



inseta
INSURANCE SECTOR EDUCATION
AND TRAINING AUTHORITY

Learner Name	
ID Number	
Organisation	

FORMATIVE ASSESSMENT: LEARNER WORK FILE VERSION 1

Unit Standard Title: **Apply Technical Knowledge and Understanding of Business Insurance**

Unit Standard No: **120115**
Unit Standard Credits: **10**
NQF Level: **4**

Mark information:

Specific Outcome/Section	1	2	3	4	5	Total	%	C / NYC
Maximum marks	26	24	8	10		68	100	

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Formative Activities

Section 1: 26 marks

Activity 1

Explain the insurance of buildings with reference to the insurer and type of cover.

(10)

Activity 2

Name and explain the categories under which the contents or assets are covered under business insurance and give an indication of what type of cover is applicable to each. (6)



Activity 3

Explain the valuation of assets with reference to the sum insured, average and additional costs. (10)



Section 2: 24 marks

Activity 4

Explain the concept 'Liability' and provide an example to demonstrate your understanding thereof.

(3)

Activity 5

Explain the concept 'Stock' and provide an example to demonstrate your understanding thereof.

(3)

Activity 6

Explain the concept 'Profits' and provide an example to demonstrate your understanding thereof.

(3)

Activity 7

Discuss the reasons why profits, stock, liabilities and assets are insured differently from standard insurance. Make use of examples where necessary.

(15)

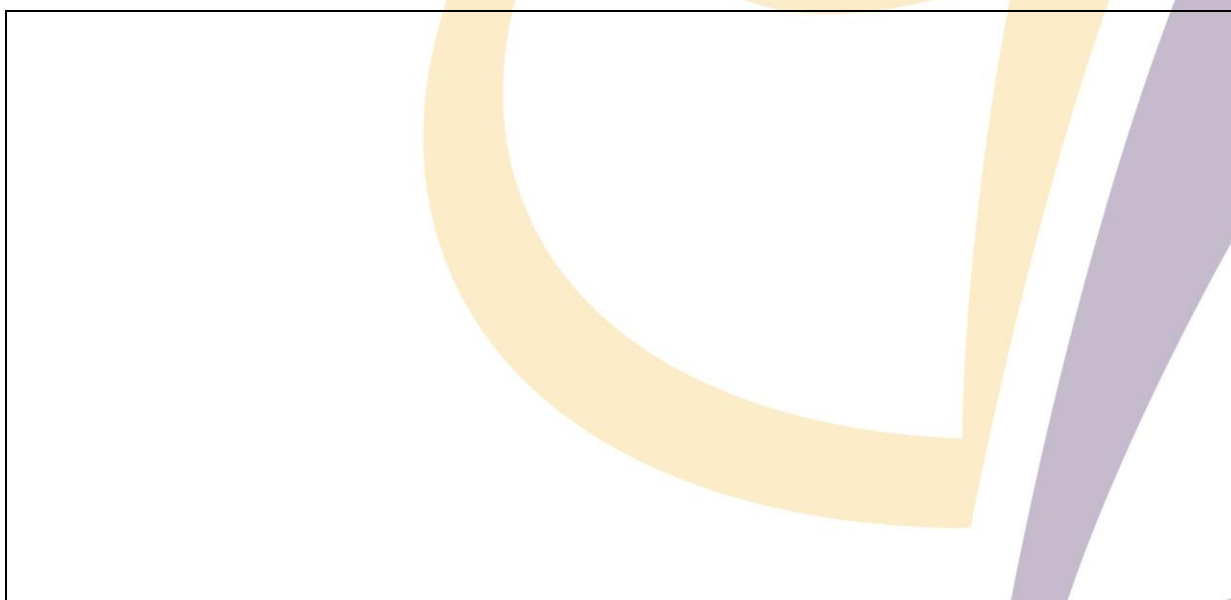




Section 3: 8 marks

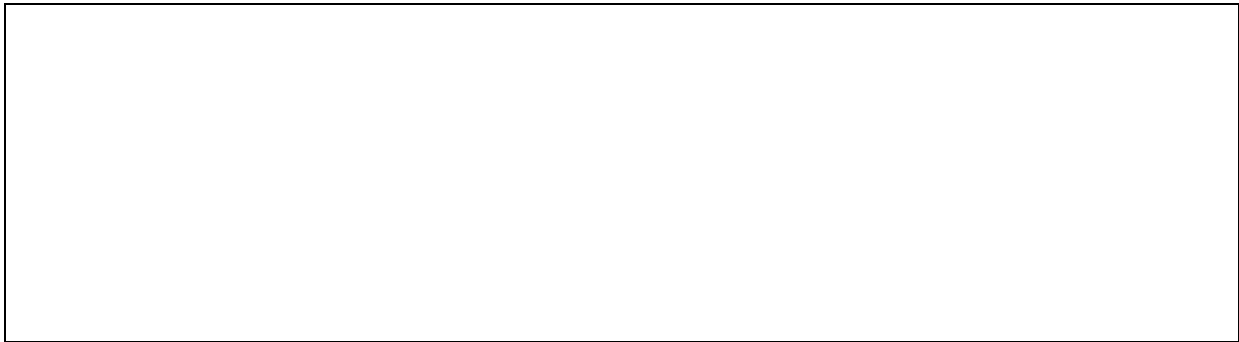
Activity 8

Analyse the processes in any suitable business or organisation in order to determine the type of business risk. Write notes on your findings. (5)



Activity 9

Explain possible reasons why some industries or business constitute a high risk. Make use of examples to substantiate your discussion. (3)

**Section 4: 10 marks****Activity 10**

Source any business insurance policy document and schedule. Analyse the document and write notes on the following:

- The cover as stated / indicated in the policy document or schedule
- Exclusions as stipulated in the policy document or schedule
- Optional covers / extensions applicable to the policy
- Terms and conditions of the policy

Attach a copy of the policy that you used for this activity to your Portfolio of Evidence Workbook. (2 x 4 + 2 = 10)







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SOUTH AFRICAN QUALIFICATIONS AUTHORITY

REGISTERED UNIT STANDARD:

Apply technical knowledge and understanding of business insurance

SAQA US ID	UNIT STANDARD TITLE			
120115	Apply technical knowledge and understanding of business insurance			
ORIGINATOR		ORIGINATING PROVIDER		
SGB Insurance and Investment				
QUALITY ASSURING BODY				
-				
FIELD			SUBFIELD	
Field 03 - Business, Commerce and Management Studies			Finance, Economics and Accounting	
ABET BAND	UNIT STANDARD TYPE	PRE-2009 NQF LEVEL	NQF LEVEL	CREDITS
Undefined	Regular	Level 4	NQF Level 04	10
REGISTRATION STATUS		REGISTRATION START DATE	REGISTRATION END DATE	SAQA DECISION NUMBER
Reregistered		2012-07-01	2015-06-30	SAQA 0695/12
LAST DATE FOR ENROLMENT		LAST DATE FOR ACHIEVEMENT		
2016-06-30		2019-06-30		

In all of the tables in this document, both the pre-2009 NQF Level and the NQF Level is shown. In the text (purpose statements, qualification rules, etc), any references to NQF Levels are to the pre-2009 levels unless specifically stated otherwise.

This unit standard does not replace any other unit standard and is not replaced by

any other unit standard.

PURPOSE OF THE UNIT STANDARD

This Unit Standard is intended for learners in commercial and industrial insurance including intermediaries, underwriters, reinsurers, claims assessors and learners in call centres.

The qualifying learner is capable of:

- Analysing the assets of a business to determine the required cover.
- Differentiating between the insurance of assets, liabilities, profits and stock.
- Identifying the processes in a business and their related risk.
- Interpreting a policy wording for business insurance.

LEARNING ASSUMED TO BE IN PLACE AND RECOGNITION OF PRIOR LEARNING

It is assumed that learners are competent in Communication and Mathematical Literacy at Level 3.

UNIT STANDARD RANGE

The typical scope of this Unit Standard is:

- Commercial and industrial including agricultural properties.
- Additional costs include, but are not limited to, professional fees, municipal fees, demolition costs, fire brigade charges, total cost of fires, debris removal and escalation costs, clear up costs and making the site safe costs.
- Business risk includes, but is not limited to, highly inflammable material, highly dangerous processes, security risks and stock declaration conditions.
- High risks include, but are not limited to, construction, theft, fire, security and processes.
- Optional cover includes, but is not limited to, money, glass, theft, goods in transit and accidental damage.

Specific Outcomes and Assessment Criteria:

SPECIFIC OUTCOME 1

Analyse the assets of a business to determine the required cover.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The insurance of buildings is explained with reference to the insurer and type of cover.

ASSESSMENT CRITERION 2

The contents or assets covered under business insurance are categorised to identify the type of cover applicable to each.

ASSESSMENT CRITERION 3

The valuation of assets is explained with reference to the sum insured, average and additional costs.

SPECIFIC OUTCOME 2

Differentiate between the insurance of assets, liabilities, profits and stock.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The concept of a liability is explained with examples.

ASSESSMENT CRITERION 2

The concept of stock is explained with examples.

ASSESSMENT CRITERION 3

The concept of profits is explained with examples.

ASSESSMENT CRITERION 4

Reasons why profits, stock, liabilities and assets are insured differently from standard insurance are explained with examples.

SPECIFIC OUTCOME 3

Identify the processes in a business and their related risk.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The processes in a selected business are analysed to determine the type of business risk.

ASSESSMENT CRITERION 2

Reasons why some industries or businesses constitute a high risk are explained with examples.

SPECIFIC OUTCOME 4

Interpret a policy wording for business insurance.

ASSESSMENT CRITERIA**ASSESSMENT CRITERION 1**

A policy document and schedule are analysed to determine the cover.

ASSESSMENT CRITERION 2

Exclusions in the policy are explained with reference to the specific risks in a selected business.

ASSESSMENT CRITERION 3

Optional covers and extensions are explained with reference to a specific business.

ASSESSMENT CRITERION 4

The terms and conditions of a policy are interpreted for a specific business.

UNIT STANDARD ACCREDITATION AND MODERATION OPTIONS

- Anyone assessing a candidate against this Unit Standard must be registered as an assessor with the relevant ETQA or ETQA where a Memorandum of Understanding (MOU) exists with the relevant ETQA.
- Any institution offering learning that will enable achievement of this Unit Standard must be accredited as a provider through the relevant ETQA or ETQA where a Memorandum of Understanding (MOU) exists with the relevant ETQA.
- Moderation of assessment will be overseen by the relevant ETQA according to the moderation guidelines and the agreed ETQA procedures.

UNIT STANDARD ESSENTIAL EMBEDDED KNOWLEDGE

N/A

UNIT STANDARD DEVELOPMENTAL OUTCOME

N/A

UNIT STANDARD LINKAGES

N/A

Critical Cross-field Outcomes (CCFO):

UNIT STANDARD CCFO IDENTIFYING

Learners are capable of identifying problems in determining the type of risk in a selected business.

UNIT STANDARD CCFO COLLECTING

Learners are capable of collecting, organising and critically evaluating information in analysing the assets of a business to determine the cover required.

UNIT STANDARD CCFO COMMUNICATING

Learners are capable of communicating effectively in interpreting a policy wording and explaining the cover.

UNIT STANDARD CCFO DEMONSTRATING

Learners are capable of seeing the world as a set of related systems in explaining the reasons why some industries or businesses constitute a high risk.

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