



# The Fundamentals of Insurance Underwriting

Since the first days of Edward Lloyd, when merchant venturers started to “underwrite” each others’ voyages, **underwriting has been at the heart of the insurance business.**

“Intelligent risk taking” is the essence of underwriting: knowing what risks you want to take, or can take on, and knowing how much to charge: “there is no such thing as bad risk, only a bad price”.

In our unique industry, we don’t know the product cost when we sell the product, so the language of underwriting is very much the language of insurance.

This “fundamentals” course is not really designed for underwriters at the start of their professional career but for professionals in other functions whose role brings them into contact with, and requires them to understand, this vital part of the insurance process.

Whether your role is in Claims, Compliance, HR, or Finance you’ll probably want to understand:

- What is involved?
- What decisions are made?
- What will influence those decisions?
- What skills and knowledge are required?
- What does success look like and what are the risks?

## Core Details

9.30am — 5.00pm  
City of London



6 CPD Hours

## To Book

*Call*  
+44 (0)204 551 8568  
(Please choose option 2)

*Email*  
info@thezishi.com

*Online*  
thezishi.com

## Your Consultant **John Constable**

John has worked in insurance since 1991, in senior learning and development and compliance roles in both insurers and brokers. A training consultant since 2005, John designs and delivers interactive regulatory, risk, financial and business skill training for brokers and insurers. He brings a unique blend of experience, commercial awareness, credibility and pure energy. More importantly he brings a broad multi functional perspective: the antidote to the traditional insurance “silo culture” and is equally effective at all levels: from induction training to Board level. John has a BA (Hons) in History from Kings College London, holds a financial qualification from the Open University, a Diploma in Management from Henley Management College and is a Member of the Chartered Institute of Personnel and Development. His published articles have covered financial crime, learning and development strategies, operational risk management and Solvency II.

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## Agenda

### Cost

**£595 / person + VAT £714**

A discount of 10% per person is available when booking for 2 or more delegates on the same course in a single booking.

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### In-house Course?

This course works well as an in-house event, contact us to discuss your needs on 0204 551 8568 or email [info@thezishi.com](mailto:info@thezishi.com)



ZISHI Cornerstone



The CPD Standards Office  
CPD PROVIDER: 21020  
2016 - 2018  
[www.cpdstandards.com](http://www.cpdstandards.com)



Session	Details
<b>The underwriting process</b>	<ul style="list-style-type: none"> <li>Revising the link between capital and underwriting capacity: the insurance cycle</li> <li>Accepting the risk</li> <li>Delegating underwriting authority</li> <li>Setting and monitoring claims reserves</li> </ul>
<b>Key functions of the underwriter</b>	<ul style="list-style-type: none"> <li>Assessing the risks being presented</li> <li>Deciding whether to accept the risk</li> <li>Determining policy terms and conditions</li> <li>Calculating and achieving an appropriate premium</li> </ul>
<b>Factors to be considered within risk evaluation</b>	<ul style="list-style-type: none"> <li>The factors that determine               <ul style="list-style-type: none"> <li>Are you allowed to write the risk?</li> <li>Do you want to write the risk?</li> <li>How much risk can you accept?</li> <li>How much you will charge?</li> </ul> </li> <li>Exposure management and re-insurance</li> </ul>
<b>The two main pricing techniques</b>	<ul style="list-style-type: none"> <li>Experience v exposure rating</li> <li>Negotiating the price</li> </ul>
<b>What should be covered within the insurance contract: the policy</b>	<ul style="list-style-type: none"> <li>Revising the insurance principles</li> <li>Elements of an insurance contract</li> <li>The language of terms and conditions</li> <li>Complying with legislation: Consumer Insurance Act 2012, Insurance Act 2015</li> </ul>
<b>The principles of setting and maintaining adequate claims reserves</b>	<ul style="list-style-type: none"> <li>Claims paid, claims outstanding, IBNR, prior year reserve release and IBNER</li> </ul>
<b>The concept of portfolio management</b>	<ul style="list-style-type: none"> <li>Cross class considerations</li> </ul>
<b>The underwriting control environment</b>	<ul style="list-style-type: none"> <li>Competences</li> <li>Underwriting procedures</li> <li>Regulation and compliance</li> </ul>
<b>How the practice of underwriting might be changing</b>	<ul style="list-style-type: none"> <li>From aggregator websites to insurtech algorithms</li> </ul>