



## FIN 41343: Risk and Insurance

Level: 4000

Number of Credits : 03

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### Course Description

Risk and insurance deals with managing risks by individuals and businesses. This course provides an exposure to risk management from an insurance product perspective. It covers concepts of risk and insurance, functional and financial operations of insurance, legal principles, life assurance, property and liability insurance, employee benefits and social insurance.

### Intended Learning Outcomes

At the end of the course, the student will be able to;

- Explain the concept of risk, risk management process and techniques of managing risks.
- Identify various types of insurable risks and types of insurance.
- Discuss the fundamental provisions in the insurance contracts, related insurance policies and insurance company operations.
- Analyze the role of insurance in mitigating the risk.

### Teaching/Learning Methods

Lectures, Group discussions, Workshops and Seminars

### Methods of Assessment

In-course Assessments	: 30%
End Semester Examination	: 70%

### Course Contents

1. Overview of Risk and Insurance  
Concept of risk and risk management process, types of risks, business and personal risks, risk management strategies and techniques
2. Risk and Insurance  
Insurable risks, significance of insurance, types of insurance, insurance market.
3. Legal principles in risk and insurance  
Role of Insurance board of Sri Lanka, Legal environment, provisions in the insurance contract
4. Insurance company operations  
Underwriting, production, claim settlement, reinsurance and investments
5. Life assurance and non-life insurance  
Functions of insurance firms, contractual provisions, insurable interest, role of riders in insurance policies.
6. Social insurance
7. Personal properties, commercial properties and liability risks

### **Recommended Readings**

1. Rejda, G. E., McNamara, M. (2016). Principles of Risk Management and Insurance, (13 ed.): Pearson Series in Finance.
2. Regulations of Insurance Industry Act, No. 43 of 2000 as amended by Act, No. 27 of 2007 & No. 03 of 2011.