



# inseta

INSURANCE SECTOR EDUCATION  
AND TRAINING AUTHORITY

<b>Learner Name</b>	
<b>ID Number</b>	
<b>Organisation</b>	

## FORMATIVE ASSESSMENT: LEARNER WORK FILE VERSION 1

Unit Standard Title: **Demonstrate Knowledge and Understanding of House Owners Insurance**

Unit Standard No: **120015**

Unit Standard Credits: **3**

NQF Level: **4**

### Mark information:

Specific Outcome/Section	1	2	3	4	5	Total	%	C / NYC
Maximum marks	14	8	9	25	25	81	100	

This outcomes-based learning material was developed by Masifunde Training Centre with funding from INSETA in July 2014. The material is generic in nature and is intended to serve as a minimum standard for the industry.

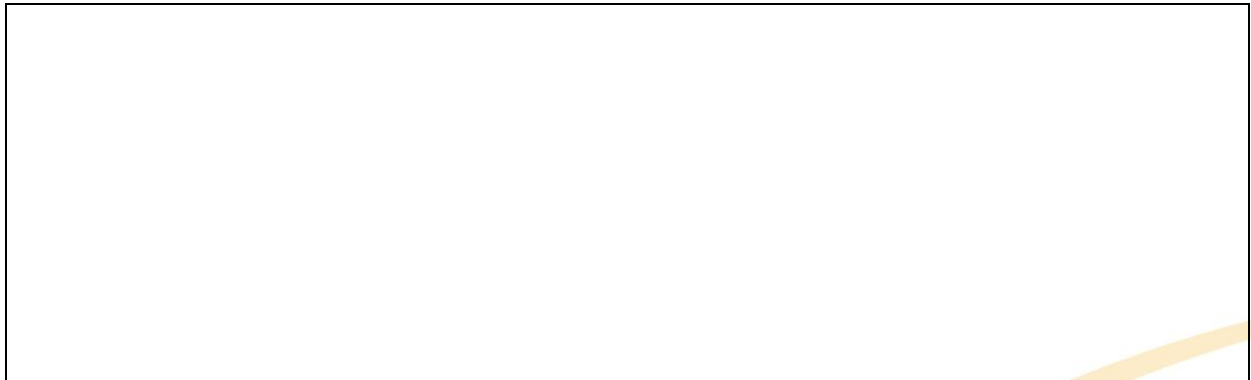
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**Formative Activities:****Section 1: 14 marks****Activity 1**

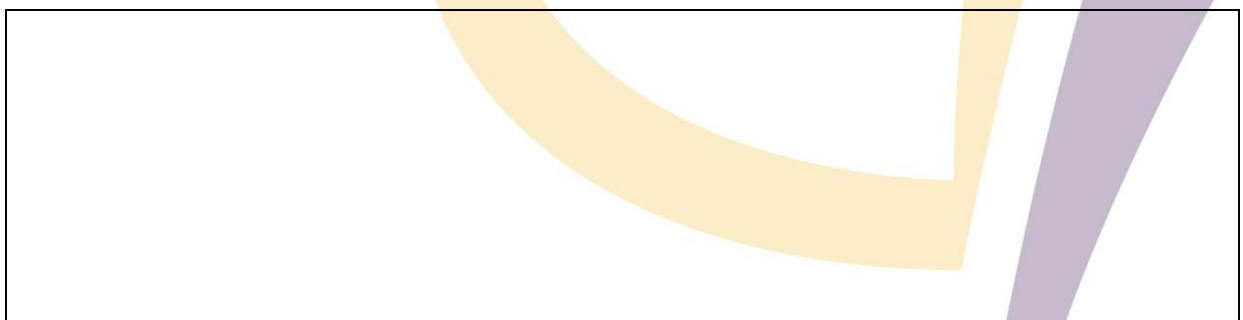
Explain the concepts 'the insured' and 'insured property' and give an example from a household buildings policy . (4)

**Activity 2**

List / explain the three main events insured under household buildings insurance and give an example where possible. (3)

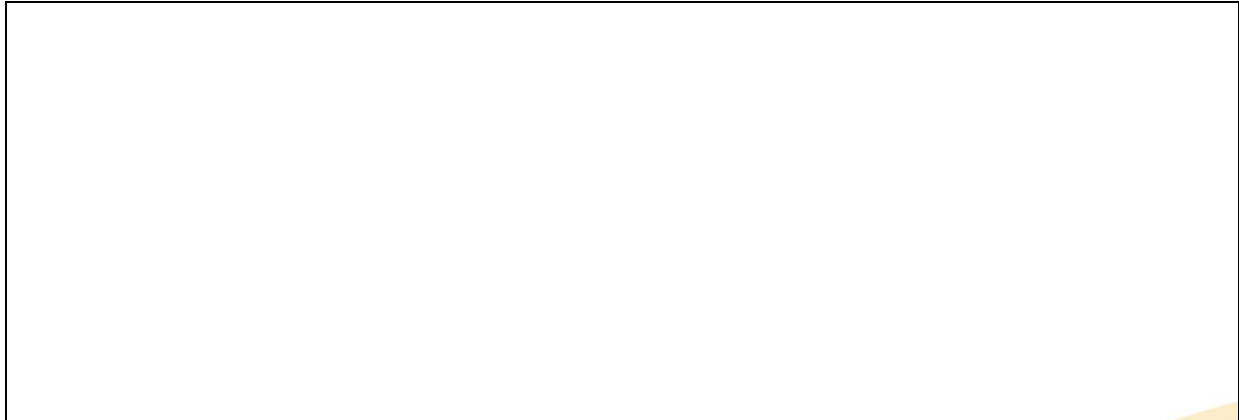
**Activity 3**

Refer back to the household buildings insurance cover that your organisation offers. Explain the difference between cover provided under household contents and house owner's insurance. (2)



**Activity 4**

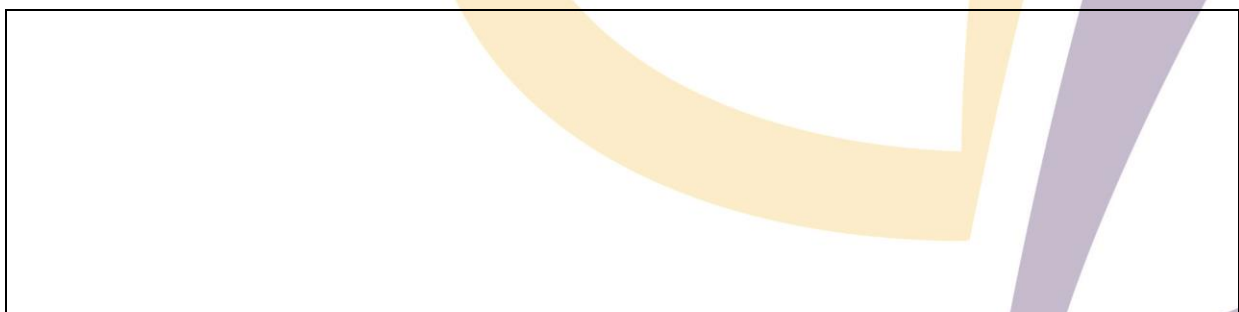
Source a household buildings policy document. Analyse the document and give an indication of the insured events in this policy. Attach the policy document that you have used for this activity to your Portfolio of Evidence. (5)

**Section 2: 8 marks****Activity 5**

Explain the concept of 'landslip and subsidence' and give an indication of the implications if it is not included in a policy schedule. (5)

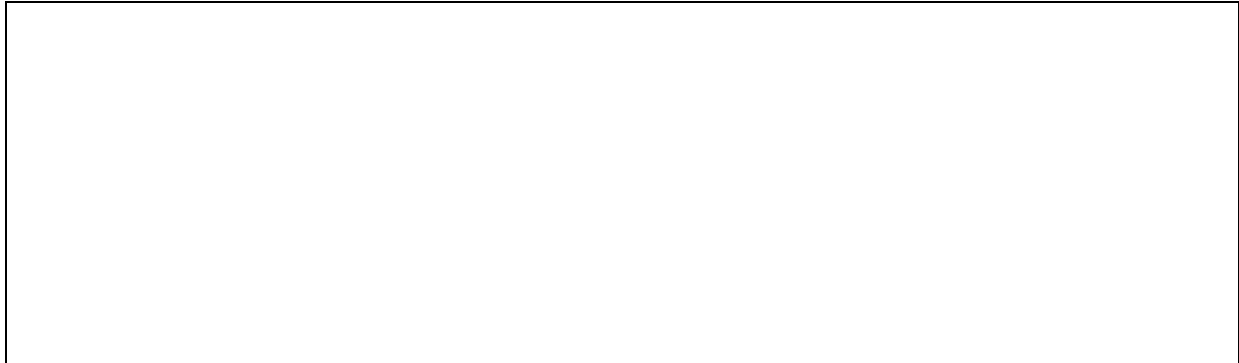
**Activity 6**

Explain the difference between the standard SASRIA cover and war exclusion under the household buildings policy. Make use of examples where necessary to substantiate your explanation. (3)



**Section 3: 9 marks****Activity 7**

Use the policy document that you have used for activity 4. Analyse the document and write notes on the terms and conditions stipulated in the policy document. (4)

**Activity 8**

Still using the policy document used in activities 4 and 7, analyse the policy document and determine the endorsements and amount of cover. Write notes on your analysis. (5)

**Section 4: 25 marks****Activity 9**

Explain / list the underwriting criteria as it applies to a household buildings policy and give an indication how these criteria can affect the risk. (4)



**Activity 10**

Explain the concept 'Average' as it applies to household building insurance. (5)


**Activity 11**

Explain the consequences of giving incorrect advice in terms of FAIS, Policyholder Protection Rules and Professional Indemnity. (10)

**Activity 12**

Explain the relationship between excess and premium. Make use of examples to substantiate your answer.

(6)



**Section 5: 25 marks**

**Activity 13**

Explain the concept 'Personal liability' with regards to cover under a household buildings policy .

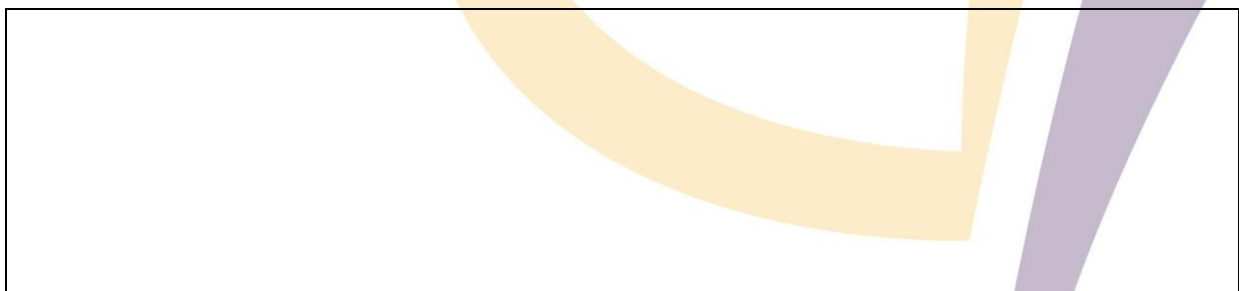
(4)



**Activity 14**

Refer back to the policy document that you have used in Activity 4. Analyse the policy document and note down any personal liability cover that exists in the policy document.

(2)



**Activity 15**

Briefly mention the typical exclusions under a personal liability policy, usually found in a policy document. (14)



**Activity 16**

Explain the difference between property owners' and tenants' liability as it applies to personal liability. (5)





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**SOUTH AFRICAN QUALIFICATIONS AUTHORITY  
REGISTERED UNIT STANDARD:**

**Demonstrate knowledge and understanding of house owners insurance**

<b>SAQA US ID</b>	<b>UNIT STANDARD TITLE</b>			
120015	Demonstrate knowledge and understanding of house owners insurance			
<b>ORIGINATOR</b>		<b>ORIGINATING PROVIDER</b>		
SGB Insurance and Investment				
<b>QUALITY ASSURING BODY</b>				
-				
<b>FIELD</b>			<b>SUBFIELD</b>	
Field 03 - Business, Commerce and Management Studies			Finance, Economics and Accounting	
<b>ABET BAND</b>	<b>UNIT STANDARD TYPE</b>	<b>PRE-2009 NQF LEVEL</b>	<b>NQF LEVEL</b>	<b>CREDITS</b>
Undefined	Regular	Level 4	NQF Level 04	3
<b>REGISTRATION STATUS</b>		<b>REGISTRATION START DATE</b>	<b>REGISTRATION END DATE</b>	<b>SAQA DECISION NUMBER</b>
Reregistered		2012-07-01	2015-06-30	SAQA 0695/12
<b>LAST DATE FOR ENROLMENT</b>		<b>LAST DATE FOR ACHIEVEMENT</b>		
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 who wish to follow a career path in Short Term personal insurance or retail insurance. It covers insurance of fixed property for domestic use and will be useful for Intermediaries, Underwriters, Claims and Policy Administrators, Product Developers and learners in Service Centres.

The qualifying learner is capable of:

- Describing the cover provided under house owners insurance.
- Explaining extensions, exclusions and optional covers in household buildings insurance.
- Analysing a policy wording and schedule to determine cover.
- Applying underwriting criteria in a household buildings insurance policy.
- Explaining personal liability insurance.

### **LEARNING ASSUMED TO BE IN PLACE AND RECOGNITION OF PRIOR LEARNING**

Learners should be competent in Communication and Mathematical Literacy at NQF Level 3.

### **UNIT STANDARD RANGE**

The typical scope of this Unit Standard is:

- Main events insured include fire, storm, theft, impact and explosion.
- Underwriting criteria include, but are not limited to, construction, use and location.
- Use includes, but is not limited to, holiday, permanent residence and rented out.

### **Specific Outcomes and Assessment Criteria:**

#### **SPECIFIC OUTCOME 1**

Describe the cover provided under house owners insurance.

#### **ASSESSMENT CRITERIA**

##### **ASSESSMENT CRITERION 1**

The concepts of the insured and insured property is explained with examples from a household buildings policy.

##### **ASSESSMENT CRITERION 2**

The three main events insured under household buildings insurance are explained with examples.

**ASSESSMENT CRITERION 3**

The difference between cover provided under household contents and house owners insurance is explained for a specific insurer.

**ASSESSMENT CRITERION 4**

A policy document is analysed and an indication is given of the insured events in a household buildings insurance policy.

**SPECIFIC OUTCOME 2**

Explain extensions, exclusions and optional covers in household buildings insurance.

**ASSESSMENT CRITERIA****ASSESSMENT CRITERION 1**

The concept of landslip and subsidence is explained and an indication is given of the implications if it is not included in a policy schedule.

**ASSESSMENT CRITERION 2**

The difference between the standard SASRIA cover and war exclusion under the household buildings policy is explained with examples.

**SPECIFIC OUTCOME 3**

Analyse a policy wording and schedule to determine cover.

**ASSESSMENT CRITERIA****ASSESSMENT CRITERION 1**

A policy wording is analysed to determine terms and conditions.

**ASSESSMENT CRITERION 2**

A policy schedule is analysed to determine endorsements and amount of cover.

**SPECIFIC OUTCOME 4**

Apply underwriting criteria in a household buildings insurance policy.

**ASSESSMENT CRITERIA****ASSESSMENT CRITERION 1**

The underwriting criteria applied a household buildings policy are explained and an indication is given of how each can affect the risk.

**ASSESSMENT CRITERION 2**

The concept of average is applied to household buildings insurance claim for two

different scenarios.

### **ASSESSMENT CRITERION 3**

The consequences of giving incorrect advice are explained in terms of FAIS, Policyholder Protection Rules and Professional Indemnity.

### **ASSESSMENT CRITERION 4**

The relationship between excess and premium is explained with examples.

### **SPECIFIC OUTCOME 5**

Explain personal liability insurance.

### **ASSESSMENT CRITERIA**

#### **ASSESSMENT CRITERION 1**

The concept of personal liability is explained with examples of cover under a household buildings policy.

#### **ASSESSMENT CRITERION 2**

The cover provided under a personal/personal policy is indicated from a specific policy.

#### **ASSESSMENT CRITERION 3**

Exclusions under a personal liability personal policy are analysed from a policy document.

#### **ASSESSMENT CRITERION 4**

The difference between property owners and tenants liability is explained as it applies to personal liability.

### **UNIT STANDARD ACCREDITATION AND MODERATION OPTIONS**

This Unit Standard will be internally assessed by the provider and moderated by a moderator registered by a relevant accredited ETQA or an ETQA that has a Memorandum of Understanding with the relevant accredited ETQA.

### **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 able to identify and solve problems in which responses show that responsible decisions using critical thinking have been made in suggesting additional cover needed in a household buildings insurance policy.

**UNIT STANDARD CCFO COLLECTING**

Learners are able to collect, organise and critically evaluate information in analysing the needs of a specific client and suggesting applicable cover.

**UNIT STANDARD CCFO COMMUNICATING**

Learners are able to communicate effectively in explaining the various concepts in the Unit Standard.

**UNIT STANDARD CCFO SCIENCE**

Learners are able to use science and technology effectively in using a computer to access information about specific house owners policies.

**UNIT STANDARD CCFO DEMONSTRATING**

Learners are able to demonstrate an understanding of the world as a set of related systems by understanding the implications of giving incorrect advice and the difference between SASRIA and war exclusion cover under a household buildings policy.

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