
Overview

This unit is about the work of an intermediary when a customer wishes to amend a policy. It involves both progressing requests for and also finalising insurance cover. This includes progressing alterations involving significant changes to terms and conditions.

After the information has been gathered, details are submitted to underwriters if required and you manage the amendment process. Arrangements are made for the adjustment of the premium and issue of the amendment documentation to the customer.

This unit may be suitable for you only if the firm in which you work is an intermediary and you deal with complex mid-term amendments. Whilst the policy may be straightforward, it is the amendment that is complex.

It is recognised that brokers may not necessarily be the main interface with the client, and the term 'relevant parties' is used within this unit to allow for such parties being the client and/or their agent.

Complex amendments are those which are not routine and cannot be dealt with mechanistically, for example, when the amendment involves negotiation and/or is technically demanding involving complex legal or underwriting issues or substantial financial implications.

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Progress complex mid-term insurance amendments

Performance criteria

- You must be able to:*
- P1 Obtain sufficient information to allow you to determine the changes sought by the client and to assess the impact upon the risk to be covered
 - P2 Clarify information which is unclear and obtain additional information where required
 - P3 Evaluate the likely impact of the changed requirements upon the nature and level of risk to be covered
 - P4 Determine whether the client's solution might be optimised by seeking alternative providers, and action this accordingly
 - P5 Communicate accurate and complete information regarding the adjustment to the underwriter in the appropriate way
 - P6 Resolve difficulties associated with the amendment according to business agreements, legal requirements and the limit of your authority
 - P7 Inform relevant parties of progress, including the impact of the amendments upon the terms and conditions, providing them with accurate and complete information
 - P8 Make arrangements for any adjustment in premium
 - P9 Monitor the progress of the amendment and deal with any delays
 - P10 Make sure amendment documentation is accurate, legible and meets legal and regulatory requirements
 - P11 Arrange for the insurer's documentation to be checked and for correct documentation to be issued to the client promptly once it has been received
 - P12 Maintain accurate and complete records of all stages
 - P13 Refer all matters that are beyond your level of authority promptly to the relevant person, setting out clearly the circumstances and reason for the referral, making reasoned recommendations regarding future actions

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Knowledge and understanding

You need to know and understand:

Financial services specific knowledge and understanding

- K1 The structure of the insurance market and the roles and responsibilities of the various parties within it as they impact on your activities
- K2 The role and responsibilities of the intermediary at each stage of the client service cycle
- K3 The role of the intermediary in the risk management process
- K4 The issues to be considered when selecting product providers with whom to place business for complex risks
- K5 The potential conflicts of interest for different types of intermediary remuneration
- K6 Methods of calculating premiums

Context specific knowledge and understanding

- K7 Your organisation's requirements relating to the application of codes, laws and regulatory requirements, including ethical standards and health and safety, as they impact on progressing mid-term insurance amendments
- K8 The policy cover, terms and conditions relevant to your work including standard and non-standard extensions and/or limitations
- K9 The information that should be supplied by clients to enable you to process amendments
- K10 The features of amendments which require investigation by underwriters
- K11 Your organisation's procedures for checking and correcting amendment documentation
- K12 Your organisation's systems and procedures for accessing, recording and amending information
- K13 Your organisation's policies and procedures when selecting product providers
- K14 Your organisation's procedures for dealing with amendments where cover is subject to conditional acceptance
- K15 Your organisation's procedures for mid-term cancellations including returns of premium and return of documentation
- K16 Your organisation's policy and procedures regarding communicating with clients and their agents
- K17 Your organisation's customer service procedures including those for dealing with complaints
- K18 The limits of your authority and the action required where these limits are exceeded

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Additional Information

Behaviours

You must demonstrate that:

1. You show an understanding of others and deal with them in a professional manner
2. You use information and knowledge effectively, efficiently and ethically
3. You show integrity and fairness in decision making

Links to other NOS

‘Signposting’ other relevant NOS

There is a close relationship between these NOS and the NOS for General Insurance, which have been developed separately by the Financial Skills Partnership (formerly Financial Services Skills Council). These can be accessed via www.financialskillpartnership.org.uk

In addition, the Sector Skills Body, Skills CFA, have developed NOS which include the competences required for leadership and management, as well as customer service. The website address for Skills CFA is www.cfa.uk.com

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