

# Introduction to motor insurance

## Objective

To provide a broad knowledge and understanding of motor insurance, including:

- the need for cover and its benefits;
- insurance legal principles and duties;
- product features;
- how cover is arranged and provided;
- the principles of delivering good customer service.

Summary of learning outcomes	Number of questions in the examination*
1. Understand the need for and benefit of motor insurance.	4
2. Understand the insurance legal principles and duties relating to motor insurance.	10
3. Understand the main features of motor insurance products and the market.	12
4. Understand how motor insurance is arranged and provided.	15
5. Understand the key principles of delivering good customer service.	9

\* The test specification has an in-built element of flexibility. It is designed to be used as a guide for study and is not a statement of actual number of questions that will appear in every exam. However, the number of questions testing each learning outcome will generally be within the range plus or minus 2 of the number indicated.

## Important notes

- Method of assessment: 50 multiple choice questions (MCQs). 1 hour is allowed for this examination.
  - This syllabus will be examined from 1 January 2022 until 31 December 2022.
  - Candidates will be examined on the basis of English law and practice unless otherwise stated.
  - Candidates should refer to the CII website for further details of assessment content, along with the latest information on changes to law and practice and when they will be examined:
1. Visit [www.cii.co.uk/qualifications](http://www.cii.co.uk/qualifications)
  2. Select the appropriate qualification
  3. Select your unit from the list provided
  4. Select qualification update on the right hand side of the page
  5. This PDF document is accessible through screen reader attachments to your web browser and has been designed to be read via the speechify extension available on Chrome. Speechify is a free extension that is available from <https://speechify.com/>. If for accessibility reasons you require this document in an alternative format, please contact us on [ukcentreadministration@cii.co.uk](mailto:ukcentreadministration@cii.co.uk) to discuss your needs.

## 1. Understand the need for and benefit of motor insurance.

- 1.1 Explain why motor insurance is needed.
- 1.2 Describe the pooling of risk and the social value of insurance.

## 2. Understand the insurance legal principles and duties relating to motor insurance.

- 2.1 Describe what insurable interest is and how it arises.
- 2.2 Describe the information gathered from the customer and its purpose.
- 2.3 Explain the importance of providing the correct information.
- 2.4 Describe what is meant by indemnity.

## 3. Understand the main features of motor insurance products and the market.

- 3.1 Describe the different types of motor insurance cover.

## 4. Understand how motor insurance is arranged and provided.

- 4.1 Describe the different methods of obtaining motor insurance.
- 4.2 Explain the sales and underwriting process.
- 4.3 Describe the documentation issued when arranging motor insurance.
- 4.4 Explain the process for mid-term adjustments and renewals, including cancellations.
- 4.5 Explain the claims process.

## 5. Understand the key principles of delivering good customer service.

- 5.1 Describe the main communication approaches and techniques when dealing with customers.
- 5.2 Describe the complaints process.
- 5.3 Describe the fair treatment of customers.
- 5.4 Describe the motor insurance regulator and ombudsman.
- 5.5 Describe the techniques used to detect uninsured and untraced drivers.

## Reading list

The following list provides details of further reading which may assist you with your studies.

**Note: The examination will test the syllabus alone.**

The reading list is provided for guidance only and is not in itself the subject of the examination.

The resources listed here will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

### CII study texts

Introduction to motor insurance. London: CII. Study text PL1.

### Books (and ebooks)

Insurance theory and practice. Rob Thoitys. Routledge, 2010.\*

### Periodicals

The Journal. London: CII. Six issues a year.

### Reference materials

Concise encyclopedia of insurance terms. Laurence S. Silver, et al. New York: Routledge, 2010.\*

## Examination guide

If you have a current study text enrolment, the current examination guide is included and is accessible via Revisionmate ([www.revisionmate.com](http://www.revisionmate.com)). Details of how to access Revisionmate are on the first page of your study text. It is recommended that you only study from the most recent version of the examination guide.

## Exam technique/study skills

There are many modestly priced guides available in bookshops. You should choose one which suits your requirements.

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\* Also available as an ebook through eLibrary via [www.cii.co.uk/eLibrary](http://www.cii.co.uk/eLibrary) (CII/PFS members only).