







# ● MODULE OUTLINE

## PDI-01

**Module title:** PDI-01

**European Credit Transfer System Credits (ECTS):** 5 ECTS Credits

**Programmes:  
Outcomes:** The Nature of Insurance

**Module Learning** *On completion of this module, students should be able to:*

- Outline the key concepts underlying insurance and describe the insurance market.
- Discuss the relevance of the laws of tort and contract in insurance.
- Discuss the details of insurance principles (including subrogation, contribution, indemnity, utmost good faith, proximate cause and insurable interest) in their relevant contexts i.e. underwriting, claims etc.

**Module** This module is delivered by distance learning. There is a series of webinars and a lecture supported by a purpose-written core textbook. We recommend that students prepare in **advance** of each webinar / lecture by reading the relevant chapters of the core textbook.

**Student Time Required:** 125 hours approximately  
– please refer to the Revision Plan for a suggested schedule of these hours.

**Assessment:** End of semester two hour exam consisting of 100 MCQ style questions. The pass mark for this semester is 40%. The marking scheme for this module is **plus 3** for correct answers, **minus 1** for incorrect and **0** for no answer.

**Core Textbook:** PDI-01 The Nature of Insurance textbook published by The Insurance Institute of Ireland – 2016/2017.







### CHAPTER 4: UNDERWRITING: PEOPLE & PROCESSES

Ref	Topic	Level	Indicative exam question distribution
A	Outline the role of the professionals involved in the general insurance underwriting process.	K	16%
B	Demonstrate the relationship between underwriting and the premiums charged for general insurance policies.	K, U & A	
C	Describe the typical underwriting measures available to an underwriter when considering a general insurance proposal.	K & U	
D	Demonstrate the impact of private health insurance principles on the underwriting of this class of insurance.	K & A	
E	Define reinsurance, state what prompts its use and outline the main types of reinsurance.	K	

### CHAPTER 5: THE INSURANCE CONTRACT AND POLICY

Ref	Topic	Level	Indicative exam question distribution
A & B	Describe the main elements of a valid contract of insurance, how a contract is discharged and remedies for breach of contract.	K & U	15%
C	Outline the structure of a general insurance policy and explain the impact of a breach of policy condition.	K & U	
D	Explain the legal principle of insurable interest in general insurance.	K, U & A	
E	Explain the legal principle of utmost good faith, including the duty to disclose material facts and the impact of non-disclosure on payment of claims and continuance of the policy.	K & U	



## CHAPTER 6: THE LEGAL ENVIRONMENT

Ref	Topic	Level	Indicative exam question distribution
A - G	Outline the torts of negligence; trespass, nuisance, strict liability, defamation and breach of statutory duty as they apply to insurance.	K & U	8%
H	Demonstrate the relevant limitation periods applicable in tort.	K & A	

## CHAPTER 7: DUTIES AND RESPONSIBILITIES IN THE CLAIMS PROCESS

Ref	Topic	Level	Indicative exam question distribution
A	Explain the responsibilities of the insured after a loss.	K & U	13%
B	Explain the principle of proximate cause and illustrate its operation in the claims process.	K, U & A	
C	Demonstrate the regulatory responsibilities of the insurer and the adviser during the claims process.	K & A	

## CHAPTER 8: CALCULATING THE CLAIM PAYMENT: WHO SHOULD PAY AND HOW MUCH?

Ref	Topic	Level	Indicative exam question distribution
A & B	Outline the concept of indemnity and identify an insurer's settlement options when providing indemnity to a policyholder.	K	16%
C	Demonstrate the application of indemnity to a policy of insurance.	K & A	
D & E	Explain the principle of subrogation and apply it in situations where recovery rights may be exercised.	K, U & A	
F & G	Explain the principle of contribution and apply it in situations where dual insurance exists.	K, U & A	



<p><b>WEEKS 6–9</b></p>	<ul style="list-style-type: none"> <li>▪ Aim to cover chapters 4, 5, and 6 during this time using the steps noted in weeks 2-5.</li> <li>▪ Don't forget to register for your face-to-face lecture through the Member Area.</li> <li>▪ Access the key points per chapter to read through the main areas to ensure the material is staying fresh in your mind.</li> <li>▪ Attend your PDI-01 lecture<sup>1</sup>.</li> </ul> <p>Remember, the entire textbook will not be covered at the lecture, only key areas students find problematic.</p>
<p><b>WEEKS 10–12</b></p>	<ul style="list-style-type: none"> <li>▪ Aim to cover chapters 7 and 8 during this time using the steps noted in weeks 2-5.</li> </ul>
<p><b>WEEKS 13</b></p>	<ul style="list-style-type: none"> <li>▪ Review your notes and complete the mini mocks.</li> </ul>
<p><b>WEEKS 14–15</b></p>	<ul style="list-style-type: none"> <li>▪ Go through each chapter again, paying particular attention to the areas you find most difficult. Use the Key Points per chapter alongside the textbook to assist you in making your final revision notes.</li> <li>▪ Use the mock exams in the Member Area to test yourself. Take 2 hours and try to complete the paper under exam conditions. Check your answers against the guideline solutions.</li> </ul>
<p><b>WEEK 16</b></p>	<ul style="list-style-type: none"> <li>▪ Sit your exam.</li> <li>▪ Make sure you're well prepared for exam day by ensuring you've read over the 'Top tips for exam success' on page 14.</li> </ul>

<sup>1</sup> Lectures may take place any time after the start of the semester. Finalised dates will be available online or in the prospectus.



## ● **MOCK MCQ EXAMS**

Mock MCQ exams, set to exam standard, are available online through iiiConnect in the Member Area.

Once you've covered all chapters in the textbook you should sit mock MCQ exams under exam conditions. This will help you to test your knowledge to perfect your time management before you sit the actual exam. You can sit the mock MCQs available as often as you wish during the semester. Each time you sit a mock exam you will receive a randomised mock paper.

Five 'mini mocks' are also available to help to assess your progress chapter by chapter.

## ● **MOCK MCQ FEEDBACK REPORT**

Once you complete a mock MCQ online you will receive your result along with a detailed feedback report that provides the chapter reference for each question you answered incorrectly or skipped.

It's a good idea to print this report out and use it to focus your revision on the gaps identified.

We advise you to take online mock exams as many times as you can as the aim of these online mock exams is to prepare you for the actual assessment.



## ● TIME MANAGEMENT ON EXAM DAY

We recommend you break down your 120 minutes (2 hours) as follows:

EXAM 120 MINUTES (2 HOURS) BREAKDOWN		
TASK	TIME USED	TIME LEFT
Read the exam instructions.	5 mins	115 mins
Answer questions spending approximately one minute on each question.	100 mins	15 mins
Go back through questions you didn't answer or were unsure of and either mark as Option E (i.e. not answering) or put an answer down, bearing in mind that if you answer incorrectly, you will have one mark deducted.	10 mins	5 mins
Take 5 minutes at the end of the paper to skim down through the answer sheet ensuring you have an answer filled in for every question.	5 mins	Exam finished

## ● TOP TIPS FOR EXAM SUCCESS

- **Your checklist for the day is as follows:**
  - Exam permit.
  - Photo ID (with signature).
  - Calculator.
  - Pen and two pencils.
- For MCQ exams you must fill out your answer sheet **in pencil** so bring two pencils, an eraser and a sharpener.
- Print three copies of your exam permit (available to download three weeks before the exam) and leave one in the car, one in the office and one at home.
- Addresses, maps and directions to all exam centres can be accessed on [www.iii.ie/exams](http://www.iii.ie/exams) so check you know exactly where you're going before exam day arrives.
- You should arrive at your exam centre at least 30 minutes before the exam starts.
- Stick to your exam timings and don't spend too long on any one question.
- Focus on your own exam paper and your own performance; don't be distracted by others.
- Underline the key words of each question to help you focus on answering exactly what you've been asked.
- Make sure to answer all questions required.

# ● CONTACT US

## ● OUR DETAILS

If you're unsure of how to access study supports or if you have any questions about the exam or module content, please don't hesitate to drop us an email to [memberservices@iii.ie](mailto:memberservices@iii.ie) or give us a call on 01 645 6670. Our Member Services team is always happy to help.

Likewise, if you have any ideas or suggestions on how this learning plan can be made even more effective, please let us know.

SAMPLE



*The*  
**Insurance  
Institute**