

# Insurance Law (M05)

## Unit/assessment information

Insurance Law provides candidates with an insight into the laws which underpin the operations of insurance. It is about enabling candidates to demonstrate a knowledge and understanding of the laws which form the background to the operation of insurance, the system within which these laws operate and are administered and apply knowledge and skills to practical situations.

In this unit we look at general legal principles, how the legal system works, and legal personality - how the law applies to different types of person and organisation. We consider the law of torts and examine civil wrongs such as negligence, trespass and nuisance. This is relevant to liability insurance because most claims under liability policies are based on tort. We also consider the law of contract. This is central to the business of insurance where an insurance policy is a contract in which insurers promise to pay claims. We examine the law of agency which is often regarded as a branch of law of contract. This is important because the majority of insurance policies are sold through an agent of some type.

We deal with the law of insurance contracts, how they come into force and how the various parts of an insurance contract operate. Insurance is subject to special legal principles and we look at two of the main ones, insurable interest and utmost good faith.

We look at losses and insurance claims. We examine the legal rules which govern the duties of the insured when they make a claim, how the loss is measured, and how insurers may call upon others to share the loss. Special legal principles are involved, including those of proximate cause, indemnity, subrogation and contribution.

Building a successful career in insurance

Insurance Law (M05) counts towards a Diploma in Insurance. Please note it is assumed that the candidate has knowledge of the fundamental principles of insurance as covered in Insurance, Legal and Regulatory (IF1) or equivalent examinations.

## Summary of learning outcomes:

1. Understand the nature and sources of English law and the concept of natural legal persons.
2. Understand the principles of the law of torts and the characteristics of the main torts.
3. Understand the law of contract.
4. Understand the law of agency and its application to insurance.
5. Understand the main principles governing the formation of insurance contracts.
6. Understand the classification and interpretation of insurance contract terms, the effects of their breach and other vitiating factors.
7. Understand the main legal principles governing the making of an insurance claim.
8. Understand how losses are measured and how the principle of indemnity applies to insurance claims.
9. Understand how the principles of subrogation and contribution apply to insurance claims.

#### More information:

- [Download the 2020/21 syllabus \(PDF\)](#)
- [Download the 2020/21 exam guide \(PDF\)](#)
- [Diploma mixed assessment guidelines and instructions](#)
- [Specimen coursework assignment \(PDF\)](#)
- Plagiarism and how to avoid it – [watch the video](#)

#### Assessment

- Coursework assignment with 10 compulsory short answer questions; and a 60 minute exam comprising 50 multiple-choice questions (MCQs)
- 60% coursework nominal pass mark
- 65% exam nominal pass mark

**Recommended study hours: 120**

#### Qualification documents

- [Syllabus changes](#)

**This unit can be used as component part to gain the following qualifications**

This unit can be used along with other units to enable you to achieve a larger qualification.

For more information about this, you can view the larger qualifications available and their constituent parts on the Financial Academy pages. The qualifications are:

- Certificate in insurance
- Diploma in Insurance

#### Recognition of Prior Learning:

You may be eligible to claim exemptions for relevant exams and qualifications obtained through other professional bodies or universities. Subject to the published qualification completion requirements these can be used to help you achieve CII qualifications more quickly.

For details on getting your documentation certified as a true copy of the original, [please visit the guidance page](#) of the Chartered Insurance Institute.

For further information and to ensure you fully understand how your credits may be added up please contact our customer service team – [customer.serv@cii.co.uk](mailto:customer.serv@cii.co.uk), +44 (0)208 989 8464.

## Validity of enrolment period

This unit is the 2020-21 edition (applicable to exams sat 01 May 20 to 30 Apr 21).

Your study materials are valid for 18 months from the date of purchase. Once your 18 months enrollment period has expired, you will **no longer have access** to any materials via RevisionMate (the CII content system).

## Points to note

This unit/qualification is designed and assessed by the Chartered Insurance Institute. This unit/qualification is designed and assessed by the Chartered Insurance Institute. Regardless of the language of the learning material and assessment/ exam you are purchasing, all content and communications produced by the CII will be in English.

All prices of CII products purchased in KSA are the same regardless of an individual's membership status. No discount is applied to members. All CII enrolments and exams purchased in KSA must be made through the Financial Academy.

Unit enrolments, exam bookings and re-sits for this unit should all be purchased via the Financial Academy on this website for all KSA based customers. The booking of a specific date, time and venue for an exam will be done via your CII account.

Updates to study materials (if required), Coursework resubmissions, and remarks should all be purchased directly through the CII and can be done using the login details you will receive at point of enrolment.

## What should you expect after purchasing an enrolment?

After purchasing an enrolment, you will receive communications from the CII by email within 5 days containing information about how to access your learner materials and other relevant information.

## CII policies

- [Exam Policies](#)
- [Coursework Policies](#)