



## Introduction to Insurance, Lloyd's and the Market

### Who would benefit?

This course is designed for anyone new to insurance and the London Market.

### Objective

To give an introduction to the London Insurance Market, the runners and riders.

### Content

- **The Risk Business – what is risk?**
  - The object to be insured or the peril insured against?
  - Subjectivity as to the outcome of an event
  - Risk – future uncertainty v chance
  - Insured v Uninsured Perils
- **The Pool or Fund**
  - The risk transfer mechanism & the calculation of premium
  - The benefits of insurance
- **Managing Risk**
  - Identification, evaluation and economic control of risk
- **The Historical Development of Lloyd's**
  - The development of Lloyd's – A chronology
- **Lloyd's and the Risk Business**
  - What can we insure? Insurable v Uninsurable risk
- **Classes of Insurance Business**
  - Major categories of insurance business
  - Contracts of indemnity v contracts of benefit
  - Some unusual risks placed at Lloyd's
- **How the Market Works and the Major Players**
  - Lloyd's
  - The FCA as market regulator
  - The Franchise system
- **Companies**
  - Insurance companies
  - Proprietary and mutual offices
  - Composite insurers
  - Captive insurers
- **Intermediaries**
  - Insurance Agents & Consultants
  - Brokers & Lloyd's brokers
- **Placing the Risk**
  - Overview of the placing process (Broker & Underwriter)
  - Insurance v Co insurance
- **Reinsurance (Brief overview)**
- **Claims - overview**
  - Is it covered? Insured v Uninsured perils
- **Basic Legal Principles in Insurance**
  - Insurable Interest
  - Who may insure?
  - The doctrine of utmost Good Faith
  - Definition
  - What constitutes a material fact
  - What facts must be disclosed?
  - To whom does the duty apply?
  - Remedies for the breach of the doctrine
- **Indemnity**
  - What is indemnity
  - Definition of indemnity
  - The Provision of an Indemnity
  - Cash, repair, replacement or Reinstatement
  - Factors affecting indemnity
  - Sums insured, limits of indemnity and limits of liability
  - Excesses, deductibles and franchises
  - Depreciation wear and tear
  - Betterment
  - New for old - contracts of reinstatement
- **Subrogation**
  - Definition
  - Examples of how subrogation may occur
  - Calculation of an indemnity settlement
- **Contribution**
  - Definition
  - Examples of how contribution may occur
- **Proximate cause**

### Duration

One day

### Suggested follow-on course

Reinsurance: Introduction