



Institute of Actuaries of India

Subject

SA3 – General Insurance Specialist
Advanced

For 2026 Examinations

Aim

The aim of the General Insurance Specialist Applications subject is to instill in successful candidates the ability to apply relevant actuarial principles and techniques to providers of general insurance in the India considering relevant regulatory, legislative and professional requirements. Also, candidates need to be aware of new developments e.g. products, pricing, capital, accounting, reserving and regulatory developments in the principal general insurance markets of the world like UK, Europe, and USA.

Links across the Qualifications

Fellowship Qualification

General insurance Reserving and Capital Modelling Specialist Principles (SP7), General Insurance Pricing Specialist Principles (SP8) and General Insurance Specialist Advanced (SA3) are a trio of subjects for actuarial work specific to General Insurance. Each subject develops a specific set of skills and knowledge needed by actuaries working in or who wish to work in General insurance. The subjects are related as follows:

- General Insurance Reserving and Capital Modelling Specialist Principles (SP7) covers relevant actuarial principles and techniques for reserving and capital modelling within general insurance companies, and how these link to other business processes such as data, business planning, pricing, reinsurance and investment.
- General Insurance Pricing Specialist Principles (SP8) covers relevant actuarial principles and techniques for pricing of general insurance and reinsurance products, and how these link to other business processes such as data, risk management, business planning, reserving, capital setting, reinsurance and catastrophe modelling.
- General Insurance Advanced (SA3) builds upon the skills and knowledge covered in SP7 and SP8, applied to real world scenarios. It covers general insurance markets, regulation, legislation, accounting and taxation, financial management, monitoring and strategies.

Topics and topic weightings

1. General insurance markets, product design and emerging risks [20%]
2. Regulatory, legislative, accounting and taxation environment [20%]
3. Reserving, pricing, capital modelling and reinsurance [30%]
4. Financial management, monitoring and strategies [30%]

Objectives

1 General insurance markets, catastrophe modelling and emerging risks [20%]

Understand the main features of general insurance markets, including Indian reinsurance market and special aspects of pricing including catastrophe modelling and emerging risks.

- 1.1 The main features of general insurance and reinsurance markets.
- 1.2 The key features of the Lloyd's, Cross Border Reinsurers, International Financial Service Centre Insurance Offices (IIOs) market.
- 1.3 Special aspects of pricing including catastrophe modelling
 - 1.3.1 Considerations when pricing large commercial risks.
 - 1.3.2 Alternative rating approaches for large commercial risks.
 - 1.3.3 Incorporating return on capital in the calculation of premium rates.
 - 1.3.4 Difference between catastrophe modelling and traditional actuarial rating methods.
 - 1.3.5 Generic structure of a catastrophe model, including:
 - Key perils modelled

- Key uses of output of catastrophe models
- Key considerations when using the output of catastrophe models
- Non-modelled catastrophe

1.4 Considerations of Climate change on pricing and catastrophe modelling.

1.5 Emerging risks and disrupters and their impact on the general insurance market.

2 Regulatory, legislative and taxation environment [20%]

Understand the key aspects of regulation, legislation, accounting and taxation as applicable to general insurance companies.

2.1 Impact of consumer protection and equality legislation on general insurance business.

2.2 Impact of taxation on the operations of a general insurance and reinsurance business and for their policyholders.

2.3 Regulatory framework for the general insurance and reinsurance industry and its implementation within general insurance companies including:

- Objectives of regulators
- Supervisory tools, including rulebooks and reporting requirements
- Statutory actuarial roles
- Transfer of liabilities between companies.

2.4 Requirements of actuarial standards for actuaries practicing in or advising general insurance and reinsurance companies.

3 Reserving, capital modelling and reinsurance [30%]

Understand reserving bases, reserving for latent claims and the effect on reserving and capital of commercial and regulatory environment.

3.1 Appropriate bases to value insurance liabilities of a general insurer to produce:

- Annual accounting and statutory returns, including under Ind AS 117, Ind AS 109, Ind AS 115 as applicable to insurance contracts
- Management accounts

3.2 Reserving techniques for latent claims and disease claims.

3.3 Impacts of the commercial and regulatory environment on reserving and capital.

4 Financial management, monitoring and strategies [30%]

Understand the functions of financial planning including modelling, and portfolio transfers.

4.1 The function of financial planning in the management of a general insurance business and create appropriate financial strategies.

4.2 Appropriate financial planning models to enable a general insurer to develop and monitor its objectives at either the corporate or product level.

4.3 Reasons for transferring a portfolio of business and appropriateness of approaches.

END OF SYLLABUS