

Commercial property and business interruption insurances

Purpose

At the end of this unit, candidates should be able to understand commercial property and business interruption insurances.

Assumed knowledge

It is assumed that the candidate already has knowledge of the fundamental principles of insurance as covered in IF1 Insurance, legal and regulatory or equivalent examinations.

Summary of learning outcomes	Number of questions in the examination*
1. Understand the risk and control of fire, theft and other contingencies to property and business interruption.	24
2. Understand the cover provided by and main practices of property insurance.	8
3. Understand the cover provided by and main practices of business interruption insurance.	5
4. Understand the underwriting of property and business interruption insurance.	11
5. Understand how property and business interruption insurance claims are handled.	2

* 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:
Mixed assessment consisting of two components, both of which must be passed. One component is a coursework assignment and one is a multiple choice question (MCQ) examination. The details are:
 1. an online coursework assignment using RevisionMate consisting of 10 questions which sequentially follow the learning outcomes. This must be successfully completed within 6 months of enrolment; and
 2. an MCQ exam consisting of 50 MCQs. 1 hour is allowed for this exam. This exam must be successfully passed within 18 months of enrolment.
- This syllabus will be examined from 1 May 2026 to 30 April 2027.
- Candidates will be examined on the basis of English law and practice unless otherwise stated.
- This PDF document has been designed to be accessible with screen reader technology. If for accessibility reasons you require this document in an alternative format, please contact us on online.exams@cii.co.uk to discuss your needs.

1. Understand the risk and control of fire, theft and other contingencies to property and business interruption.

- 1.1 Explain the causes of fire.
- 1.2 Explain the inception and propagation of fire.
- 1.3 Explain the relative fire hazards of trade processes and materials.
- 1.4 Explain the relative fire hazards of building construction.
- 1.5 Explain the methods of fire detection, protection and control.
- 1.6 Explain the definitions of theft.
- 1.7 Explain the inherent risk features of theft.
- 1.8 Explain the hazards arising from other contingencies and the methods of control.
- 1.9 Apply the principles and practices of risk and control of fire, theft and other contingencies to property and business interruption to various scenarios.

2. Understand the cover provided by and main practices of property insurance.

- 2.1 Explain the cover provided by property insurance policies.
- 2.2 Explain the clauses commonly used in property insurance policies.
- 2.3 Apply the principles and practices of property insurance cover to various scenarios.

3. Understand the cover provided by and main practices of business interruption insurance.

- 3.1 Explain the cover provided by business interruption insurance policies.
- 3.2 Explain the methods of control relating to business interruption.
- 3.3 Apply the principles and practices of business interruption insurance cover to various scenarios.

4. Understand the underwriting of property and business interruption insurance.

- 4.1 Explain the use and content of survey reports in the underwriting process.
- 4.2 Explain the importance of and the factors used to calculate an estimated maximum loss (EML).
- 4.3 Explain the application and deployment of capacity in relation to property damage and business interruption insurance.
- 4.4 Explain the risk and pricing criteria used in underwriting property and business interruption insurance.
- 4.5 Describe the key underwriting considerations in managing a property and business interruption insurance portfolio.
- 4.6 Explain the importance of reinsurance and co-insurance with specific reference to property and business interruption.
- 4.7 Apply the principles and practices of underwriting of property and business interruption insurance to various scenarios.

5. Understand how property and business interruption insurance claims are handled.

- 5.1 Explain how property and business interruption claims are handled.
- 5.2 Apply the principles and practices of property and business interruption insurance claims to various scenarios.

Additional resources

The following resources may assist you with your studies.

Note: The examination will test the syllabus alone.

Supporting information for the syllabus can be found on the unit page via the CII website. The resources found here: www.cii.co.uk/learning will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

Additional reading material can also be found referenced in an appendix within the study text.

Learning support

Commercial property and business interruption insurances. London: CII. Study text M93

Insurance, legal and regulatory. London: CII. Study text IF1

Assessment information

Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:

1. Visit 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

Examination guide

The examination guide is available on the unit page via the CII website.

If you have a current study text enrolment, the current examination guide is included and is accessible via **RevisionMate** (www.cii.co.uk/login). Details of how to access RevisionMate are on the first page of your study text.

It is recommended that you study from the most recent versions of the examination guide.

Exam preparation

Exam preparation guidance and supporting exam documentation are available via the CII website: <https://www.cii.co.uk/learning/qualifications/assessment-information>.