



CIP-08 – Practice of General Insurance Broking

Case Studies and Guidance

CIP-08 Practice of General Insurance Broking

On completion of this module, successful participants should be able to:

- Identify and apply the key aspects of the legal and regulatory environment within which brokers operate.
- Explain the role of the broker in meeting clients' needs and the process of negotiation undertaken in the placing of insurance contracts.
- Outline the criteria used by brokers in insurer selection.
- Describe the role of the broker in the design and operation of insurance programmes and in the claims negotiation, collection and payment process.
- Explain the range of services available from insurance brokers and their benefits to clients.

The CIP-08 case studies provide opportunities to apply the academic principles learned in the CIP-08 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

There are **7 Work Based Case Studies** for CIP-08. Apprentices should choose any **4 Case Studies** from those on offer. Each one must be completed, marked and submitted by the specified deadline.

As far as possible, apprentices are expected to research within their own organisation (with guidance from their supervisor), cases, documents, policy wordings or other materials that can be applied to the assignments.

Apprentices and supervisors should note that the CIP-08 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 for the previous modules, the apprentice must complete the tasks in the specified format. This may, for example, involve a short report in MS Word, a PowerPoint presentation or presenting information in a table. 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.

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 in **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 apprentices to locate or create suitable case files, work-based materials or other sources of information
- assess each apprentice's completed case study (on a pass or fail basis)

For CIP-08, an important part of a supervisor's role will be identifying other people in the workplace who can help the apprentice with a particular topic.

3. Deadlines for submitting the case studies

This semester's key dates are:

CIP-08: Semester 5	
	Submission deadline
1	10 February 2025
2	24 February 2025
3	16 March 2025
4	31 March 2025

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

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

Forward planning is essential – see section 4 below.

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.

The following table provides a brief summary of what is needed for each of the CIP-08 case studies.

	Topic	Resources
1	Broking relationships	<ul style="list-style-type: none"> Information about the firm, its main areas of business and potential future challenges Online (or other) research about the challenges that insurance brokers face.
2	Regulatory environment	<ul style="list-style-type: none"> Information about the firm's preparations for a possible CPRA assessment The firm's Conflict of Interest Policy.
3	Negotiating and placing a risk	<ul style="list-style-type: none"> A case file with a recent submission to an insurer, ideally for a medium-sized risk The information provided to customers about broker remuneration.
4	Selecting and insurance provider	<ul style="list-style-type: none"> Arrangements for selecting insurance providers A file for a case that involved an insurer's collapse or withdrawal.
5	Ongoing customer service and management	<ul style="list-style-type: none"> Procedures and practices for record keeping Data protection policy and procedures Complaint's procedures.
6	Ongoing customer service and management (claims)	<ul style="list-style-type: none"> A file for a claim in which the broker played an active role in ensuring a satisfactory outcome The firm's procedures for dealing with claims.
7	Large risks and other services	<ul style="list-style-type: none"> Details of an insurance programme for a large commercial client A file for a case that is subject to a long-term agreement (LTA) Information about a broker's risk management or risk consultancy services.

Where a case file is required, this may be a paper or a digital record. **Personal details from the files should never be included in any of the case study submissions.**

5. A reminder about copying and plagiarism:

Plagiarism is copying the words or ideas of others and passing it off as your own 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.

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

The School of Business uses the Harvard Referencing system.

6. Advice on Data Protection:

Employers and supervisors must ensure that all 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.

Any information taken from real cases/files is intended for use only in the answering the topic questions.

Topic 1: Broking Relationships

This assignment is based on the learning outcomes for CIP-08 Chapter 1 – Broking Relationships

Relevant learning outcomes from Chapter 1

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

- Explain the term 'insurance distribution' and the types of intermediaries operating in the Irish insurance market.
- Outline the role of the broker, the services they provide and the benefits to customers and insurers.
- Demonstrate how a broker can act as both an agent and a principal in the insurance broking distribution channel.
- Describe the types and content of agreements between brokers and customers, and brokers and insurers.

Answer both parts of this question

(a) Find out about the broking firm you work for (or a firm that you know).

Ask about these points, and any others that you think are relevant:

- How many people work for the firm?
- How many directors are there, and do they work in the business?
- Does the firm have other branches in Ireland?
- Is it an Irish-owned firm, or part of an international group?
- What are the main areas of business? Which is the most significant in terms of the income that it generates?
- What is the approx. split of income between Commercial lines and Personal Lines? How does that compare with 5 years ago?
- Is there a strategic plan to develop any particular areas of business?
- Are there any schemes where the firm has delegated underwriting authority from an insurer?
- Does the firm place business with any MGAs? If so, please state 3 such MGAs.
- Is the firm growing, staying the same size or getting smaller?
- What makes the firm different to its main competitors?
- What types of marketing or advertising are used? Which method seems to be the most effective?

Present this information in a report that gives clear and concise information on all points.

(b) Now that you've found out this information, think about the challenges that might lie ahead.

These might be due to competition, economic factors, social or demographic change, regulation or changes in customer behaviour and preferences. Factors such as technology can also challenge how insurance has traditionally been bought and sold. For example, there has been speculation about Amazon entering the insurance market.

Talk to your colleagues and managers about the challenges your broking firm might face in the next 5 years. Are these challenges completely new, or have some colleagues experienced similar ones before? Is the firm taking any steps to identify and prepare for changes and challenges?

Prepare a report that explains:

- **what you believe to be the main challenges your firm might face,**
- **their potential effects on the business (positive and negative), and**
- **what you think should be done to prepare for and manage those challenges.**

(at least 500 words)

Guidance notes

Part (a) involves fact-finding and presenting the information the form of a report.

Part (b) begins with fact-finding, but it's also about thinking 'outside the box' and making interesting suggestions. Online research will probably be helpful here.

There are no sample answers and no 'right or wrong' answers. The best answers are those that demonstrate the apprentice has thought about the task, carried out the required research, presented the information clearly and made creative suggestions (part b).

Topic 2: Regulatory Environment

This assignment is based on the learning outcomes for CIP-08 Chapter 2

Relevant learning outcomes from Chapter 2

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

- Outline the concept of conduct risk and the actions taken by the Central Bank to mitigate this risk
- Demonstrate the scope of the current insurance mediation rules in Ireland, including the key elements of applicable legislation.

Answer BOTH questions

Question 1

Conduct risk is the risk posed to financial services customers from their interactions with financial services providers (CIP-08 Chapter 2A). Not surprisingly, the Central Bank expects brokers to understand and protect their customers from these risks.

The Central Bank published its *Guide to Consumer Protection Risk Assessment (CPRA)* in March 2017. This sets out how its supervisors will assess the ways that consumer protection risks are managed in regulated entities (CIP-08 Chapter 2A1).

Find out how your broking firm responded to this development. How does it demonstrate that it effectively manages the consumer protection risks in each of the key areas? Is the firm ready for a CPRA assessment, or does more work need to be done?

Summarise your findings in a short report (about 400 words)

The Central Bank published its Consumer Protection Outlook Report in 2021 – list the 6 priorities outlined in the report.

(100 words approx.)

Question 2

The Central Bank's commitment to protecting consumers is at the heart of its regulatory framework. For brokers, avoiding and managing conflicts of interest are an important part of ensuring that they always act in the best interest of their clients.

You will remember from CIP-02 that the CPC requires firms to have a conflict-of-interest policy that is appropriate to the nature and scale of their business (you'll also have noticed references to this in CIP-08 Chapter 1 & Chapter 2). An addendum to the Consumer Protection Code was issued in September 2019 please ensure you reference this document in your answers.

Read your firm's conflict of interest policy. Think about the following points:

- What are the main points or situations dealt with in the policy?
- When was the policy first developed and how often has it been reviewed or updated?
- Who is responsible for making sure that this policy is understood and implemented?
- How has your firm been impacted by the addendum to the Consumer Protection Code?
- Can you think of other possible situations where a conflict of interest might arise? How would they be dealt with in your firm?

Summarise your findings in a short report (about 400 words)

Guidance notes

There are two parts to these questions: finding out about your firm's arrangements/procedures and summarising them in a report.

The reports should be clearly presented and in your own words. It's acceptable to quote short sections of another document (e.g., the Conflict of Interest Policy), as long as you include appropriate comments or explanations.

Topic 3: Negotiating and Placing a Risk

This assignment is based on the learning outcomes for CIP-08 Chapter 3.

Relevant learning outcomes from Chapter 3

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

- Explain the methods by which brokers capture underwriting information for insurers and describe the responsibilities imposed on the parties to the insurance contract by the duty of disclosure.
- Discuss the principles and objectives of good submission drafting, outline the factors relevant to negotiating terms and the action to be taken in the case of declined proposals.
- Describe good practice in the presentation of terms to customers, including information on the contract.
- Explain the various sources of brokers' income.

Answer BOTH questions

Question 1

Locate a recent submission to insurers, ideally for a medium-sized commercial risk. Read the submission and find out some background information about how the submission was prepared, the quotations that were sought/obtained and the final outcome. Read the full case file and if possible, speak to the person who prepared the submission and handled the case.

Answer these questions about the case:

1. Was this submission on behalf of a new or an existing client?
2. How was the information obtained about the risk (i.e., what methods were used)?
3. What advice was given to the client about the importance of giving true and accurate information?
4. How were the details of claims and losses gathered and presented? How much information was given about each event? For outstanding claims, were there any discussions with the holding insurer about the reserves?
5. Briefly describe the type/s of cover being sought, the sums insured or limits and any non-standard requirements. Is this similar to the current levels of cover? Were there any discussions with the client about changing the types or levels of cover?
6. Read CIP-08 Chapter 3B2a (Principles of a good submission). Based on those principles, do you think this was a 'good' submission?
7. How many insurers were approached for a quotation? How many responded with a quotation? Did those insurers offer the level of cover requested in the submission?
8. How were the quotations presented and explained to the client?
9. What course of action was recommended to the client? Why was this considered to be the most suitable for their needs?
10. Were there any particular difficulties or unusual aspects in this case?

Question 2

Brokers are paid for the services in a number of different ways. This may be through commission, fees, other charges or a combination of methods.

Before providing a product or service to a consumer, a broker must clearly state how it is paid. This must include a schedule of fees and charges, which should also be displayed in the broker's office and on their website.

Find out about (a) how your firm is paid for its work and (b) how it tells clients about how it is paid.

What information is given to customers or potential customers? Is this clear and easy to follow? If not, how might it be improved? What happens if a customer asks for more information about (for example) commission levels?

Summarise your findings in a short report (about 350 words)

Guidance notes

Question 1

Each point requires a short answer in your own words. To answer this question well, you should read all of the case file (i.e., not just the submission) and if possible, speak with the person who handled the case.

Your answer must not include any personal details about the client or other people.

Question 2

This answer should be in your own words. However, it's acceptable to quote short sections of another document (e.g., Terms of Business), as long as you include appropriate comments or explanations.

Topic 4: Selecting an Insurance Provider

This assignment is based on the learning outcomes for CIP-08 Chapter 4.

Relevant learning outcomes from Chapter 4

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

- Describe the features of the insurance market cycle and its impact on brokers and their selection of insurers.
- Outline the insurance providers that a broker can place a risk with.
- Apply the main factors for a broker to take into account when selecting an insurance provider and explain the importance of insurer security and the impact of an insurer's failure or withdrawal from the market.

Answer BOTH questions

Question 1

When selecting an insurer for a risk, financial security is an important consideration (CIP-08 Chapter 4). An insurer's collapse or withdrawal can have serious consequences for brokers and their clients.

Locate a file for a case that involved an insurer's collapse or withdrawal, and where alternative cover had to be arranged. Read the file, paying particular attention to how the problem first came to light, how it was communicated to the customer and the action that was taken.

Find out how many other customers were affected. Did any customers blame the broker for the situation? Did the insurer's collapse or withdrawal prompt your firm to review or change how it selects insurers for some types of risk? Were there any other implications?

Summarise your findings in a report (at least 450 words).

Question 2

Brokers have a number of different options when selecting insurance providers (carriers). These options include insurance companies, the Lloyds market, scheme facilities or accessing terms through broker networks.

Find out about how the firm you work for uses ONE of these options. For example:

- Is this the main way of placing business with insurance carriers?
- If not, for which types of business is it most suited?
- What are the advantages of placing business in this way?
- Are there any disadvantages or shortcomings? If so, how are they managed?
- What other options are used?
- Are there any plans to explore new options that might be available?

Present your findings in a table or a brief report.

Guidance notes

There are two elements to these questions: (a) finding the information and (b) answering the questions about the case.

For question 1, your answer should be in continuous prose (full sentences and paragraphs), with clear information on each point. You'll need to do more than just looking at the file – speak to those who worked on this and on similar cases. This will give you a good sense of what happened and what had to be done.

Your answer must not include any personal details about the client or other people.

For question 2, either a table or a short report (in continuous prose) is acceptable.

Topic 5: Ongoing customer service and management

This assignment is based on the learning outcomes for CIP-08 Chapter 5

Relevant learning outcomes from Chapter 5

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

- Demonstrate the broker's responsibilities with regard to post-placement activity, administration, errors, complaints and data protection.
- Describe the role of the broker in relation to claims.

Answer BOTH questions

Question 1

Most brokers work hard to develop long term relationships with their clients. In practice, this involves many interactions with clients, often over a number of years. These interactions are likely to include phone conversations, emails, face to face conversations, letters and other means of contact.

As well as being a regulatory requirement, it makes good business sense to keep accurate records of all client contact and instructions. It's also important to record all discussions with insurers and to keep important documents safe.

Think about how the firm you work for keeps files and records, and how you learned about these procedures when you started your apprenticeship.

Answer these questions about the procedures and practices:

1. Does the firm use paper files, electronic files or a combination of both?
2. What type of documents or information are always kept on a customer file?
3. What happens when a client uses different ways of getting in touch (e.g. emails, phone calls, letters)? How is the information gathered together and kept in the same place?
4. What are the arrangements for making sure that documents (e.g., policies) are issued on time?
5. Is there a diary system for following up on important actions? Does it work effectively? If a staff member is off unexpectedly, are their diary cases automatically assigned to someone else?
6. Is there a system of peer review or supervisor sign-off (CIP-08 Chapter 5B2) for important documents or decisions? When is this used and how does it work?
7. Are files audited on a regular basis? How often does this happen and what are the arrangements?
8. Has there ever been a situation where a client insisted, they told your firm something, but there was no record of that instruction? How was the situation resolved?
9. How long are files kept after a customer relationship has ended? Explain how (a) decisions are made about when to destroy a customer's records and (b) how records are actually destroyed.

Question 2

What would happen in your office in these situations?

- a) A mother calls in with details of an immediate change of car for her son. Both the mother and son are clients and are well known to everyone in the office. The son is unable to phone or come to the office as he works on a building site.
- b) A client asks to see all the files and other information that your firm holds about him.
- c) A client is very unhappy with how her home insurance policy was arranged. She says the advisor didn't listen to her and didn't arrange the cover that she asked for. She wants to make a complaint to the Financial Services and Pensions Ombudsman.

(About 350 words in total)

Guidance notes

These questions require you to find out about the day-to-day procedures in your firm and think about how they work.

When preparing your answers, it might be helpful to imagine that you are explaining the procedures to a new employee. Say what would happen and briefly explain the reason/s why things are done that way.

Your answers must not include any personal details about clients or other people.

Topic 6: Ongoing customer service and management

This assignment is based on the learning outcomes for CIP-08 Chapter 5

Relevant learning outcomes from Chapter 5

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

- Demonstrate the broker's responsibilities with regard to post-placement activity, administration, errors, complaints and data protection.
- Describe the role of the broker in relation to claims.

Answer BOTH questions

Question 1

Locate a file for a case where your firm played an active role in a client's claim under their insurance policy.

Prepare a report that shows your firm's involvement in the claim and how it helped the client. Your answer should include these points and any others that you think are relevant:

1. Briefly explain the circumstances of the claim (the type of policy and cover, what happened, the amounts being claimed etc.)
2. What was your firm's involvement in the claim?
3. How did your office first hear about the claim?
4. Does your firm always get involved in claims, or were there special circumstances here?
5. Was your firm's involvement helpful to the client? If so, in what way?
6. Could the client have achieved the same outcome without that involvement?
7. Do you think it is important for a broker to be involved in claims? If so, what are the main advantages from both the client's and the broker's perspective? Are there any disadvantages?

(Approximately 400 words)

Question 2

Find out what would happen in your office in this claim's scenario:

John, a long-standing client, calls into your office to report a motor accident. He has third party fire and theft cover and is adamant that the accident wasn't his fault. He tells you that the other driver involved in the accident (Michael) is also one of your clients.

John demands that you give him Michael's address. He also wants you to tell Michael's insurers that he (John) was an entirely innocent party.

John thinks that his car might be a write off as it's 8 years old and very badly damaged. He needs his car for work and wants you to make sure that everything is sorted out quickly.

Write a short report that explains:

- The initial advice that will be given to John
- The first actions to be taken
- The issues involved in this type of situation and how they should be handled

(About 300 words)

Guidance notes

Question 1 requires you to examine a claim file to see how your firm was involved, as well as evaluating the nature and the importance of that involvement. Your report should be in plain English, with a business-like tone and a good standard of grammar and spelling.

Your answer must not include any personal details about the client or other people

Question 2 is about your firm's procedures and how they are applied in practice. Your supervisor can help you identify the person/s in your office most likely to have handled this type of situation before. Make sure that your report mentions the issues that can arise when both parties in an accident are clients of the same broker.

Topic 7: Programmes for large risks and other services

This assignment is based on the learning outcomes for CIP-08 Chapters 6 & 7.

Relevant learning outcomes from Chapters 6 & 7

On completion of these chapters, students should be able to:

- Discuss the factors that impact on the design of an insurance programme and the elements that can form part of an insurance programme.
- Outline the risk management process and the role of the broker in this process.
- Discuss the risk financing and risk transfer options available in the risk management process.
- Describe the specialist risk consultancy services offered by corporate brokers.

Answer TWO of these three questions

Question 1

Find out about an insurance programme that your broking firm (or a broker you know) arranged for a large commercial client.

Write a report in MS Word explaining how the programme was arranged and how it operates. Your report should include the following points, as well as any others that are relevant to the particular case.

- Details of the customer (business description, size of the risk, properties, number of employees, the policies and covers that were needed). **Do not include the customer's name or address.**
- How long has the customer been a client of the firm? Has their business expanded or changed during this time?
- Details of the programme (including policies, covers, retention levels and other important features). How has this evolved over time?
- What is the level of ongoing service and client contact?
- Details of any other services provided to the client (e.g. claims management or risk management)

(About 400 words)

Question 2

Insurance policies or programmes are sometimes subject to a Long-Term Agreement (CIP-08 Chapter 6A4a). These arrangements can have advantages and disadvantages for customers.

(a) Locate a file for a case that is subject to a Long-Term Agreement (LTA). Read the file and ask about anything that isn't clear.

Prepare a table that shows the following information about the case:

- The type of policy or policies that are subject to the agreement
- The period of the agreement (number of years)
- The premium/s
- The amount (%) of the discount
- The reason why the discount was sought or accepted by the broker
- When the current LTA comes to an end, how likely is it that another agreement will be sought?

(b) While discussing the renewal of a shop policy, a client asks if the insurer will give a discount in return for promising them the business for three years. The client heard about this arrangement from another shop owner and thinks it's a good idea.

Explain in your own words how would you advise this client. What might be the pros and cons of seeking or recommending a LTA for a shop policy? What factors might be relevant?

(about 250 words)

Question 3

Although a broker's main role is to help clients make decisions about insurance, many brokers also offer other professional services. This is often in the area of risk management or related consultancy.

Your manager has asked you to find out about the type of risk management services that brokers typically offer. As the firm recently lost an important client to a large broker with expertise in this area, she thinks it may be time to explore the idea of setting up some type of risk management function. At the moment, the firm relies on insurers to give advice in this area.

Prepare a report in MS word that outlines:

- a) The type of risk management services that brokers offer
- b) The benefits that this can bring to brokers and their clients
- c) The potential challenges in setting up a new risk management function
- d) Some practical suggestions about how and where to start

(About 400 words)

Guidance notes

Question 1

There are three elements to this question: (a) studying the information in the file, (b) asking questions about the case and (c) answering the questions about the case. Your answers should be in continuous prose (full sentences and paragraphs), with clear information on each point.

Your answer must not include any personal details about the client or other people.

Question 2

Part (a) requires a simple table with basic information.

Part (b) requires you to apply the ideas in the CIP-08 textbook (Chapter 6A4a) and to give your opinion. It might be useful to ask an experienced colleague what they would do in this situation.

Your answer must not include any personal details about the client or other people.

Question 3

The information in CIP-08 Chapter 7 will give you some ideas about how to approach this question, but you'll also need to do your own research. Broker websites might be a good place to start. There are no right or wrong answers to this question – be creative and give reasons for your suggestions. Your report should be in plain English, with a business-like tone and a good standard of grammar and spelling



Appendix 1:

Case Study Marking Form



The
Insurance
Institute

CASE STUDY MARKING FORM

Case Study No.

Topic No.

Topic Title

Insurance Module

Learning Outcome:

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 -----