



Chartered Institute of Loss Adjusters

Advanced Diploma Handbook

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Overview

The CIL A Advanced Diploma is recognised as a high level claims qualification which will undoubtedly highlight your knowledge and expertise and will therefore provide opportunities to further advance your career. This qualification also provides you with the opportunity to specialise in the adjustment of a specific type of claim, from a choice of: *Property (Domestic)*, *Property (Commercial)*, *Liability*, *Business Interruption*, *Subsidence or Aviation*. The Advanced Diploma is perfect for those who wish to demonstrate the knowledge to handle more complex claims as part of their career progression.

How will I be assessed?

To obtain the CIL A Advanced Diploma qualification you must pass the following exams:

1. AD1 – Application of the Principles of Insurance
3½ hour written exam comprising 5 questions from a choice of 6
2. AD2 - Advanced Claims Handling (Handling Claims for Specific Losses)
3½ hour written exam comprising 5 questions from a choice of 6. The AD2 exam includes questions which are relevant to particular types of insurance. In advance of the exam sitting, candidates are therefore asked to select an AD2 exam paper from a choice of: *Property (Domestic)*, *Property (Commercial)*, *Liability*, *Business Interruption*, *Subsidence or Aviation*.

Candidates are required to pass both AD1 and AD2 within a period not exceeding six years.

How much will it cost?

The entry fee for each exam is £100 and this is payable at the time of booking an exam sitting.

Entry requirements

Entry to the Advanced Diploma exams is only open to CIL A members who hold the CIL A Diploma qualification.

Exemptions

There are no exemptions from the Advanced Diploma exams.



How will I study and how long will it take?

The CIL A Advanced Diploma qualification requires you to undertake your own reading and research in preparation for the exams. There is a syllabus for each paper and we recommend that you use this as the framework for your study. To help get you started the Institute provides a recommended reading list. We would also encourage you to review past exam papers which are published on the CIL A website.

We recommend that you allow between 100 to 120 hours of study for each paper.

Where and when will I sit the exams?

The CIL A Advanced Diploma exams can be sat at a range of exam centres throughout the world. Candidates who are based in the UK and Ireland may choose their preferred exam centre from the following options: Belfast, Birmingham, Bristol, Cardiff, Dublin, Glasgow, London, Manchester and the Southampton area. Candidates who are based overseas may indicate their preferred location to sit an exam and the Institute will work with them to agree an appropriate location taking account of other candidates within their country, venue facilities and exam invigilators.

There are two exam sittings per year for the CIL A Advanced Diploma exams, one in April and one in October. The precise time and date of each exam sitting will be published on the CIL A website.

How do I apply?

When you feel ready to take an exam, you must book a sitting through the CIL A website using your online account, My CIL A.

You will receive confirmation of entry and after the closing date details of where the examination will take place. If these are not received please contact info@cila.co.uk at least one week before the examination is due to take place.

Please note that exam bookings must be made by 31st January for the April exam sitting and 31st July for the October exam sitting.

Postponement, cancellation or changes to a booked exam sitting

If you are unable to attend or would like to postpone a booked exam sitting, we would ask that you notify the Institute as soon as possible. The Institute is unable to provide a refund for cancelled exam sittings.

The Institute will consider requests to change exam centre or change exam paper however we cannot guarantee that all requests will be accommodated. Requests of this nature should be submitted to the Institute no later than six weeks prior to the exam sitting.



What is the pass mark?

The marks required for a pass in a CILA Advanced Diploma exam paper will be 60% of the maximum marks. Candidates will not receive the mark they were awarded in an exam paper however they will receive an indication of their performance based on the following framework:

D = Distinction	(75% - 100% of the maximum marks)
P = Pass	(60% - 74% of the maximum marks)
X = Fail	(50% - 59% of the maximum marks)
Y = Fail	(40% - 49% of the maximum marks)
Z = Fail	(0% - 39% of the maximum marks)
A = Absent	

A candidate who passes the two Advanced Diploma exam papers with a mark of 70% or more in each paper and an average of 75% or more in the two papers combined will be regarded as having passed the Advanced Diploma qualification with a Distinction.

How and when will I receive my results?

The results for the CILA Advanced Diploma exams are published no later than three months from the date of the exam sitting. The Institute will notify you by e-mail when your exam results are available to view via your online account, My CILA.

What happens if I pass?

When you have successfully passed AD1 and AD2 you will be eligible to upgrade to the Advanced Diploma membership grade. The Institute will contact you within three weeks of the date of your final exam to make arrangements for payment of the increased subscription fee and the posting of your certificate.

What happens if I fail?

You can apply to re-sit an exam by booking another exam sitting. The cost to re-sit an Advanced Diploma exam is £100 per exam.

The Institute will consider appeals from candidates who obtained an X grade in an Advanced Diploma exam. You must submit your appeal, by e-mail, within fourteen days of the publication of the results. You should set out, in no more than 500 words, the basis of the appeal and make a payment of £100 to the Institute. The appeal will then be considered by the Examinations Committee and you will be notified of the outcome within 28 days of submitting the appeal.

Liability of the Institute

If the Institute, for reasons outside its control, should find it impossible to hold any of its scheduled examinations, or if a candidate's completed examination script be lost or destroyed, the Institute's



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liability shall be limited to a complete refund of the examination fee paid in respect of the examination concerned.



The CIL A Advanced Diploma Syllabi

The topics of the syllabi have been set in two categories, which require different levels of knowledge. The categories and the respective levels of knowledge are:

Thoroughly Understand:

This requires an in-depth knowledge of the topic including an up to date understanding of the law and the ability to demonstrate the application of the knowledge across a wide range of subjects and situations.

Understand:

This requires an overall knowledge of the facts of the topic and sufficient knowledge to enable reasoned argument to be presented on the subject in various situations.

Law & Practice

Where questions of law and practice are involved candidates will be expected to answer these according to the law and practice in either of England, Wales, Scotland and Northern Ireland or of their domiciled country. The candidate should give a clear indication of the country and this must be stated on the examination answer sheet.

Candidates must display an up-to-date knowledge of law and practice. However they will not be examined on changes that came into effect within 6 months of the examination. Where a question arises on a topic affected by such a change the answer may be based on either the old or the new position and equal credit will be given in either case.



AD1 - Application of the Principles of Insurance

Thoroughly Understand

1. Adjustment of claims under the following policy covers:
 - a) Typical modern “All Risk” Policy
 - b) Typical modern Perils including theft and accidental damage
2. Warranties in fire and theft policies
3. Special perils extensions including sprinkler leakage
4. The principle of Subrogation and appropriate rights of recovery such as Negligence, Nuisance, Trespass, Contract and Statutory
5. Procedures in relation to investigation of the extent of loss, statements and their content, onus of proof in relation to cause and validation, reservation of rights, salvage, protection and extinguishment expenses
6. Validation of quantum – means by which quantum may be proved/demonstrated. Practical solutions where records are destroyed.
7. Ethics and treating the customer fairly
8. Typical Perils and their definitions

Understand

1. The legislation as detailed in DP1 and DP2
2. Legal entities – Private Individuals, Partnerships, Limited Liability Partnerships, Limited Companies, PLC’s, Charities, Chartered Bodies
3. Stock Declaration Insurance, First Loss policies and Blanket policies
4. Excess, Deductible and Franchise
5. Policy Limits, Average Conditions and other penalties for underinsurance
6. Practical application of typical Domestic wordings including Contribution arising out of Alternative Accommodation
7. Requirement for and applications of Risk surveys
8. Dispute resolution including Arbitration and Mediation
9. Practical knowledge of the FOS reports and decisions, including use of their helpline
10. Fraud Indicators



AD2 - Adjustment of Claims

The examination for this subject will comprise both compulsory and optional questions.

Candidates should note that the syllabus is divided between general topics which apply to all candidates and specialist topics. Prior to the examination, candidates will select one specialist topic from the following:

Property Domestic

Property Commercial

Liability

Business Interruption

Subsidence

Aviation

The syllabus is divided between subjects that the candidate must understand and subjects that the candidate must thoroughly understand.

Understand (All Candidates)

1. Adjustment of claims under the following policy wordings:
 - a. Typical "All Risks" policy
 - b. Typical Perils policy including Theft and Accidental Damage.
2. Typical wordings for Reinstatement Memorandum, Day One Reinstatement Memorandum, Public Authorities' clauses, Contract Price clause, Professional Fees clause, Debris Removal clause and Appreciation in Value clause (Escalator)
3. Principles of Business Interruption insurance including mitigation, Material Damage Proviso, Maximum Indemnity Period, Gross Profit, All Other Circumstances clause, Increase in Cost of Working, Savings, Declaration Linked and Sum Insured bases of cover.
4. Building construction
5. Dealing with wet/dry rot claims under typical Perils and All Risks wordings
6. CDM Regulations, Party Wall legislation
7. Roles and responsibilities when Contractor Networks are engaged in claims
8. Appreciating asbestos issues in building claims



Thoroughly Understand (Property Commercial Candidates)

- a. Methods and principles of calculating indemnity valuation of buildings; machinery and plant; fixtures and fittings; tenants improvements; raw materials; manufacturers work in progress and finished stock; wholesale and retail stock
- b. Dealing with Stock claims

Thoroughly Understand (Property Domestic Candidates)

- a. Typical Household wordings, Extensions to wordings Professional fees, Alternative Accommodation, Frozen Food, Loss of Keys, Occupiers and Owners Liability cover
- b. The validation of quantum in relation to silver, gold, diamonds, jewellery, art and antiques, electronic equipment

Thoroughly Understand (Liability Candidates)

- a. Typical Public Liability wording
- b. Typical Employers' Liability wording
- c. Typical Products Liability wording
- d. Typical Contractors Public Liability
- e. Court, Civil Procedure Rules (including use of Portal) systems including Pre-Action Protocols

Thoroughly Understand (Subsidence Candidates)

- a. Typical policy wordings for Subsidence Peril; Exclusions; Professional fees
- b. Causes of Subsidence and Heave, identification, soil characteristics, soil shrinkage, effects of tree roots, mining, leaking drains/water pipes
- c. Diagnosis and measurement of movement, soil types and their effects, methods of repair, stitch bonding, epoxy resin bonding, strapping, mini piling, pad and beam, framing, mass concrete underpinning
- d. ABI Domestic Subsidence Agreement Options 1,2 and 3, NHBC
- e. Landslip and Heave
- f. Party walls including Party Wall Act 1996

Thoroughly Understand (Business Interruption Candidates)

- a. Typical Business Interruption Policy wording, Operative clause, the Business, the Premises, definitions of Gross Profit as defined in insurance policies and as commonly defined in sets of accounts, Turnover, Increased in Cost of Working, Savings
- b. Calculation of Gross Profit/ Gross Revenue, Purchases, Departmental clause



- c. Definition of Damage
- d. Application of the Material Damage Proviso
- e. Calculation of turnover trends and application of the All Other Circumstances clause
- f. Methods of loss mitigation and the information and enquiries required to support decision making around Increased Costs of Working

Thoroughly Understand (Aviation Candidates)

a. Claims Management

The role and responsibilities of the main government investigating bodies, Hull Claims – investigation, Surveyors, The survey process, Claims settlement, Liability claims – investigation, Information required, Prosecution of the claim, Passenger claims, Liability settlements in the UK, Liability settlements in the USA and Canada, Cargo claims, Third party liability claims, Product liability claims

b. The main elements of aviation risk

How an aircraft flies, types of aviation risk, accident prevention and reduction, developments in global air navigation

c. International safety conventions and associations

Chicago Convention 1944, International Civil Aviation Organisation (ICAO), International Air Transport Association (IATA), International conventions dealing with offences on board aircraft

d. Aircraft legislation in the UK, EU and USA

Civil Aviation Authority and the European Aviation Safety Agency, Air Navigation Order and the Rules of the Air Regulations, Overview of the US legal system

e. The scope of cover under the main and related classes of aviation insurance

Aircraft hull and liability, Aviation products liability, Airport liability, Aviation hull war and allied perils, Personal accident, Loss of use or consequential loss, Cargo – liability cover and all risks cover, Hull deductible insurance, Spares all risks insurance, Airline Insurance requirements and typical coverage

f. Market practices of aviation insurance

The use and application of endorsements and clauses, typical deductible amounts, Bank/leasing company agreements and contractual requirements, Insurers' response to airline and service provider requirements, Global providers of aviation insurance