



APPLIES TO ACADEMIC YEAR 2012/2013

FAK 2214 Insurance Broking

Programme

Course in Insurance

Responsible for the course

Kristian Trosdahl

Department

Department of Accounting - Auditing and Law

Term

According to study plan

ECTS Credits

2

Language of instruction

Norwegian

Introduction

Basic introduction to key topics of insurance mediation. It is optional for the Insurance exam and mandatory for authorization as insurance broker.

Learning outcome

Acquired knowledge

The students shall obtain knowledge about the development of the legislation regarding insurance mediation, especially the key principles and important paragraphs in the Insurance Mediation Act (2005) and regulations connected to his law. Further they shall know the role of the insurance brokers in the insurance industry and key elements of the business management of an insurance broker. They shall also obtain knowledge about the three parties involved in the mediation process – the broker, the client and the insurance company or provider – with emphasis on the responsibilities of the insurance broker in relation to the two other parties involved.

Acquired skills

The students shall be able to evaluate specific questions about the meaning and practise of core paragraphs in the Insurance Mediation Act and regulations connected to this law. They shall also be able to describe in detail the progress of a broker assignment – including the formal requirements the broker has to meet. Further they shall be able to explain the main features of the business management of an insurance broker, included the formal competence required for an insurance broker. Finally they shall know the ethical rules set for brokers.

Reflection

The students shall acquire a conscious attitude to the responsibilities of the insurance broker in relation to both their client and the insurance provider and that their professional advice might be of great importance for all contracting parties. They shall in particular be aware of the importance of the broker being totally independent of the insurance providers. Finally they shall be aware of possible ethical dilemmas relating to their work in the insurance industry.

Prerequisites

The course "Introduction to Insurance" at BI or equivalent

Compulsory reading

Books:

Flaatin, Anne, Kjell Einarsveen, Bjørg Sæther. 2008. Forsikringsmegling : en innføring. 6. utg. BI Forsikring

Other:

Lover, forskrifter, kontraktsformularer og utdelt materiell.

Recommended reading

Course outline

History

- Insurance broking in Norway – development of the legislation and regulation

- Insurance brokers abroad

Why contact an insurance broker?

- Who can benefit from insurance broking?
- Markets, products and price - core competence of an insurance broker

The parties involved: Client – insurance broker – insurance company or provider

The responsibilities of an insurance broker:

- Tender documents
- Evaluation of tenders and recommendation to the client
- Service

Agreements

- The broker's agreement with the client – content (minimum)
- Terms of signing annulling an agreement
- Premium – terms of payment
- Settling of claims
- Commission
- The broker's liability
- The broker's agreement with the insurance company - content
- Formal requirements to the broker
- The relations between the broker and the insurance company
- Industry standards regarding payment for the services of the insurance broker

Business management of an insurance broker

- Customer analysis
- Sales promotion
- Presentation material
- Broker teams
- Statistics

Act on insurance mediation

- Authorization to practice insurance broking
- Regulations concerning god brokering practice
- Client account
- Information from the insurance broker

Ethical guidelines adopted by the Norwegian Insurance Broker Association

Computer-based tools

It's learning (virtual classroom/intranet facilities)

Learning process and workload

Part-time organized as distance education based on self-tuition and one send-in (not mandatory).
Intensive mandatory two-day seminar

Examination

Three hour individual written exam.

Grade B or better is required for the exam to be accepted for authorization as insurance broker by the Norwegian Insurance Broker Association.

Examination code(s)

FAK 22141 Insurance Broking, which account for 100 % of the final grade in the course FAK 2214 2 ECTS.

Examination support materials

The booklet "Hjelpemidler til eksamen FAK 22141 Forsikringsmegling" published by BI Forsikring.

Re-sit examination

A re-sit is held at the next scheduled exam in the course.

Additional information