



# FINC20028 Risk Management and Insurance

## Term 1 - 2019

Profile information current as at 20/04/2024 06:14 am

All details in this unit profile for FINC20028 have been officially approved by CQUniversity and represent a learning partnership between the University and you (our student). The information will not be changed unless absolutely necessary and any change will be clearly indicated by an approved correction included in the profile.

## General Information

### Overview

In this unit you will explore risk management and insurance concepts relating to personal financial advice. You will analyse the use of the insurance policy in risk management and wealth protection across the spectrum of client situations. You will develop a familiarity with how each insurance policy works to manage risk and protect client wealth. You will examine the role of risk management products used to hedge and diversify risk within managed investment portfolios. You will also examine the benefits and risks of investment gearing.

### Details

Career Level: *Postgraduate*

Unit Level: *Level 8*

Credit Points: 6

Student Contribution Band: 10

Fraction of Full-Time Student Load: 0.125

### Pre-requisites or Co-requisites

Co-requisite: FINC20025 Financial Planning Practice

Important note: Students enrolled in a subsequent unit who failed their pre-requisite unit, should drop the subsequent unit before the census date or within 10 working days of Fail grade notification. Students who do not drop the unit in this timeframe cannot later drop the unit without academic and financial liability. See details in the [Assessment Policy and Procedure \(Higher Education Coursework\)](#).

### Offerings For Term 1 - 2019

- Online

### Attendance Requirements

All on-campus students are expected to attend scheduled classes - in some units, these classes are identified as a mandatory (pass/fail) component and attendance is compulsory. International students, on a student visa, must maintain a full time study load and meet both attendance and academic progress requirements in each study period (satisfactory attendance for International students is defined as maintaining at least an 80% attendance record).

### Website

[This unit has a website, within the Moodle system, which is available two weeks before the start of term. It is important that you visit your Moodle site throughout the term. Please visit Moodle for more information.](#)

## Class and Assessment Overview

### Recommended Student Time Commitment

Each 6-credit Postgraduate unit at CQUniversity requires an overall time commitment of an average of 12.5 hours of study per week, making a total of 150 hours for the unit.

### Class Timetable

#### [Regional Campuses](#)

Bundaberg, Cairns, Emerald, Gladstone, Mackay, Rockhampton, Townsville

#### [Metropolitan Campuses](#)

Adelaide, Brisbane, Melbourne, Perth, Sydney

### Assessment Overview

#### 1. **Report**

Weighting: 30%

#### 2. **Practical Assessment**

Weighting: 30%

#### 3. **Examination**

Weighting: 40%

### Assessment Grading

This is a graded unit: your overall grade will be calculated from the marks or grades for each assessment task, based on the relative weightings shown in the table above. You must obtain an overall mark for the unit of at least 50%, or an overall grade of 'pass' in order to pass the unit. If any 'pass/fail' tasks are shown in the table above they must also be completed successfully ('pass' grade). You must also meet any minimum mark requirements specified for a particular assessment task, as detailed in the 'assessment task' section (note that in some instances, the minimum mark for a task may be greater than 50%). Consult the [University's Grades and Results Policy](#) for more details of interim results and final grades.

## CQUniversity Policies

**All University policies are available on the [CQUniversity Policy site](#).**

You may wish to view these policies:

- Grades and Results Policy
- Assessment Policy and Procedure (Higher Education Coursework)
- Review of Grade Procedure
- Student Academic Integrity Policy and Procedure
- Monitoring Academic Progress (MAP) Policy and Procedure – Domestic Students
- Monitoring Academic Progress (MAP) Policy and Procedure – International Students
- Student Refund and Credit Balance Policy and Procedure
- Student Feedback – Compliments and Complaints Policy and Procedure
- Information and Communications Technology Acceptable Use Policy and Procedure

This list is not an exhaustive list of all University policies. The full list of University policies are available on the [CQUniversity Policy site](#).

## Unit Learning Outcomes

### On successful completion of this unit, you will be able to:

1. Critically evaluate the risk and benefits of a range of personal insurance policies and risk management products
2. Mitigate personal risk in a financial plan through the judicious use of insurance and risk management products
3. Compare insurance, risk management and gearing products using of financial planning software and online resources
4. Apply knowledge of insurance regulations, professional standards and ethical judgement in risk management and insurance advice.

This unit has been designed to conform to the accreditation requirements of the Financial Planning Education Council.

## Alignment of Learning Outcomes, Assessment and Graduate Attributes



### Alignment of Assessment Tasks to Learning Outcomes

Assessment Tasks	Learning Outcomes			
	1	2	3	4
1 - Report - 30%	•		•	
2 - Practical Assessment - 30%		•		•
3 - Examination - 40%	•			•

### Alignment of Graduate Attributes to Learning Outcomes

Graduate Attributes	Learning Outcomes			
	1	2	3	4
1 - Knowledge	○	○		○
2 - Communication	○	○		
3 - Cognitive, technical and creative skills	○		○	○
4 - Research			○	
5 - Self-management			○	
6 - Ethical and Professional Responsibility	○	○		○
7 - Leadership				
8 - Aboriginal and Torres Strait Islander Cultures				

## Alignment of Assessment Tasks to Graduate Attributes

Assessment Tasks	Graduate Attributes							
	1	2	3	4	5	6	7	8
<b>1 - Report - 30%</b>	○	○	○	○	○	○		
<b>2 - Practical Assessment - 30%</b>	○	○	○			○		
<b>3 - Examination - 40%</b>	○	○	○			○		

## Textbooks and Resources

### Textbooks

FINC20028

#### Prescribed

##### Financial Planning

2nd Edition [Update Edition] (2017)

Authors: McKeown, Warren; Kerry, Michael; Olynyk, Marc

John Wiley & Sons, Australia, Ltd

Milton, QLD, Australia

ISBN: 9780730343554

Binding: Hardcover

FINC20028

#### Prescribed

##### Insurance and Risk Management

(2017)

Authors: Teale, John

Booktopia Pty Ltd

Lidcome, NSW, Australia

ISBN: 9781925457278

Binding: eBook

#### Additional Textbook Information

The eBook version of the Teale text is available here:

<https://www.booktopia.com.au/ebooks/insurance-and-risk-management-john-teale/prod9781925457278.html>

However, if you prefer a paper text, both the Teale and McKeown texts can be purchased at the CQUni Bookshop here: <http://bookshop.cqu.edu.au> (search on the Unit code)

[View textbooks at the CQUniversity Bookshop](#)

### IT Resources

**You will need access to the following IT resources:**

- CQUniversity Student Email
- Internet
- Unit Website (Moodle)
- XPLAN Financial Planning Software will be used during term. This is a web-based program and access is via Login. Logins will be provided once the term commences.

## Referencing Style

All submissions for this unit must use the referencing style: [American Psychological Association 6th Edition \(APA 6th edition\)](#)

For further information, see the Assessment Tasks.

## Teaching Contacts

**Julie Knutsen** Unit Coordinator

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## Schedule

### Week 1 - 11 Mar 2019

Module/Topic	Chapter	Events and Submissions/Topic
<b>Insurance [Risk Management], Code of Ethics and Professionalism in Context</b>	Prescribed Reading: <ul style="list-style-type: none"> <li>• Teale Chapter 4</li> <li>• Reading list refer study guide</li> </ul>	Refer Study Guide Module 1 for practical application exercises and self-study questions

### Week 2 - 18 Mar 2019

Module/Topic	Chapter	Events and Submissions/Topic
<b>Introduction to Insurance [Risk Management] and Risk Assessment Methodologies</b>	Prescribed Reading: <ul style="list-style-type: none"> <li>• Teale Chapters 1,2 and 3</li> <li>• McKeown et al. Ch 4 - 4.7; Ch 9 - 9.1, 9.2, 9.7</li> <li>• Reading list refer study guide</li> </ul>	Refer Study Guide Module 2 for practical application exercises and self-study questions

### Week 3 - 25 Mar 2019

Module/Topic	Chapter	Events and Submissions/Topic
<b>Insurance Law, Policies and Contract</b>	Prescribed Reading: <ul style="list-style-type: none"> <li>• Teale Chapters 4,5 and 6</li> <li>• McKeown Chapter 9 - 9.2</li> <li>• Reading list refer study guide</li> </ul>	Refer Study Guide Module 3 for practical application exercises and self-study questions

### Week 4 - 01 Apr 2019

Module/Topic	Chapter	Events and Submissions/Topic
<b>Life and Business Insurance Part 1: Policies and Products</b>	Prescribed Reading: <ul style="list-style-type: none"> <li>• Teale Chapter 8</li> <li>• McKeown Chapter 9 - 9.3</li> <li>• Reading list refer study guide</li> </ul>	Refer Study Guide Module 4 for practical application exercises and self-study questions

### Week 5 - 08 Apr 2019

Module/Topic	Chapter	Events and Submissions/Topic
<b>Life and Business Insurance Part 2: Developing Insurance Advice Plans</b>	Prescribed Reading: <ul style="list-style-type: none"> <li>• Teale Chapter 8</li> <li>• McKeown Chapter 15</li> <li>• Reading list refer study guide</li> </ul>	Refer Study Guide Module 5 for practical application exercises and self-study questions

### Vacation Week - 15 Apr 2019

Module/Topic	Chapter	Events and Submissions/Topic
Self study and assignment preparation	Self study and assignment preparation	Self study and assignment preparation

### Week 6 - 22 Apr 2019

Module/Topic	Chapter	Events and Submissions/Topic
<b>General Insurance Part 1: Legal Framework and Regulation</b>	Prescribed Reading: <ul style="list-style-type: none"> <li>• Teale Chapter 9 and 13</li> <li>• McKeown Chapter 9 - 9.3</li> <li>• Reading list refer study guide</li> </ul>	Refer Study Guide Module 6 for practical application exercises and self-study questions  <b>INSURANCE POLICY AND PRODUCT REVIEW</b> Due: Week 6 Wednesday (24 Apr 2019) 12:00 pm AEST

### Week 7 - 29 Apr 2019

Module/Topic	Chapter	Events and Submissions/Topic
<b>General Insurance Part 2: Health, Compulsory and Other insurance Policies and Products</b>	Prescribed Reading: <ul style="list-style-type: none"> <li>• Teale Chapter 9, 13 and 14</li> <li>• McKeown Chapter 9 - 9.3</li> <li>• Reading list refer study guide</li> </ul>	Refer Study Guide Module 7 for practical application exercises and self-study questions
<b>Week 8 - 06 May 2019</b>		
Module/Topic	Chapter	Events and Submissions/Topic
<b>Insurance and Taxation</b>	Prescribed Reading: <ul style="list-style-type: none"> <li>• Teale Chapter 10</li> <li>• Reading list refer study guide</li> </ul>	Refer Study Guide Module 8 for practical application exercises and self-study questions
<b>Week 9 - 13 May 2019</b>		
Module/Topic	Chapter	Events and Submissions/Topic
<b>Insurance Claims and Proceeds</b>	Prescribed Reading: <ul style="list-style-type: none"> <li>• Teale Chapter 7</li> <li>• Reading list refer study guide</li> </ul>	Refer Study Guide Module 9 for practical application exercises and self-study questions
<b>Week 10 - 20 May 2019</b>		
Module/Topic	Chapter	Events and Submissions/Topic
<b>Insurance and the Client Relationship Part 1: Best Practice Client Interviewing, Needs Analysis and Quality Advice Documentation</b>	Prescribed Reading: <ul style="list-style-type: none"> <li>• Reading list refer study guide</li> </ul>	Refer Study Guide Module 10 for practical application exercises and self-study questions  <b>SCALED STATEMENT OF ADVICE: PERSONAL INSURANCE FOCUS</b> Due: Week 10 Wednesday (22 May 2019) 12:00 pm AEST
<b>Week 11 - 27 May 2019</b>		
Module/Topic	Chapter	Events and Submissions/Topic
<b>Insurance and the Client Relationship Part 2: Best Practice Presenting and Reviewing the Insurance Advice</b>	Prescribed Reading: <ul style="list-style-type: none"> <li>• Reading list refer study guide</li> </ul>	Refer Study Guide Module 11 for practical application exercises and self-study questions
<b>Week 12 - 03 Jun 2019</b>		
Module/Topic	Chapter	Events and Submissions/Topic
<b>Revision</b>	Prescribed Reading: <ul style="list-style-type: none"> <li>• Reading list refer study guide</li> </ul>	Refer Study Guide Module 12 for practical application exercises and self-study questions
<b>Review/Exam Week - 10 Jun 2019</b>		
Module/Topic	Chapter	Events and Submissions/Topic
<b>Exam Week - 17 Jun 2019</b>		
Module/Topic	Chapter	Events and Submissions/Topic

## Term Specific Information

- Assignment 1 requires you to compare 3 Insurance policies and products. Links to Product Disclosure Statements outlining the features and benefits of each of the real-world products are provided as part of the Assessment Instructions. However, you may wish to order hard copies from the Insurance Providers and should do so before Week 1.
- You will have access to XPLAN and be able to do real-world comparisons and insurance quotes.

## Assessment Tasks

### 1 INSURANCE POLICY AND PRODUCT REVIEW

#### Assessment Type

Report

#### Task Description

Detailed instructions, marking criteria and submission details are provided under ASSESSMENTS on Moodle.

In summary, the purpose of this assignment is to critically evaluate and compare the risk and benefits of a range of personal insurance policy products. In doing so you will:

- apply the professional processes which underpin the development of suitable and quality financial advice and the ethical and professional responsibilities of the advisor in relation to insurance
- demonstrate technical knowledge related to personal insurance including terms, conditions and distinctions.
- showcase self-management skills by independently researching the legal and operational characteristics of personal insurance matters,

*NOTE: This comparison will subsequently inform the construction of insurance planning advice and recommendations developed as part of Assessment 2 Statement of Advice [Scaled].*

Also available on Moodle are Assessment Resources including How to Write a Good Report and APA Reference Guide.

#### Assessment Due Date

Week 6 Wednesday (24 Apr 2019) 12:00 pm AEST

This assignment is due at NOON [AEST] Wednesday 24th April 2019.

#### Return Date to Students

Week 8 Wednesday (8 May 2019)

Feedback will be provided via the Gradebook.

#### Weighting

30%

#### Assessment Criteria

A detailed marking rubric is available on Moodle under ASSESSMENTS. In summary, marks will be based on the quality and attention given to:

- presentation and organisation of the report
- depth of analysis and comparison
- effective use of reference material and research tools
- in-text referencing and accurate formatting of reference list

#### Referencing Style

- [American Psychological Association 6th Edition \(APA 6th edition\)](#)

#### Submission

Online

#### Submission Instructions

Your submission must be a WORD doc. PDFs will not be accepted. Other important submission instructions are provided on Moodle under ASSESSMENT.

#### Learning Outcomes Assessed

- Critically evaluate the risk and benefits of a range of personal insurance policies and risk management products
- Compare insurance, risk management and gearing products using of financial planning software and online resources

#### Graduate Attributes

- Knowledge
- Communication
- Cognitive, technical and creative skills
- Research
- Self-management

- Ethical and Professional Responsibility

## 2 SCALED STATEMENT OF ADVICE: PERSONAL INSURANCE FOCUS

### Assessment Type

Practical Assessment

### Task Description

This is an individual assessment and based on a client case study. Details of the case study PLUS the SoA Template, resources and XPLAN logins are available on Moodle.

### Overview of the Task Requirements:

- From the client case study, identify the client's objectives, needs and financial situation
- Use tools provided such Insurance Needs Analysis and the Risk functions in XPLAN [or similar software] to identify the amount and type of insurance cover required
- With the client's specific needs and best interest duty in focus, compare the characteristics and appropriateness of the relevant insurance policies and/or use comparisons developed and reported in Assignment 1.
- Filter findings from the analysis and comparisons and develop recommendations
- Using the SoA Template document the personal insurance advice

### Assessment Due Date

Week 10 Wednesday (22 May 2019) 12:00 pm AEST

This assignment is due at NOON Wednesday 22nd May 2019.

### Return Date to Students

Week 12 Wednesday (5 June 2019)

Feedback will be provided via Gradebook

### Weighting

30%

### Assessment Criteria

Given the need to uphold professional standards, a comprehensive marking guide and rubric is available on Moodle under ASSESSMENTS.

In summary, marks will be based on the quality and attention given to:

- the basis for the advice
- clear and coherent explanations and recommendations
- demonstrations of best interest duty in the context of insurance advice
- presentation and organisation of the SoA document

For consistency, the CQU SoA template must be used to document the advice.

### Referencing Style

- [American Psychological Association 6th Edition \(APA 6th edition\)](#)

### Submission

Online

### Submission Instructions

Advice must be submitted using the CQU SoA Template in word format. Other important submission instructions are provided on Moodle under ASSESSMENTS.

### Learning Outcomes Assessed

- Mitigate personal risk in a financial plan through the judicious use of insurance and risk management products
- Apply knowledge of insurance regulations, professional standards and ethical judgement in risk management and insurance advice.

### Graduate Attributes

- Knowledge
- Communication
- Cognitive, technical and creative skills
- Ethical and Professional Responsibility

## Examination



**Outline**

Complete an invigilated examination.

**Date**

During the examination period at a CQUniversity examination centre.

**Weighting**

40%

**Length**

120 minutes

**Exam Conditions**

Restricted.

**Materials**

Dictionary - non-electronic, concise, direct translation only (dictionary must not contain any notes or comments).

Calculator - non-programmable, no text retrieval, silent only

## Academic Integrity Statement

As a CQUniversity student you are expected to act honestly in all aspects of your academic work.

Any assessable work undertaken or submitted for review or assessment must be your own work. Assessable work is any type of work you do to meet the assessment requirements in the unit, including draft work submitted for review and feedback and final work to be assessed.

When you use the ideas, words or data of others in your assessment, you must thoroughly and clearly acknowledge the source of this information by using the correct referencing style for your unit. Using others' work without proper acknowledgement may be considered a form of intellectual dishonesty.

Participating honestly, respectfully, responsibly, and fairly in your university study ensures the CQUniversity qualification you earn will be valued as a true indication of your individual academic achievement and will continue to receive the respect and recognition it deserves.

As a student, you are responsible for reading and following CQUniversity's policies, including the [Student Academic Integrity Policy and Procedure](#). This policy sets out CQUniversity's expectations of you to act with integrity, examples of academic integrity breaches to avoid, the processes used to address alleged breaches of academic integrity, and potential penalties.

**What is a breach of academic integrity?**

A breach of academic integrity includes but is not limited to plagiarism, self-plagiarism, collusion, cheating, contract cheating, and academic misconduct. The Student Academic Integrity Policy and Procedure defines what these terms mean and gives examples.

**Why is academic integrity important?**

A breach of academic integrity may result in one or more penalties, including suspension or even expulsion from the University. It can also have negative implications for student visas and future enrolment at CQUniversity or elsewhere. Students who engage in contract cheating also risk being blackmailed by contract cheating services.

**Where can I get assistance?**

For academic advice and guidance, the [Academic Learning Centre \(ALC\)](#) can support you in becoming confident in completing assessments with integrity and of high standard.

**What can you do to act with integrity?**



**Be Honest**

If your assessment task is done by someone else, it would be dishonest of you to claim it as your own



**Seek Help**

If you are not sure about how to cite or reference in essays, reports etc, then seek help from your lecturer, the library or the Academic Learning Centre (ALC)



**Produce Original Work**

Originality comes from your ability to read widely, think critically, and apply your gained knowledge to address a question or problem