



THE CHARTERED INSTITUTE
OF LOSS ADJUSTERS

Chartered Institute of Loss Adjusters

Advanced Diploma Handbook

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Contents

Overview	3
How will I be assessed?	3
How much will it cost?	3
Entry requirements	3
Exemptions.....	3
How will I study and how long will it take?.....	4
How do I apply?	4
When can I sit the exams?	4
Postponement or cancellation of a scheduled examination	5
Pearson VUE Exam Centres.....	5
What is the pass mark?.....	5
How and when will I receive my results?.....	5
What happens if I pass?	5
What happens if I fail?	6
Liability of the Institute	6
The CIL A Advanced Diploma Syllabi.....	7
AD1 - Application of the Principles of Insurance	8
AD2 - Adjustment of Claims	9



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.

Candidates are expected to have the knowledge required for the Certificate and Diploma CIL A qualifications.

How will I be assessed?

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

1. AD1 – Application of the Principles of Insurance
3½ hour exam comprising 5 questions from a choice of 6
2. AD2 - Advanced Claims Handling (Handling Claims for Specific Losses)
3½ hour 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 £200 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 CILA 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 CILA website.

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

How do I apply?

1. CILA membership

Please note that you can only attain a CILA qualification if you are a member of the CILA. If you are not already a member, please apply for CILA membership via the CILA website.

2. Create a Pearson VUE account

The next step is to create your own online account with the exam facilitator Pearson VUE: <http://www.pearsonvue.com/cila/> Please note that you will need your CILA membership number in order to create your Pearson VUE account.

3. Purchase learning material and exam voucher

The next step is to purchase the learning material and exam voucher/s for the exam/s you wish to sit. You do this through the Pearson VUE website at <http://www.mindhub.co.uk/>

Please note that each exam voucher has an expiry date and the associated exam must be booked and taken before this expiry date. Failure to do so will require repurchase of the voucher at full cost.

The expiry date is in the United States format i.e. MM/DD/YYYY. The Institute cannot make refunds for expired vouchers.

Warning: you are able to purchase the exam voucher/s from the Pearson VUE website without being a member of the CILA. However you **cannot** register to sit the exam/s if you are a non-member. Please ensure that you become a member first.

When can I sit the exams?

When you feel ready to take an exam, you can schedule a date, time and location via the Pearson VUE website at <http://www.pearsonvue.com/cila/>.

We recommend that you set yourself a target date for completion of each exam when you purchase the exam voucher. This will help you to plan your study time and maintain momentum. Remember that each exam voucher has an expiry date.



Postponement or cancellation of a scheduled examination

You may postpone or cancel a scheduled exam by following the procedures on the Pearson VUE website however this must be done at least **24** hours prior to the exam. Failure to do so or non-attendance will result in the loss of the entire fee. You will be required to re-purchase an exam voucher and re-schedule the exam. The Institute is unable to make any refunds in this respect, irrespective of the reason for non-attendance.

Pearson VUE Exam Centres

You may find it useful to watch a short video by Pearson VUE on “*What to expect in a Pearson Vue test centre*” before sitting an exam - <http://home.pearsonvue.com/test-taker/security.aspx>

Please note you are required to bring photographic identification to the exam centre, for example, your passport or driving licence. **It is essential that the name on this identification matches the name your CILA membership record.** If you have any concerns about this please contact the Institute as soon as possible and no later than fourteen days prior to your 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 via the Pearson Vue website and the cost is as follows:

AD1 = £200

AD2 = £200

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 £200 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 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 in the examination answer.

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.

You are reminded that all candidates are expected to have the knowledge required to pass the Certificate and Diploma level CIL A qualifications.

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