M86 Personal Insurances 2025-2026

Chartered Insurance Institute
Standards. Professionalism. Trust

Learning Outcome		Assessment Criteria		Indicative Content	
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1 8 Questions	Understand the general market practices of personal insurances.	1.1	Explain the operation of the insurance market and the types of products available.	1.1.1	Operation of the insurance market.
				1.1.2	Home insurance policies.
				1.1.3	Household buildings.
				1.1.4	Household contents.
				1.1.5	Common extensions to household policies.
				1.1.6	Other stand-alone personal lines products.
				1.1.7	Takaful.
		1.2	Describe the risk assessment process.	1.2.1	Basis of risk assessment.
				1.2.2	Proposal forms and statements of fact.
				1.2.3	Online proposals.
				1.2.4	Eligibility statements.
				1.2.5	Surveys.
				1.2.6	Claims and Underwriting Exchange (CUE).
				1.2.7	Flood Re.
				1.2.8	Reinsurance.
		1.3	Outline the processes of policy management.	1.3.1	Legal basis of the contract.
				1.3.2	Premiums.
				1.3.3	Content of the policy documents.
				1.3.4	Cooling-off periods.
				1.3.5	Mid-term amendments.
				1.3.6	Policy renewal.
				1.3.7	Policy cancellations.

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		1.4	Describe the ways in which the terms of cover may be modified.	**1.4.1**	Endorsements.
				1.4.2	Excesses and franchises.
				1.4.3	Conditions.
				1.4.4	Exclusions.
2 **14** **Questions**	**Understand the policy coverage, underwriting and rating considerations of household insurances.**	**2.1**	Describe the scope of cover for buildings under a household insurance policy.	**2.1.1**	Definition of the buildings to be insured.
				2.1.2	Standard perils causing damage to buildings.
				2.1.3	Additional items of cover.
				2.1.4	Optional extensions.
		2.2	Explain the basis of rating and underwriting for a household buildings insurance policy.	**2.2.1**	Standard risks.
				2.2.2	Non-standard risks, including surveys, Flood Re, reinsurance.
		2.3	Describe the scope of cover for contents under a household insurance policy.	**2.3.1**	Definition of the contents to be insured.
				2.3.2	Standard perils causing damage to contents.
				2.3.3	Additional items of cover.
				2.3.4	Optional extensions, including cyber cover.
		2.4	Explain the basis of rating and underwriting for contents under a household insurance policy.	**2.4.1**	Standard risks.
				2.4.2	Non-standard risks, including surveys, Flood Re, reinsurance.
		2.5	Explain the scope of cover and the basis of rating and underwriting under common extensions to a household insurance policy.	**2.5.1**	Personal possessions.
				2.5.2	Money and credit cards.
				2.5.3	Pedal cycles.
				2.5.4	Legal expenses.
				2.5.5	Home emergency.

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3 **6** **Questions**	**Understand the policy coverage, underwriting and rating considerations of other personal insurance products.**	**3.1**	Explain policy cover, underwriting and rating considerations for domestic animals.	**3.1.1**	Pets.
				3.1.2	Exotic animals.
				3.1.3	Horses.
		3.2	Explain policy cover, underwriting and rating considerations for travel insurance.	**3.2.1**	Single trip insurance policy.
				3.2.2	Annual travel insurance policy.
				3.2.3	Extensions and exclusions.
		3.3	Explain policy cover, underwriting and rating considerations for personal accident and sickness insurance.	**3.3.1**	Personal accident.
				3.3.2	Sickness.
				3.3.3	Additional items of cover.
		3.4	Explain policy cover, underwriting and rating considerations for special risks.	**3.4.1**	Home working.
				3.4.2	Holiday homes.
				3.4.3	High net worth properties.
				3.4.4	Blocks of flats.
				3.4.5	Payment protection.
				3.4.6	Extended warranty.
				3.4.7	Gadget insurance.
				3.4.8	Caravans.
				3.4.9	Boats and small craft.

Commented [CA1]: Suggestion made by Senior - Helen

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4 **13** **Questions**	**Understand the claims notification, investigation and settlement procedures for personal insurances, including relevant case law.**	**4.1**	Explain the duties of parties to the insurance contract.	**4.1.1**	Implied duties.
				4.1.2	Express duties.
		4.2	Explain the process of notifying and investigating a claim.	**4.2.1**	Notification of claims.
				4.2.2	Investigation of property damage claims.
				4.2.3	Investigation of personal accident claims.
				4.2.4	Investigation of liability claims: civil procedure rules.
				4.2.5	The role of insurance professionals.
		4.3	Explain claims settlement.	**4.3.1**	Claims settlement methods: cash, repair, replacement and reinstatement.
				4.3.2	Basis of claims settlements.
				4.3.3	Contribution, subrogation and salvage.
				4.3.4	Market agreements.
				4.3.5	Settlement of personal injury claims.
		4.4	Explain the legal and regulatory processes for dispute resolution.	**4.4.1**	Internal complaints process.
				4.4.2	Dispute resolution sourcebook (DISP).
				4.4.3	Financial Ombudsman Service.
				4.4.4	Arbitration Act 1996.
				4.4.5	Mediation.
				4.4.6	Other methods of Alternative Dispute Resolution.

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5 **9** **Questions**	**Understand the main aspects of the business environment of personal insurances.**	**5.1**	Discuss the different distribution channels for personal insurances.	**5.1.1**	Direct insurers.
				5.1.2	Independent intermediaries and agents.
				5.1.3	Price comparison websites and aggregators.
				5.1.4	Affinity groups, retailers and membership groups.
				5.1.5	Vets, estate agents, travel agents and tour operators.
				5.1.6	Banks and building societies.
				5.1.7	New entrants.
		5.2	Discuss the different information technology and systems used in personal insurance.	**5.2.1**	Data storage and document management.
				5.2.2	Quotation systems.
				5.2.3	Policy management.
				5.2.4	Claims handling.
				5.2.5	Management information.
				5.2.6	Meeting regulatory requirements.
				5.2.7	Big data.
				5.2.8	Social media.
				5.2.9	Connected homes.
				5.2.10	Cyber security.
				5.2.11	Fraud.
				5.2.12	Training and competence.
		5.3	Examine the social and ethical considerations within the business environment of personal insurances.	**5.3.1**	Ethical insurers.
				5.3.2	Religious preferences.
				5.3.3	Vulnerable customers.
				5.3.4	Achieving positive customer outcomes.

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		5.4	Examine the regulatory considerations within the business environment of personal insurances.	**5.4.1**	Financial Conduct Authority, Consumer Duty and ICOBS.
				5.4.2	The Equality Act 2010.
				5.4.3	The Consumer Rights Act 2015.
				5.4.4	Insurance Distribution Directive.
				5.4.5	CIDRA and The Insurance Act 2015.
				5.4.6	The Enterprise Act 2016.
				5.4.7	Data Protection Act 2018.
				5.4.8	Regulations specific to E-commerce.
				5.4.9	Prudential Regulation Authority.
				5.4.10	Other regulations relevant to personal insurances.