



AUTHORIZED SURVEYING OFFICERS CERTIFICATION

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INTRODUCTION

The IFMP Authorized Surveying Officers Certification covers the concepts of structure and management, regulatory framework and ethics, associated risks, governing laws, types and mechanism, documentation and selling of Non-life Insurance products and surveying and loss adjusting procedures associated with it. This course is primarily aimed towards officers of Insurance Surveying and loss adjusting companies.

OBJECTIVE OF THE EXAMINATION

The objective of this course is to equip the participants with the knowledge and skills which enables them to perform as Insurance Surveyors and Loss Adjustors efficiently and effectively.

TARGET AUDIENCE

This Exam is mandatory for staff of Insurance Surveying and Loss Adjusting Business.

SYLLABUS STRUCTURE

The curriculum is divided into elements and these are broken down into a series of learning objectives. Each learning objective begins with one of the following prefixes: ***know***, ***understand***, ***be able to calculate*** and ***be able to apply***. These words indicate the different levels of skill to be tested. Learning objectives prefixed:

- ***Know*** require the candidate to recall information such as facts, rules and principles
- ***Understand*** require the candidate to demonstrate comprehension of an issue, fact, rule or principle
- ***Be able to calculate*** require the candidate to be able to use formulae to perform calculations
- ***Be able to apply*** require the candidate to be able to apply their knowledge to a given set of circumstances in order to present a clear and detailed explanation of a situation, rule or principle

EXAMINATION SPECIFICATIONS

Each examination paper is constructed from a specification that determines the weightings that will be given to each element. The specification is given below.

It is important to note that the numbers quoted may vary slightly from examination to examination as there is some flexibility to ensure that each examination has a consistent level of difficulty. However, the number of questions tested in each element will not change by more than plus or minus 2.

Element	Element Description	%age
1	Introduction to Insurance	10
2	Classes of Surveyor Business	10
3	Insurable Interest and Indemnity	10
4	The principles of Insurance	10
5	Underwriting Practices	10
6	Hazards and Risk Exposures	10
7	Introduction to Takaful	10
8	Surveyors' Tasks and Responsibilities.	10
9	Admissibility of Claims, claims validation and Claims handling	10
10	Code of Ethics and Regulatory Framework	10
	Total	100

COURSE SUMMARY

Element 1: Introduction to Insurance

- a. What is Insurance?
- b. A Brief History of Insurance
- c. Uses and Benefits of Insurance to Consumer
- d. Different Categories of Insurance

Element 2: Classes of Surveyor Business.

- a. Fire and property damage business. AND/OR
- b. Marine, aviation and transport business. AND/OR
- c. Motor third-party compulsory business. AND/OR
- d. Miscellaneous business/MBD

Element 3: Insurable Interest and Indemnity

- a. Principle of Insurable Interest
- b. Insurable Risks
- c. Law of Large Numbers
- d. Large Numbers of Homogeneous Units
- e. Loss Must Be Measurable
- f. Loss Must Be Uncertain
- g. Economic Hardship
- h. Exclusion of Catastrophic Perils
- i. Principle of Indemnity
- j. Parametric Insurance / Index based Insurance

Element 4: The principles of Insurance

- a. Principles of Non-Life Insurance
- b. Proximate Cause
- c. Subrogation
- d. Contribution.

Element 5: Underwriting Practices

- a. Underwriting process
- b. Underwriter's role

- c. Adverse selection
- d. Concept of premium components:
 - interest
 - expenses
 - acquisition costs
 - loading
- e. Concept of field underwriting including:
 - filling-in proposal form and various important compliance
 - changes in the application
 - mode of payment of premium
 - amendments/counter offer
 - issuing the policy
- f. Concept of various risk relating to underwriting

Element 6: Hazards and Risk Exposures.

- a. The concept of risk
- b. Types of Risks
 - Pure risk
 - Speculative risk
- c. Classification of Risks
 - Standard Risks
 - Substandard Risk
 - Preferred Risks
 - Declined Risks
 - Perils
 - Hazards
- d. Managing Risk

Element 7: Introduction to Takaful

- a. Introduction to Takaful
 - Evolution of takaful
 - Principles of takaful
 - Al-gharar (uncertainty)

- Al-maisir (gambling)
 - Riba (interest)
 - Models of takaful
 - Mudharabah
 - Wakalah model
 - Wakalah waqf model
- b. General Takaful Model followed in Pakistan
 - c. Emerging Takaful Industry in Pakistan

Element 8: Surveyors' Tasks and Responsibilities.

- a. Basic duties of a Surveyors/loss adjuster
- b. Establish facts to determine:
 - Policy Liability
 - Quantum
 - Recovery

Element 9: Admissibility of Claims, Claims validation and Claims handling

- Handling a claim
- General Claim Procedure
- Claims under Comprehensive insurance
 - Claims and loss
 - Claim parties
 - Catastrophe
 - Outstanding claim reserve
 - Material Facts
 - Contribution
- How Straight through processing (STP) makes the insurance industry more efficient

Element 10: Code of Ethics and Regulatory Framework

- a. Ethical issues in Insurance selling and Loss adjusting
- b. SECP's Insurance Rules, 2017
 - Section 2, 31, 41-47

RECOMMENDED READINGS

The next section of this study guide covers a brief extract from some of the below mentioned documents. Candidates are advised to study the respective documents (in detail and original) which are available free-to-download from IFMP's website and / or the respective organization's websites.

1. Anti-Money Laundering Act, 2010
2. Code of Corporate Governance, 2002
3. Income Tax Ordinance, 2001
4. Insurance Ordinance, 2000
5. Insurance Rules, 2017
6. SECP Act, 1997
7. Voluntary Pension Scheme Rules, 2005
8. Takaful Rules, 2012