

OGLETHORPE UNIVERSITY
PROFESSIONAL FINANCIAL PLANNING PROGRAM
Cohort 41

INSURANCE PLANNING & RISK MANAGEMENT SYLLABUS

September 15/17 through November 17/19, 2009
Final Exam – November 21

Classroom: Hearst Hall – Room 212

Instructors:

Steven H. Bontempi – Tuesdays
LaToya Parker - Thursdays

Course Length:

Ten three-hour sessions including a two-hour final examination and its review.

Textbooks:

1. Rejda, Principles of Risk Management and Insurance (10th edition), Pearson-Addison Wesley; available in Oglethorpe Bookstore in Hearst Hall (404-364-8361).
2. Supplementary Oglethorpe binder material will be distributed at the first class.

Process for Success:

“The harder I work, the luckier I get”

Nescit Cedere

It means "**It does not know how to give up**" or, more informally, "**Quitting is not in its vocabulary**"

Translation of Oglethorpe family crest by
R. Barton Palmer, PhD

In order to get the most out of this course, it is important to follow a disciplined routine to attain a sound understanding of the material. Our responsibility is to adequately cover all of the topics listed by the CFP Board so that you have a foundation of knowledge to provide competent fundamental advisory services to your clients regarding Insurance & Risk Management issues as well as a substantive preparation for the CFP Board Exam. We assume that all students who plan to sit for the CFP Board Exam will take a Board Exam Review Course to specifically prepare them for the Exam itself. Our courses are designed to provide a sound review of the material – we do not specifically “teach to the exam,” but you should expect to be very well prepared for your review if you do the work that is necessary in your FFP courses at

Oglethorpe. Note, however, that the primary responsibility for acquiring this fundamental knowledge and understanding rests with you, the student. We have provided carefully selected materials for your study as well as highly qualified instructors to guide you through the material. Your small classes allow you ample opportunity to seek clarification of any issue during class. We recommend that you follow the routine outlined below:

1. Read the assigned material prior to class. Read it again if not clear. The class itself is designed to provide a venue for clarification of material and as a reinforcement of the text information.
2. You will take a Mid-Term and Final Exam in this course. Your instructor will review the answers to these tests immediately after the examination. These reviews will further reinforce and clarify the material.
3. If you should desire additional study material, we suggest that you contact Keir Educational Resources and purchase review materials for “Insurance Planning.” Our Keir contact is Mary Grace Caudell. Indicate that you are an Oglethorpe student to receive a student discount. www.keirsuccess.com or at 800/795-5347, x101.
6. At the end of each chapter in the Rejda text, you will find information about a link to practice questions online. You may wish to test your knowledge of the chapter by taking these practice tests and reviewing the answers provided online.

Grade Calculation:

Midterm: 35% of Final Grade

Final Exam: 65% of Final Grade

Final Examination

The final examination will be a 50-question, two-hour examination consisting of multiple-choice questions. It will be given on Saturday morning at 9:00 to 11:00 am. November 21 in Hearst Hall, Room 212. The instructor will review the exam from 11:00 a.m. to 12 noon.

Scheduling a Makeup/Retake Examination:

- All midterm exams must be taken **within 14 days of the scheduled midterm exam date** and prior to the scheduled final exam unless prior authorization has been given by the Financial Planner Program Office. Failure to take the midterm exam by the stated date will result in a score of 0 for the midterm exam. All rescheduled final exams and retake final exams, if needed, must be taken within 30 days of the schedule final exam unless prior authorization has been given by the Financial Planner Program Office. If the final and retake exams are not completed by the stated date, the student will be required to resit the entire course. *Effective 9.1.09*

- **Last date for rescheduling and retaking exams for this course is December 18, 2009.**

CLASS SCHEDULE

Class One:

“Basic Concepts in Risk Management and Insurance”

Read Rejda, Chapters 1, 2, and 3

Prepare and Review Case Applications, pp. 14 and 33

HOMEWORK: Homework Assignment 1 (Due at beginning of Class 2)

Class Two:

“Legal Principles in Risk and Insurance”

“Personal Property and Liability Risk I”

Read Rejda Chapters 9, 10, 19, 20, 21

Prepare and Review Case Applications, pp.188, 203, 433, 462 and 486

COMPLETE: Quiz 1 – Review of Class 1 (in Class)

HOMEWORK: Homework Assignment 2

Class Three:

“Personal Property and Liability Risk II”

Read Rejda Chapters 22, 23 (pages 532-540), 24 and Chapter 26 (pages 609-612)

Prepare and Review Case Applications, pp. 514, 541 and 559

COMPLETE: Quiz 2 – Review of Class 2 (in Class)

HOMEWORK: Homework Assignment 3

Class Four:

“Life Risks - Fundamentals of Life Insurance”

Read Rejda, Chapters 11 and 14 (through page 299)

Prepare and Review Case Applications, pp. 237 and 304

COMPLETE: Quiz 3 – Review of Class 3 (in Class)

HOMEWORK: Homework Assignment 4

Class Five:

“Life Insurance Policy Provisions and Purchasing Life Insurance”

Read Rejda, Chapters 12 and 13

Prepare and Review Case Applications, pp. 263 and 280

COMPLETE: Quiz 4 – Review of Class 4 (in Class)

COMPLETE: Homework Assignment 5

Class Six:

Midterm Examination. This will be a 25-question multiple choice examination for which you will have 60 minutes. It will be administered at the start of this class and reviewed after completion.

“Advanced Life Insurance Concepts”

Review Rejda, Chapter 13, pp. 275-277 (Taxation of Life Insurance)

In this section of your Notebook read “Modified Endowment Contracts-MEC,” “The Corporate AMT,” “Taxation of Annuities,” “Irrevocable Life Insurance Trust – ILIT,” “Chapter 41; Split Dollar Life Insurance,” “Chapter 42; Key Employee Life Insurance,” and “Appendix B; Employer/Employee Insurance Arrangements.”

Class Seven:

“Individual Health & Disability, Group Insurance and Health Insurance Risk”.

Read Rejda, Chapters 15 and 16

In the 7th section of Notebook read "Will Health Savings Accounts Have a Market?" article.

Prepare and Review Case Applications, pp. 329 and 356

HOMEWORK: Homework Assignment 6

Class Eight:

“Social Insurance and Government Regulation”

Read Rejda, Chapter 8 (up to rate regulation on page 156; read also the “Sales Practices and Consumer Protection” section on pages 157-158) and Chapter 18

In the 8th section of your Notebook read “Medicare Basics,” Quick Facts about Medicare’s New Coverage for Prescription Drugs,” Your quick guide to the new Medicare.”

Prepare and Review Case Applications, p.409

COMPLETE: Quiz 6 – Review of Class 7 (in Class)

HOMEWORK: Homework Assignment 7

Class Nine:

“The Insurance Industry”

Read Rejda Chapters 5, 6, 7

Prepare and review Case Applications, pp. 102, 125 and 143

COMPLETE: Quiz 7 – Review of Class 8 (in Class)

HOMEWORK: Homework Assignment 8

Class Ten: Final Review

COMPLETE: Quiz 8 – Review of Class 9 (in Class)

HOMEWORK: Homework Assignment 9 (Review of Classes 1-5)

HOMEWORK: Homework Assignment 10 (Review of Classes 6-9)

Sample Insurance Contracts and Proposals

Many students like to review sample/specimen insurance contracts of the policy types they are reading about & discussing in class. They can be found in the Rejda Text:

A Specimen HO-3 policy is in Appendix A

A Specimen Auto policy is in Appendix B

A Specimen Whole Life policy is in Appendix C

A Specimen Universal Life policy is in Appendix D

Final Examination: 9:00 am – 12:00 noon – November 21. Location – Hearst Hall, Room 212