

ACTUARIAL SCIENCE
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Principles of Re Insurance & Life Office Management - Paper - III

Part - I - Principles of Re Insurance

UNIT I

Introduction - Brief Historical Background - Nature of Reinsurance - Function of Reinsurance - Methods of Reinsurance - Major Forms - Facultative Reinsurance - Treaty Reinsurance.

UNIT II

Reinsurance - Special factors partitioning to Property, Accident / Liability, Marine and Aviation, Basics of Life Reassurance, Reinsurance Programs - Designing and Arranging - Setting Retentions - Program Design - Analysis Reinsurance Needs - Negotiation and Placement of Reinsurance.

UNIT III

Reinsurance Clause, Common Clauses, Operative clause, Commencement and Termination Clauses - Access to records Clause - Errors and Omissions Clause - Intermediary Clause - Currency Clause - Arbitration Clause - Insolvency Clause - Offset Clause - Claims Settlement Clause - Accounting Clause - Special Clause.

UNIT IV

Reinsurance Markets - Special Characteristics of certain Important Reinsurance Market - Lloyd's - Reinsurance Exchange - Pools. Reinsure Financial Security - Importance - Managing Reinsure Security - Selecting Reinsures - Establishing Criteria for Evaluation of Security - Financial Strength Ratings - Major Rating Agencies.

UNIT V

Alternative of Reinsurance - New forms of Reinsurance - Finite Risk / Financial Reinsurance Futures and Securitization of Reinsurance Contracts - New markets - Impact of Captives and High Self - Retentions on the Reinsurance Mechanism - Emerging Trends in Global Reinsurance Market.

Part - II - LIFE OFFICE MANAGEMNET

Introduction to insurance company operations :
Life and Health insurance Company (Life Company Operations)
Competition, Regulation, and Ethics in the Life Insurance Industry
Life Insurance Company Formation and Restructuring

The Organizational Structure of Insurance companies
Marketing Activities and Strategies
Product Development
Pricing Insurance Products
Product Distribution
Home Office Support for Distribution Systems
Life Insurance Underwriting
Customer Service
Claim and Annuity Benefit Administration
Information Management
An Overview of Financial Management
Managing Investments
Accounting
Human Resource Management
Legal and Compliance Operations

Reference Books :

1. by Raymond McLeod, Life Office Management Association. Life Management Institute.
2. by Jane Lightcap Brown, Life Office Management Association. Life Management Institute.
3. Asset Liability Management in Insurance - Verennnee Briyel

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Advanced Actuarial Practice Paper - IV

Advanced actuarial consulting topics, including :

- Comprehensive actuarial consulting topics, including selection of cost methods and assumptions, actuarial forecast valuations.
- Design of retirement plans
- Actuarial considerations in providing financial accounting information for post employment employee benefit plans.
- Effect of changes in demographics and the economic environment on the cost and design of retirement benefits.
- Valuation of pension assets and development of funding and investment policies.
- Actuarial valuation in civil litigation including divorce and QDROs
- Applicable issues in ethics affecting the actuarial profession.

Reference Books :

Advanced Actuarial Practice : A-4 Compendium of readings, 2007 ed;
Arlington, VA:ASPPA.

Fundamental Concepts of Actuarial Science, revised ed; by Charles L.
Trowbridge.

