

- (ii) **U.S. Style:** where there is a very clear distinction between *Life* (including annuity, medical expense and disability) and *Non-Life* business, the latter frequently being sub-divided into *Fire, Marine, Bonding* and *Casualty* (i.e. automobile, liability, theft, workers' compensation, etc.).

(b) **Source of Business**

Under this system, for control and management purposes, business is sub-divided according to how it was obtained, i.e.

- (i) from **insurance agents**;
- (ii) from **insurance brokers**;
- (iii) **direct** from the public, no insurance intermediary being involved.

(c) **Type of Client**

Under this system, for control and management purposes, business is sub-divided according to whether it covers:

- (i) **individuals** - Personal Insurance; or
- (ii) **firms and organisations** - Business or Commercial Insurance.

5.1.3 Academic Classification of Insurance

For academic and professional examination purposes (especially with the U.K. and Commonwealth countries), insurance is frequently sub-divided on a *Subject Matter of Insurance* or *Functional* basis, as follows:

- (a) Insurance of *the person* (which is not equivalent to 'personal insurance'), i.e. human beings being the subject matter of insurance (life, health and personal accident insurances, etc.);
- (b) Insurance of *property*, i.e. covering tangible objects against loss or damage (fire, motor damage, marine cargo, etc.);
- (c) Insurance of *liability*, i.e. covering legal liability for death, injury or property damage to others (employees' compensation, public liability, etc.);
- (d) Insurance of *pecuniary interests*: It relates to any financial interest to be insured not covered by (a) - (c) above, including business interruption, credit and rent insurances.