

Professor Scott Harrington

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Overview

This course will provide you with the conceptual framework and practical knowledge necessary to analyze and comprehend the property-liability (P-L) insurance business. The course covers the economics of risk transfer, major types of property-liability insurance contracts sold to businesses, distribution systems, underwriting, reinsurance, pricing, claims administration, and financial management/analysis of P-L insurers.

Reading: The required two-volume text is *Insurance Company Operations, CPCU 5, Vol. 1 & Vol. 2*.

Lecture outlines: Available on my Web site prior to class.

Exams and Grading

2 Midterm Exams (February 18, March 27)	200 pts
Final exam (May 9, 2:00 pm)	100 pts
6 unannounced quizzes	up to 30 pts

Exams will consist of short answer questions and problems. *Exams must be taken when scheduled and can only be made up with an excused absence pursuant to University rules.*

Each quiz will have one true-false, multiple choice, or short answer question based on the previous day's lecture. A correct answer earns 5 points; an incorrect answer earns 2.5 points. *Quizzes cannot be made up for any reason. (Don't ask.)*

Your exam and quiz points will be totaled and divided by 300. Grades will be based on the following scale: A = 90% and above, B = 80% and above, C = 70% and above, D = 60% and above. Plus grades will be awarded for *borderline* performance. Class participation is encouraged.

Outline

Topic	Reading
Overview of insurance markets and operations	CPCU 5, Vol. 1, Chapter 1
Business insurance contracts	Sample contracts
Distribution systems	CPCU 5, Vol. 1, Chapter 3
Underwriting	CPCU 5, Vol. 1, Chapter 4, 5, 6
Reinsurance	CPCU 5, Vol. 2, Chapters 8-9
Pricing	CPCU 5, Vol. 2, Chapters 10-11
Claims adjusting	CPCU 5, Vol. 2, Chapter 13
Risk management and financial management	CPCU 8, Vol. 2, Chapter 11, on reserve