

Study Course Title	Insurance
Study Course Code	EkonB136
Branch of Science	Economics and business
Sub-branch of science	Finance and credit
Credits (ECTS)	6
Total Number of Contact Hours	60
Number of Lecture Hours	30
Number of Seminar and Practical Assignment Hours	30
Number of Hours for Laboratory Assignments	0
Independent Study Hours	90
Language of Instruction	English
Course Approval Date	16.09.2025
Responsible Unit	BA School of Business and Finance of the University of Latvia

Course Developer

Dipl. oec., lecturer Māris Krastiņš

Prerequisite Knowledge

Mathematics, Statistics, Organization of Financial System

Study Course Abstract

The course aims to provide students with a comprehensive understanding of insurance as an essential risk management tool.

During the study process, students will learn the concept of risk and the basic principles of risk management, paying special attention to risk transfer or insurance as one of the risk treatment methods.

During the course, the basic principles of insurance and their expression in various insurance products will be examined in depth. Students will understand the organizational processes and economic principles of insurance companies.

Students will learn about the role of insurance in the economy, as well as the course will provide insight into the operation of the insurance market, with particular emphasis on the peculiarities of the Latvian and other European Union insurance markets.

In addition, students will gain basic knowledge of the financial and marketing aspects of the insurance business, as well as become familiar with the most typical insurance products - life and non-life insurance products (e.g., OCTA, CASCO, CTA).

After completing the course, students will be able to navigate the structure of insurance contracts, understand insurance terms and conditions, and evaluate the suitability of insurance for various risk coverage needs. An important added value to the study course will be the intensive involvement of the insurance industry (insurance companies, LAA and LTAB), especially in evaluating the results of students' independent research from the aspects of the industry's business needs.

Course Plan Full-time Regular Studies

- 1.Risk: Activity and Risk, Risk Definition, Risk Functions, Risk Elements, Risk Classification, Attitude to Risk. 2L 2Pd
- 2.Insurance in the Context of Risk Management. Risk Management Process, Risk Matrix, Rationality of Insurance. 8L 2Pd
- 3.Insurance Definition, Principles, Tasks, The Role in Economy. 4L 2Pd
- 4.LR Insurance Market, Participants,

Their Roles 4L 4S 2Pd
 5.LR/EU Market, Statistics 2L 2S 2Pd
 6.Non-Life Insurance Products
 (Property, MTPL, MOD) 4L 2S 2Pd
 7.Life Insurance Products 2L 2S 2Pd
 8.Financial Background of Insurance 2L
 2S
 9.Regulation of Insurance Indemnities
 2L 2S 2Pd
 Total 30L 14S 16Pd

Characterization of students' independent work organization and tasks

In this course, students' independent work includes reading and analysing study materials, as well as studying the most current scientific and professional literature.

Learning Outcomes

Knowledge:

1. The student critically evaluates the role and place of insurance within the broader context of risk management strategies, including its effectiveness and limitations.
2. The student demonstrates comprehensive knowledge of insurance terminology, concepts, and principles, and can apply this knowledge to real-world scenarios.

Skills:

3. The student analyses the structure of the insurance market, identifies key organizations and participants, and evaluates their roles and interactions within the market.
4. The student assesses and compares various insurance services, determining the suitability and applicability of different products for specific risk scenarios and customer needs.

Competence:

5. The student identifies and analyses factors influencing insurance risks and premium calculations and applies basic principles to calculate premiums for non-life insurance products.
6. The student demonstrates proficiency in the principles and calculations of insurance claims, including the ability to process and evaluate claims accurately and fairly

Requirements for Awarding Credits

Intermediate assessment:

1. Tasks in classroom – 30%
2. Tests – 35%

Final assessment:

Exam – 35% (Combined)

Criteria for Evaluating Learning Outcomes

In accordance with Regulations of the Cabinet of Ministers of the Republic of Latvia, at the end of the course, students' knowledge is evaluated according to the following criteria: the amount and the quality of the obtained knowledge, acquired skills and competence in compliance with the planned learning outcomes.

Type of Assessment	Learning Outcomes								
	1	2	3	4	5	6	7	8	9
1. Tasks in classroom	+	+	+	+	+	+	-	+	+
2. Tests	+	+	+	+	-	-	-	-	-
3. Exam	+	-	-	-	-	+	+	-	-

Compulsory Reading List

Current Laws on Insurance:

1. Insurance and Reinsurance Law, available: likumi.lv
2. Insurance Contract Law, available: likumi.lv
3. Insurance and Reinsurance Distribution Law, available: likumi.lv
4. Compulsory Civil Liability Insurance of Owners of Motor Vehicles Law, available: likumi.lv

Organizations of the insurance market:

1. Central Bank of Latvia, Legislation
2. Latvian Insurers Association, Homepage - LAA
3. Motor Insurers' Bureau of Latvia LTAB
4. web pages of other insurance companies

Further Reading List

1. Vaughan, Emmett J. (2010), Fundamentals of risk and insurance, John Wiley & Sons, ASV
2. Dorfman Mark S. (2008), Introduction to Risk Management and Insurance - 9th ed. - Upper Saddle River: Prentice Hall : Pearson Education, London
3. Black, K.Jr, Skipper, H.D.Jr, Life Insurance. NY: Prentice-Hall Inc., 1994

Notes

Tests will serve as a feedback tool that will allow students to assess their level of knowledge, understanding, and ability to solve practical tasks, such as performing simplified insurance premium calculations or analysing the financial indicators of an insurance company.

In classroom work and seminars, in which industry professionals will also participate, students will get to know insurance products in depth and practice applying theoretical knowledge in practice. This will prepare them for the final task - making a reasoned decision in the exam on the choice of the most suitable insurance product for specific risk coverage needs, using a real object owned by the student.

The following skills will be specifically developed within the framework of the study course: the ability to independently search for and select information about complex financial products; the ability to summarize, structure, and analytically process the information obtained; the ability to use the results of the analysis to justify their choice and draw reasoned conclusions.

Plagiarism and other academic misconducts are not permitted within the course please refer to the Regulations for Academic Integrity at the University of Latvia. Within this course, the use of generative artificial intelligence (AI) tools is allowed in exceptional cases, if it has been specified and authorised in writing by the instructor of this course. In all other cases, submission of materials generated by the AI (text, images, audio, video, etc.) in independent and group assignments, test, examination or any other assessment is not permitted, submission of this type of material will be considered an unauthorised use of aids.