

## Glossary

Agent	in an agency relationship, an individual who is authorised to perform certain acts for another party
Claim	a demand made by an insured person or the beneficiary of an insurance policy in respect of a loss which may come within the cover provided on the sum insured by the policy
Embedded value	represents the sum of a life insurance company's net worth and the value of the expected cash-flow of its in-force business
General insurance	also called "non-life insurance" or "property and casualty insurance": this includes insurance such as motor, fire, accident, goods in transit, employees' compensation and property insurance, together with medical insurance which is short-term in nature
Group insurance	life, accident and medical insurance taken out for groups of individuals (typically employees of a common employer)
LIMRA	Life Insurance Marketing and Research Association. It also stands for a 13-month persistency formula
Premium	the amount of money which a policyholder agrees to pay to the insurer for the insurance policy and/or as contributions to a retirement scheme
Reinsurance	the sharing or spreading of a risk by an insurer ceding part of an insured risk to a reinsurer
Underwriting	the insurance function that is responsible for (1) assessing and classifying the degree of risk a proposed insured represents and (2) making a decision concerning coverage of that risk. Also called risk selection or selection of risks