



THE CHARTERED INSTITUTE  
OF LOSS ADJUSTERS

# Chartered Institute of Loss Adjusters

## 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	4
How will I study and how long will it take?	4
What will I learn?	5
Syllabus updates	5
Where will I sit the exams?	6
How do I apply?	6
When can I sit the exams?	6
Postponement or cancellation of a scheduled examination	7
Pearson VUE Exam Centres	7
What is the pass mark?	7
How and when will I receive my results?	7
What happens if I pass?	7
What happens if I fail?	8
Liability of the Institute	8
The CIL A Diploma Syllabi	9
DP1 – The Principles of Insurance 1	10
DP2 – The Principles of Insurance 2	11
DP3 – Customer Service & Ethics	12



## Overview

The CILA Diploma requires you to develop an in depth understanding of the principles of insurance, along with comprehensive knowledge of the insurance market. Your growth as a claims professional will further be enhanced by studying the essential subjects of customer service and ethics.

Successful attainment of the CILA Diploma will also enable you to progress to the CILA Advanced Diploma exams.

The CILA Diploma qualification is provided by the CILA in conjunction with the exam facilitator, Pearson VUE.

## How will I be assessed?

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

1. DP1 - The Principles of Insurance 1  
2 hour exam comprising 10 compulsory questions which require short essay style answers
2. DP2 - The Principles of Insurance 2  
2 hour exam comprising 10 compulsory questions which require short essay style answers
3. DP3 – Customer Service & Ethics  
2 hour exam comprising 10 compulsory questions which require short essay style answers

## How much will it cost?

The entry fee for each Diploma exam is £200:

DP1	= £200
DP2	= £200
DP3	= £200
Total	= £600

We recommend that you purchase your Diploma exam entries one at a time. This is because each exam entry comes in the form of a voucher which has an expiry date. Please note that payment is made to the exam facilitator, Pearson VUE, and not the Institute. <http://www.mindhub.co.uk/>

## Entry requirements

Entry to the Diploma exams is open to CILA members who hold the CILA Certificate or any of the following qualifications:

- Chartered Insurance Institute - Diploma in Insurance (Dip CII)
- Chartered Insurance Institute - Advanced Diploma in Insurance (ACII)



## THE CHARTERED INSTITUTE OF LOSS ADJUSTERS

Chartered Insurance Institute – Fellowship (FCII)  
Insurance Institute of Ireland - Professional Diploma in Insurance (CIP)  
Malaysian Insurance Institute - Diploma (DMII)  
Singapore College of Insurance - Diploma in General Insurance and Risk Management (DGIRM)  
Australian and New Zealand Institute of Insurance and Finance – Diploma of General Insurance

The Institute will also consider entry based on other academic or professional qualifications depending on their relevance and level of study, including professional qualifications which are attained outside of the UK. Enquiries should be submitted by email to [info@cila.co.uk](mailto:info@cila.co.uk) and include full details of the qualifications you would like considered.

### Exemptions

Candidates who hold one or more of the following qualifications are able to obtain an exemption from the exams, DP1 – The Principles of Insurance 1 and DP2 – The Principles of Insurance 2:

Chartered Insurance Institute - Diploma in Insurance (Dip CII)  
Chartered Insurance Institute - Advanced Diploma in Insurance (ACII)  
Chartered Insurance Institute – Fellowship (FCII)  
Insurance Institute of Ireland - Professional Diploma in Insurance (CIP)  
Malaysian Insurance Institute - Diploma (DMII)  
Singapore College of Insurance - Diploma in General Insurance and Risk Management (DGIRM)  
Australian and New Zealand Institute of Insurance and Finance – Diploma of General Insurance

To apply for these exemptions please send the Institute a copy of the certificate which evidences your qualification and a payment of £120 (an exemption fee of £60 applies to each exam).

### How will I study and how long will it take?

The DP1 and DP2 exams require you to undertake your own reading and research in preparation for the exams. There is a syllabus for each paper and recommended text books, Property Insurance Law and Claims (ISBN-13: 978-1-85609-406-1, ISBN-10: 1-85609-406-5) and Law Made Simple (ISBN-13: 978-0415641364). To help get you started the Institute has also produced a study guide which includes useful tips regarding the syllabus and suggestions for study.

Bespoke learning material on the subjects of customer service and business ethics has been developed to help you study for the DP3 exam. When purchasing your entry to a Diploma exam, you will be able to download the associated study guide or learning material from the Pearson VUE website - <http://www.pearsonvue.com/cila/>

We recommend that allow between 50 to 60 hours of study for each Diploma paper.

Please note that purchasing your exam entry and sitting the exams does not automatically entitle you to the Diploma qualification.



## What will I learn?

- **DP1 – The Principles of Insurance 1**

Studying for the Diploma DP1 paper will develop your understanding of utmost good faith, duty of fair presentation, insurable interest and indemnity. You will also learn about claim procedures such as onus of proof, acceptance forms, forms of discharge, assignment, mandates and validation of quantum. You will gain knowledge of the Financial Conduct Authority (FCA) handbook and the role of the Insurance Fraud Bureau (IFB). You will also study the law of contract, including terms such as contra proferentem rule, offer, acceptance and consideration. You will develop your understanding of torts including negligence, nuisance and trespass and be able to define risk, peril and moral and physical hazard. You also study legislation relevant to insurance.

- **DP2 – The Principles of Insurance 2**

Studying for the Diploma DP2 paper will develop your understanding of proximate cause, subrogation and contribution. You will also learn the legal principles relating to transfer of ownership of property and goods. You will develop your knowledge of how the insurance market operates including the functions of loss adjusters, loss assessors, underwriters, intermediaries, the FCA, the Financial Ombudsman Service (FOS) and risk managers. You will also study legislation relevant to insurance, including the Fraud Act 2006, the Third Parties (Rights against Insurers) Regulations 2016 and the Fires Prevention (Metropolis) Act 1774.

- **DP3 – Customer service & Ethics**

Studying for the Diploma DP3 paper will give you an understanding of the importance of good customer service and sound business ethics in a loss adjusting context. You will study the subject of customer service, when it takes place, its benefits and different forms. You will also learn how to measure and manage service quality, including response to complaints. You will gain knowledge of SERVQUAL, the Consumer Rights Act 2015, the FCA and Treating Customers Fairly. You will study ethical theories and explore ethical decision making and ethical dilemmas. You will also learn how ethical organisations are built in a diverse and global environment, including aspects such as corporate governance, corporate social responsibility and whistleblowing.

## Syllabus updates

The syllabus for each Diploma exam is published on the CILA website. From time to time amendments will be made to the syllabus and the associated learning materials. Candidates should verify that they are studying the latest version by referral to the CILA website.



## Where will I sit the exams?

The CILA Diploma exams are computer based and can be taken at exam centres throughout the world at a date and time to suit you.

The exam centres are provided by the exam facilitator Pearson VUE. We recommend that you check the location of exam centres and you can do this via the Pearson VUE website. If an exam centre is not available in your country, please contact the Institute at [info@cila.co.uk](mailto:info@cila.co.uk) for further assistance.

## 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 learning material and 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 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 all three Diploma exam papers with a mark of 70% or more in each paper and an average of 75% or more in the three papers combined will be regarded as having passed the Diploma qualification with a Distinction.

## How and when will I receive my results?

The result for a CILA Diploma exam will be published on My CILA, usually no later than six weeks 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 the DP1, DP2 and DP3 exams (or obtained exemptions from DP1 and DP2 and passed DP3) you will be eligible for an elevation to the Diploma membership grade. The Institute will contact you no later than three weeks after the publication of your final exam result 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:

DP1	= £200
DP2	= £200
DP3	= £200

The Institute will consider appeals from candidates who obtained an X grade in a 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 appropriate members of the Examinations Committee and you will be notified of the outcomes with 28 days of submitting the appeal.

Please note candidates scripts will not be provided to candidates and are exempt from Subject Access Requests.

## Liability of the Institute

The Institute's liability shall be restricted to the cost of entering the exam if for any reason the exam cannot be held e.g. there is a failure of equipment preventing the completion of the exam or for any other reason including negligence on the part of the Institute.





## The CIL A 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.



## DP1 – The Principles of Insurance 1

### Thoroughly Understand

1. Utmost Good Faith, Duty of fair presentation, Insurable Interest, Indemnity

### Understand

1. Claims procedures including onus of proof, acceptance forms, forms of discharge, assignment, mandates, validation of quantum, FCA Handbook ICOBS 8, the role of the Insurance Fraud Bureau.
2. Law of Contract including contra proferentem rule, offer, acceptance and consideration; Bailment; Torts including Negligence, Nuisance, Trespass and the rule in Rylands v Fletcher 1868 and their defences; Strict Liability, Absolute Liability, Statutory duty.
3. Risk, peril, moral and physical hazard.
4. The following Legislation, relevant to insurance:
  - Rehabilitation of Offenders Act (1974) ss 1, 2, 4, 5 and 9
  - Unfair Contract Terms Act (1977) SS 1, 2, 3, 4, 5, 11, 12, 13 and 14
  - Law of Property Act (1925) Part II ss 40, 41, 47, 61, 62 and 63
  - Supply of Goods & Services Act 1982 as amended 1994
  - Public Order Act 1986 Part I ss 1, 2, 6, 8, 9 and 10
  - Riot Compensation Act 2016
  - Consumer Insurance (Disclosure & Representations) Act 2012
  - Insurance Act 2015
  - Theft Act 1968

You are reminded of the following definitions:

### 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.



## DP2 – The Principles of Insurance 2

### Thoroughly Understand

1. Legal Principles relating to transfer of ownership of real property and goods.
2. Principles of Insurance: Proximate Cause, Subrogation, Contribution

### Understand

1. The operation of the insurance market, including composite insurers, insurance brokers, Lloyd's syndicates and brokers, and the main functions of loss adjusters, loss assessors, underwriters, intermediaries, the Financial Conduct Authority, Financial Ombudsman Service and risk managers.
2. The role of professional bodies including the CIL A, trade associations and regulatory authorities.
3. The following Legislation, relevant to Insurance:
  - Fires Prevention (Metropolis) Act (1774)
  - Hotel Proprietors Act (1956) in relation to insurable interest
  - Third Parties (Rights against Insurers) Regulations 2016
  - Water Industry Act (1991) s 209
  - The Control of Asbestos Regulations 2012
  - Equality Act 2010 in relation to the handling of claims
  - Fraud Act 2006 in relation to the handling of claims
  - Limitation Act 1980
  - Consumer Protection Act 1987
  - General Data Protection Regulation
  - Bribery Act 2010
  - Money Laundering Regulation 2007

You are reminded of the following definitions:

### 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.



## DP3 – Customer Service & Ethics

### Thoroughly Understand

1. The importance of good customer service and sound business ethics in a loss adjusting context.

### Understand

1. Customer service, when it takes place, its benefits and different forms
  2. How to measure and manage service quality including complaints
  3. Ethical theories, decision making and dilemmas
  4. How to build ethical organisations in a diverse and global environment
- SERVQUAL
  - Consumer Rights Act 2015
  - The Financial Conduct Authority and Treating Customers Fairly
  - Reputation and trust
  - Corporate governance
  - Corporate social responsibility
  - Whistleblowing
  - Customers and stakeholders

You are reminded of the following definitions:

### 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.