



The
Insurance
Institute

CIP-06 Practice of Risk Control and Underwriting Case Studies and Guidance

CIP-06 Practice of Risk Control and Underwriting

On completion of this module, apprentices should be able to:

- Outline the environment in which underwriting takes place in the Irish insurance market.
- Describe the factors impacting on an insurer's corporate and underwriting strategy.
- Describe the principles and practices of risk pricing.
- Explain underwriting policy and practice and apply these to the main classes of insurance business.
- Explain how an insurer controls their potential risk exposure and the role of reinsurance therein.

The CIP-06 case studies provide opportunities to apply the academic principles learned in the CIP-06 module in a practical work environment, and to develop key skills in communication, writing and problem solving.

Please also refer to the *Guide to Case Studies* which contains important information and frequently asked questions about all modules.

1. Completing the case studies

Apprentices must complete **4 work-based case studies** for CIP-06. These 4 case studies include:

- Three case studies chosen from five optional case studies (i.e. three case studies from Topics 1-5) and
- A compulsory case study (Topic 6).

Each case study must be completed, marked and submitted by the specified deadline (see Section 3).

As far as possible, apprentices are expected to research within their own organisation (with guidance from supervisors), cases, documents, policy wordings or other materials that can be applied to the questions being raised. These should be real-life examples that demonstrate the link between theory and practice.

Apprentices and supervisors should note that the CIP-06 case studies are pitched at a higher level than the APA modules, requiring broader research and greater use of initiative. This reflects the more advanced nature of the material and the stage of the apprentices' experience.

As with previous modules, the apprentice must complete the elements of the case study in the specified format. This may, for example, involve writing a short, typed report developing a PowerPoint presentation or composing a letter.

Brief guidance notes are included to ensure clarity about what the apprentice needs to do, and what the supervisor should look for when marking the work. In all case studies, use your own words, write in plain English and take care with grammar and spelling.

Where a policyholder or claim case file is required or used, it may be a paper or a digital policy or claim record. Personal details from such files must not be included in the case study submission.

2. The role of the supervisor

The completed case studies will be submitted to and signed off by the nominated Supervisors. A case study marking form is attached (see **Appendix 1**) for completion and sign off for each case study. For more information about this, please refer to the **Guide to Case Studies**.

The role of the supervisor is to:

- help the apprentice to locate or create suitable case files, work-based materials or other sources of information.
- identify other people in the workplace that can help the apprentice with a particular topic.
- assess each apprentice's completed case study (on a pass or fail basis).

3. Deadlines for submitting the case studies

The submission deadlines for CIP-06 are:

| CIP-06: ELECTIVE | |
|------------------|---------------------|
| | Submission deadline |
| 1 | 9 February 2026 |
| 2 | 22 February 2026 |
| 3 | 01 March 2026 |
| 4 | 22 March 2026 |

Remember: these are the final deadlines for uploading the marked case studies to Moodle.

Apprentices and supervisors should agree on an appropriate schedule for discussing, completing and marking the case study questions to ensure that these deadlines are met.

4. Forward planning

Issuing the case studies in advance allows plenty of time for the apprentices and supervisors to meet the submission deadlines. It also gives adequate notice of any cases and documents that need to be sourced for or by the apprentices.

This table provides a brief summary of what is needed for each of the CIP-06 case studies.

| Topic & Textbook chapter | | Resources |
|--------------------------|--|--|
| 1 | Underwriting in Ireland (Chapter 1) & From corporate strategy to underwriting strategy (Chapter 2) | <ul style="list-style-type: none"> Information about how your firm prepared for a legal or regulatory change. Information about how an insurer distributes its products (i.e. directly to customers, through intermediaries or a combination of both) |
| 2 | Pricing the risk (Chapter 3) | PowerPoint presentations requiring research about actuaries (www.actuaries.ie) and online/industry research about the use of telematics (black box) in motor insurance. |
| 3 | Underwriting policy and practice (Chapter 4) | Underwriting report requires a visit to a venue/risk and an assessment of the risk and identification of the items for a surveyor's attention. |
| 4 | Underwriting and risk control: property and business interruption insurances (Chapter 5) and motor and liability insurances (Chapter 6). | <ul style="list-style-type: none"> Fact file summarizing an insurer's procedures regarding the maximum size of risk it accepts and how an estimated maximum loss (EML) is calculated and applied. Debate speech based on online/industry research about whether employers liability should or should not be made compulsory. |
| 5 | Risk exposure and control (Chapter 7) | <ul style="list-style-type: none"> Magazine article on an insurer's procedures for identifying and logging potential accumulations of property risks (locations where multiple risks could be damaged in a single incident) |

| | | |
|---|----------------------------|---|
| | | <ul style="list-style-type: none"> Report on an underwriting file for a case where facultative reinsurance was arranged. |
| 6 | Module overview case study | Ted-talk on a chosen underwriting-related topic. |

Where a policy document/booklet is required, it should ideally come from the apprentice's workplace. However, a policy from another source may be used if necessary. As many Irish insurers now have policy documents on their website, this should not cause too many difficulties for the apprentice or supervisor. We suggest that the apprentices keep the policies used for their case studies, as they can be reused in later modules.

Where a policyholder or claim case file is required or used, it may be a paper or a digital policy or claim record. Personal details from such files must not be included in the case study submission.

Notes for supervisors:

- When helping the apprentice to locate a suitable file, please make sure that the file chosen has enough detail to enable the apprentice to answer all the questions in the case study.
- If a policy information or documents are sourced online, they should be from Irish sources.

5. A reminder about copying and plagiarism

AI Usage in Assignments: The presentation of another person's material, concepts, or arguments, or the use of content extracted from any Artificial Intelligence (AI) software, whether published or unpublished, as one's own without appropriate attribution, is a serious breach of assessment regulations and is a most serious academic offence. All sources that you use must be referenced within your text and in your bibliography. The case study submissions will be checked for plagiarism.

It does not matter whether you use direct quotations or paraphrase the words of an author; you must reference your source using the Harvard Referencing system.

Failure to do so may result in a zero mark or other disciplinary action under ATU Sligo procedures.

6. Advice on Data Protection

Employers and supervisors must ensure that all of the apprentices' work-based learning activities comply with the relevant Data Protection legislation and any other legal/regulatory requirements on an ongoing basis. This may, for example, include anonymising or changing the name, addresses and other personal or sensitive information in case files and other resources.

Where a policyholder or claim case file is required or used, it may be a paper or a digital policy or claim record. Personal details from such files must not be included in the case study submission. Any information taken from real cases/files is intended for use only in answering the case study questions

IF YOU ARE AN APPRENTICE WHO WILL STRUGGLE TO GET CASE FILES, PLEASE REACH OUT TO YOUR LECTURER AND ASSISTANCE WILL BE OFFERED.

Topic 1: Underwriting in Ireland from corporate strategy to underwriting strategy

This case study is based on the learning outcomes for CIP-06 Chapter 1 (**Underwriting in Ireland**) and Chapter 2 (**From corporate strategy to underwriting strategy**).

Chapter 1 learning outcomes

On completion of this chapter, apprentices should be able to:

- Briefly explain the term 'underwriting'.
- Outline the unique characteristics of the Irish non-life insurance market and recognise market trends.
- Demonstrate the effect of the Central Bank's regulatory requirements and relevant legal requirements on underwriting.
- Explain the operation of the underwriting cycle and the key influencing factors.

Chapter 2 learning outcomes

On completion of this chapter, student apprentices should be able to:

- Differentiate between corporate and underwriting strategy and identify the various types of underwriting strategy.
- Recognise the importance of capital for insurers and explain the different ways this capital can be employed.
- Describe the balance between the drive to achieve growth and profit in the context of the underwriting cycle and how the different stages of the cycle affect an insurer's underwriting strategy.
- Outline the different distribution channels for insurance products and how they may affect underwriting performance.
- Explain the operation of delegated authority
- Explain the consequences of insurance fraud, how it is perpetrated and the measures used to combat it.

Question 1

Insurers and intermediaries must operate within the constraints and ethos of the Irish regulatory environment. To comply with both the letter and the spirit of the law, firms need to be aware of any proposed new legislation, or changes to the current requirements.

To find out about how your firm prepared for or is preparing for a legal or regulatory change, prepare a report that explains what is/was done to prepare for and manage the changes. Your report should:

- Identify the change.
- Differentiate between the new and the old legal/regulatory requirements.
- Describe the main implications for your firm.
- Explain how your organisation prepared (who was involved, what was done, how the changes were rolled out etc.)
- Summarise the current project status (is it finished or ongoing?).
(approximately 500 words)

Question 2

An insurer must have a distribution strategy (e.g. decide whether to sell directly to potential customers or through intermediaries. For some policies, an insurer may decide to use both channels but for others, the insurer may opt exclusively for either the direct or the intermediary channel.

In the case of the insurer you work for (or an insurer you know), research its distribution strategy. Prepare a report that summarises your findings on the points below and any other relevant information:

- The distribution channels used.
- Variation by policy type.
- Rationale behind variation in distribution strategy for different policies.
- Outline of how the insurer's marketing and advertising strategy support its distribution strategy.
- Similarities or differences between the insurer's distribution strategy and those of its main competitors and any competitive advantage derived from the difference.
- Other distribution methods used (e.g. delegated authority schemes, affinity schemes, bancassurance).
- Whether there are any new methods currently being considered.
- Suggestions on how the distribution strategy could be improved or changed.
(approximately 600 words).

Guidance notes

Both of these case study questions require you to apply the ideas discussed in Chapters 1 & 2.

Each question answer should be approximately 600-800 words.

There are no sample answers and no 'right or wrong' answers. Each question requires some research, analysis and originality. The best answers are those that demonstrate the apprentice has thought about the issues, carried out the required research, presented the information clearly and given their own 'take' on the subject.

Topic 2: Pricing the risk

This case study is based on the learning outcomes for CIP-06 Chapter 3 **Pricing the risk**

Chapter 3 learning outcomes

On completion of this chapter, student apprentices should be able to:

- State the main elements of the pricing process and explain the role of the actuary in risk pricing.
- Demonstrate the main factors considered by insurers when calculating premiums for a business portfolio.
- Explain the role of claims data and demonstrate how it is interpreted by underwriters when setting prices.
- Demonstrate how underwriters determine the premiums for individual risks.
- Discuss recent developments in risk pricing.
- Outline the role of competitor data and how it is interpreted by underwriters when setting prices.

You have been asked to develop a PowerPoint presentation for the HR department to deliver at a careers fair. The two topics **THAT MUST** be covered are:

- Actuaries in insurance
 - Telematics in insurance.
- (approximately 10-15 slides per topic)

Actuaries in insurance

This presentation should:

- Describe the different tasks that actuaries perform in insurance companies.
- Explain how a person can become an actuary and the current actuarial job opportunities in Ireland.
- Discuss why the Central Bank of Ireland requires an insurer's Head of Actuarial Function (rather than the Head of Claims) to provide an annual report on the adequacy of the insurer's technical provisions (the total reserves set aside to pay for present and future claims).

Telematics in insurance.

This presentation should:

- Explain how and why insurers use telematics in pricing motor insurance.
- Outlines the advantages and disadvantages of this approach to motor insurance pricing (include examples of those who benefit from/are disadvantaged by an insurer's use of telematics).
- Suggest other potential uses for telematics in other types of insurance.

Guidance notes

Both of these questions require apprentices to carry out industry research, using sources from outside their work environment. There is a lot of information and discussion about these topics on websites and forums. However, you should also discuss the questions with your supervisor to identify people in your workplace with knowledge or expertise in these topics.

Answers should be in your own words and in the specified format. Make sure that you cover all the points mentioned in the questions.

Topic 3: Underwriting policy and practice

This case study is based on the learning outcomes for CIP-06 Chapter 4 **Underwriting policy and practice**.

Chapter 4 learning outcomes

On completion of this chapter, student apprentices should be able to:

- Define the practice of underwriting and identify the role of the underwriter.
- Outline how insurers classify and categorise risks into comparable groups.
- Explain the importance of physical and moral hazard in setting underwriting policy.
- Explain how insurers establish underwriting and risk improvement criteria and outline the role of the risk surveyor in risk control and underwriting.
- Demonstrate how policy cover is established and how insurers use policy wordings as a form of risk control.
- Describe the relationship between the underwriting and claims functions.

Visit a public place such as a shopping centre, sports stadium or entertainment venue. Imagine you are an underwriter who has received a submission from a broker requesting a quotation for property, employers' liability and public liability covers for this venue. Spend some time walking around the property and make some notes, particularly considering the following points:

- Is this a new or old building?
- What can you observe about the structure and the condition of the interior and the exterior?
- Is it in an urban or rural location?
- How far away is the nearest Fire Brigade Station?
- Is it close to rivers or to the sea?
- Does there seem to be a problem with vandalism or malicious damage in the area?
- Who visits or uses the premises?
- Who works there and what do they do?
- Is there a car park or other vehicle access to the premises? How is this managed or supervised?
- Are there any obvious risks to the safety of people using the premises?
- What do you think are the most common types of accidents to:
 - members of the public?
 - people who work at this location?

- What challenges might the property owners face when trying to arrange insurance cover?
- Any other observations?

Check the venue website or other publicly available information to add any other relevant points to your observations.

Using the notes from your visit and your online research, prepare a short report that:

- Summarises your observations.
- Lists your concerns.
- Provides your opinion on the quality of the risk as a standalone risk and in comparison to other similar venue.
- Identifies the main hazards that you would like a surveyor to assess.

You can present this report as continuous text (paragraphs) or in a table format. Use full sentences, rather than bullet points.

Guidance notes

This case study is a very practical application of the material in CIP-06 Chapter 4. It has two equally important parts:

1. Visiting the location of your choice and making your observations and notes. When doing so, do not attempt to access any private or restricted areas and make sure you respect the rules of the establishment. Stay safe by being careful and aware at all times.
2. Thoroughly answering the question posed. Your answers should be based on your observations, but you need to do more than just state your observations. Some questions require you to analyse, critically evaluate or give an opinion.

There is no set word count but the expectation would be 600-900 words. Apprentices should make sure that their answers include a comment on all of the points mentioned in the question.

Topic 4: Underwriting and risk control

This case study is based on the learning outcomes for CIP-06 Chapter 5 (**Underwriting and risk control: property and business interruption insurances**) and Chapter 6 (**Underwriting and risk control: motor and liability insurances**).

Chapter 5 learning outcomes

On completion of this chapter, student apprentices should be able to:

- State the main characteristics of property and business interruption insurance and demonstrate how insurers use risk acceptance criteria as a means of managing their risk exposure.
- Demonstrate the main considerations for risk assessment and the underwriting options and basis of rating for the main types of property and business interruption insurances.

Chapter 6 learning outcomes

On completion of this chapter, student apprentices should be able to:

- State the main characteristics of motor and liability insurances and explain how insurers use risk acceptance criteria as a means of managing their risk exposure.
- Demonstrate the main considerations for risk assessment and the underwriting options and basis of rating for the main types of motor and liability insurances.

Question 1

Insurers set limits on the size of risks that they can accept. For property insurance, this is often based on the sum insured and/or the estimated maximum loss (EML).

Research how the insurer you work for (or an insurer you know) makes decisions about the size of risk that it will accept. While researching, consider:

- If there is a maximum acceptable sum insured for different types of property or policies.
- Whether this varies according to individual risk factors (e.g. location, construction, occupation).
- How the estimated maximum loss (EML) or probably maximum loss (PML) is calculated.
- How the EML or PML are used to make decisions about the acceptability of a risk.

Summarise your research into a factfile that is to be used to brief junior members of staff.

Question 2

Employer's liability insurance is a compulsory class of insurance in some countries, but not in Ireland.

You have been asked to participate in a debate on this topic. The motion of the debate is *'It's time for the government to protect workers by making employers' liability insurance compulsory'*.

Write a 5-minute speech for or against this motion. Your speech should include:

- An explanation of the current situation.
- Your opinion about why this should, or should not, be changed.
- Facts and examples to support your opinion.

Guidance notes – both questions should be 600-750 words.

Question 1

This case study question requires the apprentice to research the insurer's risk acceptance criteria for property insurance. The task is then to explain this information in a way that a junior member of staff would understand. If the fact file is not appropriate for this target audience, you will not pass this assignment. Consider the fact file's structure and the language and terminology used.

Question 4

This case study question requires the apprentice to write a debate speech. You will need to research this issue online. Potential areas of research are:

- The rules in other jurisdictions where employers' liability is compulsory (e.g. the UK/Northern Ireland).
- The arguments for and against making this type of insurance compulsory.
- Guidelines for how to write a good speech for a debate.

Your speech should be well structured in that it should:

- Start with an explanation of the current situation
- Explain why you think it should or should not change
- Present the points to support your argument
- Include a final summing up.

Be creative and persuasive – this is YOUR speech!

Topic 5: Risk exposure and control

This case study is based on the learning outcomes for CIP-06 Chapter 7 **Risk exposure and control**.

Chapter 7 learning outcomes

On completion of this chapter, student apprentices should be able to:

- Explain how exposure to single risks and single events can be measured and managed to balance the account and explain the aggregation of risks and the use of catastrophe modelling.
- Explain the role of reinsurance in controlling exposure and outline the benefits of reinsurance.
- Explain insurers' considerations when deciding their retention level and choosing a reinsurer.
- Describe the two main types of reinsurance and discuss their advantages and disadvantages.
- Demonstrate the difference between proportional and non-proportional reinsurance and outline the reinsurance considerations associated with specific classes of insurance.
- Outline methods, other than reinsurance, that can be used for limiting exposure.
- Recognise the role of retrocession in the reinsurance market.

Question 1

Write an article for the Irish Broker magazine on the topic of accumulation of risk.

The article should consider how insurers need to identify and manage their exposure for different types of risks. Using property insurance as an example, the article should refer to the use of tools such as geocoding, mapping and Eircodes by insurers to identify and log locations where a number of individual risks could be damaged in a single incident. Consider how difficult and accurate the process and technology are. Use the practices of the insurer you work for (or an insurer you know) to illustrate how this process is managed.

(approximately 600 - 800 words).

Question 2

For some commercial risks, an insurer may arrange a facultative reinsurance policy. This may be because of the size of the risk, the degree of hazard or for another reason.

Locate a file for a case where facultative insurance was required. Read the information in the file and answer the following questions:

1. Describe the risk (business description, sums insured/limits of indemnity etc.)
2. Why did the underwriter decide that facultative reinsurance was needed?
3. What was the process for obtaining a quotation and arranging cover?
4. What information did the reinsurer require about the risk?
5. Did the reinsurer impose any requirements or restrictions?
6. What was the premium for the reinsurance policy? How did the underwriter factor this into the policy premium?
7. Will the underwriter have to arrange another facultative reinsurance policy when the risk is due for renewal? What is the likely procedure for renewing the existing reinsurance, or arranging a new policy?
8. Are the broker and the insured aware of the existence of the facultative policy?

Guidance notes

Question 1

This case study question requires you to find out about the insurer's exposure control procedures, how underwriters and other professionals apply the procedures and how they work in practice. You then need to clearly present your findings in your own words in the form of a trade magazine article. 600-800 words

Question 2

There are two elements to COMPLETE in this case study question:

- (1) Studying the information in the file and
- (2) Answering the questions.

Since each case is different, there is no prescribed word-count but you should aim towards 800 words.

You can present this report as continuous text (paragraphs) or in a table format. Use full sentences, rather than bullet points.

While it should be possible to answer some of the questions from reading the file, it is likely that you will need to ask the underwriter about other points.

Your answer must not include any personal details about the policyholder, the risk or other people..

Topic 6: Module overview case study

This case study is based on the learning outcomes for the full CIP-06 module and must be completed by all apprentices.

Your firm is holding a series of TedTalk-style workshops to help staff with their continuing professional development. You have been asked to present on one of the following topics:

- Underwriting does not just price risk - it protects the future.
- Underwriters are like bouncers at a club - deciding who gets in and at what cost.
- How insurance companies decide what you pay – the basics of risk pricing.
- What underwriters actually do - and why it affects everyone.

A suggested structure is:

- Hook (1 min) - a surprising fact or story.
- Introduce topic (1 min)
- Relevance of topic (2 mins)
- Addressing and exploring quote (5 mins)
- Close with impact (1 min) - strong final message.

Record a 10-minute voicenote and submit the script to complete this assignment. The talk must be both focused and engaging. It should address your chosen topic and demonstrate a thorough understanding of CIP-06's content.



Appendix 1:

Case Study Marking Form



CASE STUDY MARKING FORM

Case Study No.

Submission Date:

Please ensure to complete all boxes as required.

Topic No. Topic Title Insurance Module:

Apprentice Student Number _____

To be completed by the Apprentice:

I confirm that all the work on the case study is my own work.

Signed _____ (Apprentice) Date _____

Apprentice Student Number _____

To be completed by the Supervisor:

Checklist (please circle pass or fail as appropriate):

| Attempt 1 | Attempt 2 | Attempt 3 |
|-----------|-----------|-----------|
| Pass/Fail | Pass/Fail | Pass/Fail |

PRINT Name: _____ (Supervisor)

Signed: _____ (Supervisor)

Date: _____