and other relevant Forms

- **Illustration**
  - Presentation of Illustration / Offer
  - Purpose of illustration
  - Legal importance of illustration
  - How to prepare an illustration?.
- First Premium Receipt / Renewal Premium Receipt
- Policy Contract, Endorsement, Renewal Notice / Bonus Notice, others

## **10. Policy Conditions**

- Age, Days of Grace, Lapse and Non-forfeiture, Paid up value, Revival, Assignment
- Nomination, Surrenders and Loan
- Indus put ability of the policy

## **11. Claims**

- Intimation Procedure
- Claims Documents - Forms
- Settlement Procedure
- Accident and Disability Benefits

## **12. Life Insurance Marketing**

- Marketing concept
- Distribution Channel
- The Customer
- Know your Customer (KYC) / Customer Due Diligence (CDD) Measures
- Customer Satisfaction
- Strengthening Relationship
- Function of an agent
- Advertisement

## **13. Role of an Insurance Agent**

- What is Insurance Agents?
- Selling Process
- Pre-approach, interview, objection, closing, service, ethical behavior
- Consumerism in Insurance

## **14. Personal Development**

- Scope
- Product Knowledge
- Customer Oriented business target
- Time Management

- Long - Term Relationship
- Motivation, Morale
- Communication Skill
- Behavior with others

### **15. Laws and Regulations**

- Insurance Ordinance, 2000
- Insurance Rules, 2017
- Financial Planning & Taxation
- Corporate Insurance Agents Regulations 2020

**\* Any amendment in prevalent legal framework will be incorporated in the refresher course accordingly.**