

Questions and Answers About the ASLI Program Revision

The American Institute for Chartered Property Casualty Underwriters and Insurance Institute of America (the Institutes), in cooperation with the Derek Hughes/NAPSLO Educational Foundation, are substantially revising the Associate in Surplus Lines Insurance (ASLI) program. The following Q&As address questions that current or prospective ASLI students might have about this revision. If you are already working towards earning ASLI or you are planning to begin ASLI studies in 2006, it is important that you understand the impending changes so you can plan your studies to your best advantage.

Q: What are the new completer rules for earning the ASLI designation?

A: Beginning in January 2007, you can earn the ASLI designation by passing the exams for the following two new courses:

- ASLI 163, Surplus Lines Insurance Operations
- ASLI 164, Surplus Lines Insurance Products

and passing the exams for any two of the following elective courses:

- CPCU 510 Foundations of Risk Management, Insurance, and Professionalism
- CPCU 530 The Legal Environment of Insurance
- CPCU 540 Business and Financial Analysis for Risk Management and Insurance Professionals
- AIS 25 Delivering Insurance Services
- AIC 33 The Claims Environment
- AIC 34 Workers' Compensation and Managing Bodily Injury Claims
- AIC 35 Property Loss Adjusting
- AIC 36 Liability Claim Practices
- ARM 54 Risk Assessment
- ARM 55 Risk Control
- ARM 56 Risk Financing
- AU 65 Commercial Underwriting: Principles and Property
- AU 66 Commercial Underwriting: Liability and Advanced Techniques
- AAI 83 Agency Operations and Sales Management
- APA 91 Principles of Premium Auditing
- APA 92 Premium Auditing Applications
- AIAF 111 Statutory Accounting for Property-Casualty Insurers
- AIAF 112 Insurance Information Systems
- AIAF 113 Insurance Company Finance
- AIT 132 Insurance Uses of Technology
- AIT 134 The Strategic Management of Information
- ARe 141 Principles of Reinsurance*
- ARe 142 Reinsurance Practices*
- ARe 144 Reinsurance Principles and Practices

* Courses no longer offered, but which satisfy ASLI elective requirements.

If you hold the Registered Professional Liability Underwriter (RPLU) designation, you can omit the elective courses and earn the ASLI designation by passing only ASLI 163 and 164. If you earn the ASLI designation in this way, however, you must complete an Academic Credit Request Form and pay the Institutes a waiver application fee of \$75. To obtain a copy of this form, go to the following Web page: www.aicpcu.org/students/PublicationsForms.htm Then click on CPCU/IIA Academic Credit Request Form.

Q: When will the exams for ASLI 163 and 164 become available?

A: You can take the exam for either or both of the new courses beginning on January 15, 2007.

Q: How much longer will the ASLI 161 and 162 exams be available?

A: *The ASLI 161 and 162 exams will be available only until the end of the last testing window in 2006. This testing window begins October 15 and ends December 15, 2006. (The other testing windows are January 15–March 15, April 15–June 15, and July 15–September 15.)*

Q: If I complete ASLI 161 but not ASLI 162 (or vice versa) before 2007, can I earn the ASLI designation by taking a combination of the old and new ASLI courses (such as ASLI 161 and ASLI 164)?

A: No. The new courses are not equivalent to the old ones and therefore cannot be combined for purposes of completing the ASLI designation. You must complete the ASLI designation under either the old (pre-2007) completer rules or the new (post-2006) completer rules.

Q: If I pass both ASLI 161 and 162, but neither of the electives, before 2007, can I earn the ASLI designation under the old completer rules by passing the elective courses after 2006?

(continued on next page)

A: Yes. As long as you pass ASLI 161 and 162 before 2007, you can complete at any later time by passing two elective courses in accordance with the *old* completer rules.

Q: If I've already passed one or both of the elective courses under the old completer rules but do not pass ASLI 161 and 162 before 2007, can I complete the ASLI designation by passing ASLI 163 and 164 in 2007 or later and using one or both of the elective courses I passed before 2007?

A: The answer depends on which elective courses you passed. Many of the elective courses listed in the old completer rules are also listed in the new completer rules. If an elective course you passed before 2007 is listed in the new completer rules, that course could be one of your electives under the new completer rules. The key point is that if you are using ASLI 163 and 164 to complete the ASLI designation, you need to satisfy the elective requirement of the *new* completer rules.

Q: How does the elective requirement of the new completer rules differ from the elective requirement of the old completer rules?

A: The old completer rules have two categories of elective courses: coverage courses and operational courses. (To see the specific courses in each category, go to the following Web page: www.aicpcu.org/flyers/asli.htm.) Under the old completer rules, you must pass one course from each category. The new completer rules have a single list of elective courses, as shown in the first Q&A. Under the new completer rules, you must pass any two of the listed courses.

Q: Why has the elective coverage course category been omitted from the new completer rules?

A: The new ASLI 164 is a coverage course designed specifically for people who work in surplus lines. This takes the place of the coverage course elective under the old completer rules.

Accordingly, all except one (CPCU 510) of the elective coverage courses under the old completer rules have been eliminated from the list of elective courses under the new completer rules. Most of the elective courses listed in the new completer rules are taken from the list of operational electives in the old completer rules, but they are no longer labeled as such. CPCU 510 and some additional courses (ARM 54, 55, and 56, and CPCU 530 and 540) have been added to the new list of electives.

Q: How does ASLI 163 compare with ASLI 161 and 162?

A: ASLI 163 is a comprehensive course on surplus lines insurance operations. It therefore covers all the topics previously included in ASLI 161 and 162, other than product-related topics that are now included in ASLI 164. Together, ASLI 163 and 164 cover substantially more topics than ASLI 161 and 162. This is the main reason why the old and new courses cannot be combined for purposes of completing the ASLI designation.

Q: When will the study materials (textbooks and course guides) for ASLI 163 and 164 become available?

A: The study materials will be available for sale by August 2006 so that students will have sufficient time to study for exams administered in the January 15–March 15 exam window in 2007, when the ASLI 163 and 164 exams will first become available.

Q: How can I get more information about the ASLI program, buy study materials, or register for an exam?

A: You can either call the Institutes' Customer Service Department at 1-800-644-2101, or visit the Institutes' Web site: www.aicpcu.org.

