APPLIES TO ACADEMIC YEAR 2013/2014

FAK 2634 Insurance broking

Programme
Bachelor of Management, Single courses

Responsible for the course
Kristian Trosdahl

Department
Department of Accounting - Auditing and Law

Term
According to study plan

ECTS Credits
7,5

Language of instruction
Norwegian

Introduction
The course provides an introduction to the main topics in insurance broking and acts and regulations that are relevant for this business. It may be included in the Insurance exam and is compulsory to be awarded authorization as an insurance broker.

Learning outcome
Acquired knowledge
The students shall acquire knowledge about the legislation that regulates insurance broking, in particular the essential principles and regulations in the insurance broking act (2005) and the relevant regulations. They shall also gain knowledge of the insurance act, contract act and law of torts with a particular emphasis on principles and regulations that apply to the insurance broker business. They shall be able to account for essential aspects of the brokers' role in the insurance business and basic aspects of running an insurance agency and to have knowledge about the relationship between the three parties in insurance broking commissions – customer, insurance broker and insurance supplier – with a particular emphasis on the broker's role in terms of duties to the two other parties.

Acquired skills
The students shall be able to assess concrete questions concerning the meaning of and practical use of central paragraphs in the laws that regulate the insurance business in general and insurance broking in particular, as well as the law of damages, contracts and the relevant regulations with a main emphasis on the regulations concerning insurance broking. They shall also be able to describe an insurance commission procedure in detail – both the practical process and the formal rules in connection with contract formation and contract regulations. They shall also be able to account for the main aspects in running an insurance broking, including qualification requirements for the insurance brokers. Finally they shall be aware of the ethical rules for insurance brokers and be able to discuss concrete ethical dilemmas based on these rules.

Reflection
The students shall gain a conscious attitude regarding the insurance broker's responsibility to both customers and insurance suppliers, and that the advice they give may be very significant for all parties in a contractual relationship. They must be especially aware of the importance of the broker being independent of the insurance suppliers. They must also be aware of the framework provided by the legislation. Finally they must be conscious of and be able to discuss ethical dilemmas that may arise in insurance work.

Prerequisites
Completed and passed course in “Introduction to insurance”.

Compulsory reading
Books:
Kristian Trosdahl (red.). 2013. Forsikringsmegling. 1. utgave. Utgis ved BI Bank og Forsikring

Recommended reading

Course outline
History
Insurance broking in Norway, development of legislation and other general terms.

Parties: Customer – insurance broker – insurance supplier

The tasks of an insurance broker
Tender documentation
Assessment of offers and recommendations to customer

Contractual relationship between broker and customer and broker and insurance supplier
Content requirements
Entering and terminating agreements
Premium payment
Claims settlement
Brokerage
Business standard for payment for insurance broking

Running insurance enterprises

Ethical guidelines adopted by the Insurance broker association

Legal issues
General topics
Doctrine of sources of law
Constitutional law
Insurance broking act
Enterprise requirements for being registered with the Financial Supervisory Authority of Norway.
Requirements for generally accepted broker principles
Management of client funds
Duty of disclosure to customers
Contract law
Basic principles
Contract formation
Power of attorney
Law of insurance
- Public regulation and supervision of the insurance business
- Premises for the company's liabilities
- Identification
- Third-party insurance

Law of torts
- Basic principles
- Terms for liability at law – basis of liability
- Cause and effect relationship
- Theory of conditions and main causes

Other topics
- Broking of marine insurances – distinguish from non-marine insurances
- Broking of reinsurance

Computer-based tools
Must have access to the Internet – its learning

Learning process and workload
The course is given over one 4-day session, totalling 28 hours.

The course is conducted as distance learning with self-tuition and two voluntary assignments. Intensive teaching is given at the compulsory 4-day session.

Recommended workload for the students;

Activity	Workload
Participation at intensive teaching sessions 4 days	28 hours

Work on two assignments	12 hours
Exam	4 hours
Preparation for sessions and exam	20 hours
Follow up teacher's feedback on assignments	12 hours
Work on syllabus	124 hours
Total recommended workload	**200 hours**

Examination
A four-hour individual written exam concludes the course. For the exam to be approved for authorization a grade of C or better is required.

Examination code(s)
FAK 26341 written exam. The exam accounts for 100% of the grade in the course FAK 2634, 7,5 credits

Examination support materials
The publication “Hjelpemidler til eksamen I FAK 2634 Forsikringsmegling utgitt av BI Bank og Forsikring”. Examination support materials at written examinations are specifies under exam information in our web-based Student handbook. Please, note the use of calculator and dictionary.
http://www.bi.edu/studenthandbook/examaids

Re-sit examination
It is only possible to retake an examination when the course is next taught. All retaken examination will incur an additional fee.

Additional information