

**Finance 443**  
**Property and Liability Insurance**  
**Spring Semester, 2019**

**Required Texts**

Survey of Commercial Insurance  
3<sup>rd</sup> Edition, Edited by Arthur L. Filtner  
American Institute for CPCU, 2017

The Institutes' Handbook of Insurance Policies  
11<sup>th</sup> Edition  
American Institute for CPCU, 2014

The text can be ordered at <https://www.theinstitutes.org/guide/college/shop>.  
However, please note that the handbook is not listed under this course on the Institutes' site.

**Instructor**

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**Office Hours**

Monday: 1:30 – 3:00 pm  
Wednesday: 1:30 – 3:00 pm  
and by appointment

**Course Description**

This course is based primarily upon the CPCU 557 Survey of Commercial Insurance course. The CPCU 557 course is a treatment of commercial lines insurance that focuses on risks to organizations and the commercial insurance coverages commonly provided by property & casualty carriers. Its stated purpose is to “[provide] learners with a broad understanding of the property and liability loss exposures faced by most organizations and the corresponding types of commercial insurance that can be used for covering those loss exposures.” This course will pursue that purpose.

**The CPCU Program and the Institutes**

The CPCU designation is the most widely recognized professional designation for property-casualty underwriting and marketing professionals. Achieving that designation requires the completion of eight academic courses and a brief ethics module. The university offers two courses that can count toward the CPCU: FINA 446 and this course.

The Institutes provide several key resources. <https://www.theinstitutes.org/guide/college>, under its Student Resources Tab, has a “Purchase Course Materials” button where you can purchase the course text.

Further down in the page linked above, the “Find Funding” button provides opportunities for scholarships. For example, the President’s Scholarship saves its recipients pursuing the CPCU an average of four thousand dollars. Students are encouraged to consider the opportunities listed. At the bottom of the page is a button labeled “Apply for CPCU Waiver.” Students who earn a B or better in this course may follow that process to exempt the CPCU 557 course.

**Learning Objectives**

The course has three interrelated objectives. The first is to strengthen the student’s ability to make effective risk decisions, guided by the risk management methodology. The second task is to deepen understanding of commercial loss exposures. The third is to develop stronger working knowledge of the major commercial insurance contracts and their use in covering property and liability exposures.

## Learning Outcomes

By the end of this course, students will be able to:

- apply risk management concepts and tools to solve risk problems involving commercial property and liability loss exposures.
- identify, analyze and evaluate property and liability risks faced by organizations.
- select among the alternative techniques for treating commercial loss exposures.
- understand the customary ways in which commercial lines insurance policies provide coverage for loss exposures.
- analyze coverage within the various parts of an insurance contract.
- use the insurance contract as a tool to identify and classify loss exposures.
- understand the coverages of specific commercial insurance contracts.
- apply the appropriate commercial insurance contract(s) to cover given loss exposures.

## Course Grading Requirements

The course grade will be based on five components, consisting of four exams and attendance. Each of the first three exams are twenty percent, with the final counting for thirty percent and attendance ten percent.

1 <sup>st</sup> exam	Feb 12 <sup>th</sup>	20%
2 <sup>nd</sup> exam	March 19 <sup>th</sup>	20%
3 <sup>rd</sup> exam	April 9 <sup>th</sup>	20%
Final exam	<u>*Friday May 3<sup>rd</sup> at 7:30 pm in DMSB 134*</u>	30%
Class Participation		<u>10%</u>
Total		100%

## Grade Scale

This course's exam questions will come from those generated by the Institutes for their CPCU 557 designation program. Earning a B in this course or a 70% on their exam has the same effect: credit for the CPCU 557 course. Those facts, combined with experience with prior courses justify a deviation from the university's standard grading scale. Consequently, the following grading scale will apply to this course:

80-100	A
77-79	B+
70-76	B
67-69	C+
60-66	C
50-59	D
< 50	F

## Examinations

There will be four examinations. Each will cover roughly one quarter of the course material. However, the fourth exam, "the final," will be cumulative.

Exams will be based on both the text and lecture material. All assigned readings are fully testable, whether they are covered in class or not.

\*\*\*\* Please note: The final exam will not be administered at the normal time for this time slot. We have a common time for this section and another. Students with any conflict with the common exam time must contact the instructor about that conflict as soon as possible. The date, time and location of the final exam are:

Friday May 3<sup>rd</sup> at 7:30 pm in DMSB 134

## **Class Participation**

Class participation will account for 10% of the final grade. The class participation of students will be evaluated in terms of the following criteria:

1. Attendance: Clearly, students cannot participate without attending class. Did the student attend class? Did the student arrive on time? Did the student stay for the full class?
2. Preparation: Did the student read the textbook material assigned for the class prior to coming to class?
3. Textbook: Did the student bring his/her textbook to each class? Was the student able to refer to appropriate passages in the textbook during class discussion, if applicable?
4. Participation: Did the student participate in the class discussion? Was the student able to respond to questions asked in class appropriately?

The following behaviors are prohibited in the classroom: sleeping, reading, texting, playing electronic games, watching TV, surfing the internet, or doing assignments for this class or for other classes. The student's participation grade will be negatively impacted by any of these behaviors or by similar behaviors.

Students may use laptop computers only for the purpose of taking notes. Students are not allowed to use any electronics in the classroom in any other manner. The use of phones, computers, and other devices in an unsanctioned manner (such as surfing the internet, sending emails, or sending text messages) will lower a student's participation grade.

## **Student Responsibilities**

Students are expected to conform strictly to both the Darla Moore School of Business Code of Student Conduct for Undergraduate Students and the University of South Carolina Honor Code. A copy of the code of conduct can be found here: [http://sc.edu/study/colleges\\_schools/moore/internal/rights\\_and\\_responsibilities/code\\_conduct.php](http://sc.edu/study/colleges_schools/moore/internal/rights_and_responsibilities/code_conduct.php).

The instructor takes the honor code very seriously and will report any suspected violation to the Office of Academic Integrity. Please see <https://www.sa.sc.edu/academicintegrity/honor-code-policy-information/>.