

21 世纪大学行业英语系列



保 险 英 语

Insurance English

粟 芳 主 编



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前言

F O R E W O R D

保险是一门完全从西方传来的课程,其起源和主要发展都在欧美完成。相对而言,我国的保险发展主要是借鉴和学习了欧美的经验。因此,我国的保险学者和保险工作者在学习和工作的过程中,都要学习和研究大量的英文保险文献。并且,随着我国改革开放的深入发展和我国国际化进程的加快,我国的保险市场与国际市场的结合越来越密切。我国的保险工作者更加需要学习保险英语。然而,保险又是一门专业性非常强的课程,有着非常多的专业术语和专业条款。如果缺乏一定的保险知识基础和英语基础,初学者往往无法读懂保险的专业性文献。因此,为了帮助读者提高保险英语专业能力,我们课题组在长年保险教学经验积累的基础上,编撰了本书。

本书的主要对象是保险从业人员和保险专业的各级学生。编写目的是为了提高读者的保险专业英语词汇量,了解保险专业英语文书的格式与写作规范,让读者能够读懂保险的专业英语文献和相关资料。

本书总共分为十二单元,涵盖了保险原理、保险标准条款、保险市场、保险经营管理与监管等几个部分。钟瑞彬、汤磊和姚宏哲在栗芳设计的提纲基础上完成了初稿的写作。其中,钟



瑞彬负责本书第一至第三单元、第九单元的初稿写作；汤磊负责了本书第四至第六单元、第十一单元的初稿写作；姚宏哲负责了本书第七、八单元、第十单元和第十二单元的初稿写作。最后，栗芳负责全书的修改、统一和总撰。

在本书的每一单元中，我们都精心挑选了能完美诠释本单元题目的一篇英文文章作为精读材料，挑选了一篇与精读内容和专题相似但又稍微困难一些的文章作为泛读材料，以拓宽学生的知识面和词汇量。每单元都将本章的一些专业词汇单独列在单词表中，而且每单元末还根据本单元的内容设计了习题，以巩固所学专业词汇。在本书结尾，我们还将本书中所有的专业词汇都罗列在词汇表索引中，以方便学生查询。

保险的范围非常广阔，鉴于篇幅的限制，我们无法完美地介绍保险的方方面面，不足之处还望读者批评指正。

栗 芳

2009 年 12 月 31 日



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Risk and Risk Management

Text A Introduction to Risk ^①

Risk, which is often used to mean **uncertainty**, creates both problems and opportunities for businesses and individuals in nearly every walk of life. The risk surrounding potential losses creates significant economic burdens for businesses, governments, and individuals.

An important classification of risk involves the concept of **pure risks** and **speculative risks**. Pure risk exists when there is uncertainty as to whether loss will occur. No possibility of gain is presented by pure risk — only the potential for loss. Examples of pure risk include the uncertainty of damage to property by fire or flood or the prospect of **premature** death caused by accident or illness. In contrast to pure risk, speculative risk exists when there is uncertainty about an event that could produce either a profit or a loss. Business ventures and investment decisions are examples of situations involving speculative risk. Gains as well as losses may occur, changing the nature of the uncertainty that is present.

Both pure and speculative risks may be present in some situations. It is important to recognize that many profit-motivated, speculative risk decisions made by individuals and firms can have an impact on pure risk exposures. For

^① Excerpted from; James S. Trieschmann, Robert E. Hoyt, David W. Sommer, *Risk Management and Insurance*. Chapter 1 and Chapter 6.



example, a firm purchasing land for development is making a decision that entails speculative risk. However, if after the purchase it discovers that the land contains a latent pollution problem, the firm would then face a new pure risk. Another example is the decision that a firm makes to introduce a new product. This decision may represent primarily a speculative risk. But as has been seen for products like asbestos and silicon breast implants, this decision also is accompanied by the pure risk associated with potential **product liability**. Failure to consider the overlapping effects of these two types of risk can lead to decisions that overstate the potential benefits to the firm.

➤ Source of Risk

There're different sources of risks. We'll briefly describe some common sources of pure risks which include **property risks**, **liability risks**, and **life, health**, and **loss of income risks**, with some consideration also given to financial risks of a speculative nature.

All businesses and individuals that own, rent, or use property are exposed to the risk that the property may be damaged, destroyed, or stolen. For example, lightning may strike a building, causing a fire that destroys the structure and the inventory, supplies, and equipment inside. Property owned or used outside the building may also be susceptible to loss. Typical examples include trucks, automobiles, and mobile equipment. To fully analyze property risk exposures, businesses must consider both types of property susceptible to loss and the potential sources of such risks. Sources include not only fire and lightning but also theft, **tornadoes**, hurricanes, explosions, riots, collisions, falling objects, floods, earthquakes, and freezing, to name only a few.

A second major category of risks is liability exposure. The society has become increasingly **litigious** in recent years, with businesses and individuals often held financially liable for damages resulting from a vast and expanding array of situations. Liability judgments may result in payments made to compensate injured parties as well as to punish those responsible for the



injuries, with multimillion dollar awards no longer rare. Even when an individual is eventually absolved of liability, the expenses involved in defending a case often prove to be **substantial**. Consequently, both individuals and businesses must be careful to identify all sources of liability risk that may affect them and then make suitable arrangements for dealing with such exposures to loss.

Potential losses associated with the health and well-being of individuals make up the third and final category of sources of risk. The possibility of the untimely death of star salesperson Ann Costello exposes her employer to potential loss if a replacement with the same skills and experience is not readily available. Even if Ann could be easily replaced, in many cases employee deaths are disruptive for other workers and may result in temporarily reduced productivity. Businesses and individuals also face risks associated with health problems. Persons who become ill or who are injured in accidents will incur expenses for medical treatment, and the cost of such treatment is becoming increasingly expensive. Sometimes businesses arrange to pay some or all of such expenses for their employees, regardless of whether a sickness or injury is job related. As medical costs increase, however, more and more individuals (whether employed or not) must pay substantial sums each year for medical care for themselves and their families. In addition to these expenses, there is another potential loss associated with sickness and accidents. If a previously employed individual is severely injured or gravely ill, that person may be unable to work for several months or even years. The resultant loss of income can have serious **repercussions** on the **financial stability** of the person and family involved. Other risks that confront an employed individual are those associated with unemployment and retirement. Both events result in the loss of an income source that previously existed. A significant difference, however, relates to timing. Retirement usually is not a surprise and therefore presents many options for advance planning. In contrast, abrupt layoffs often are not expected and are therefore harder to plan for ahead of time. Through **pension** and other retirement benefits, as



well as unemployment insurance provided in each state, businesses are also affected by these risks that their employees face.

A variety of financial risks, which often are speculative in nature, can impact on a firm's earnings. Examples of these financial risks include **credit risk**, **foreign exchange risk**, **commodity risk**, and **interest rate risk**. Although most of these financial risks tend to have the characteristics of speculative risks, they still present the firm with some of the same problem associated with pure risks. Although the techniques used to manage these risks maybe very different from those used to manage pure risks, it remains critical that these risks be identified and assessed in order for the firm to achieve its business goals.

➤ Requisites of Insurable Risks

In spite of the usefulness of insurance in many risk managements, not all risks are commercially insurable. The characteristics of risks that make it feasible for private **insurers** to offer insurance for them called the requisites of insurable risks. These requirements should not be considered as absolute, iron rules but rather as guides or ideal standards that are not always completely attained in practice.

Large Number of Similar Objects

One of the most important requirements from the standpoint of the insurer is that the probable loss must be subject to advance estimation, which means that the number of **insured objects** must be sufficiently large and that the objects themselves must be similar enough to allow the law of large numbers to operate. If only a few objects are insured, the insurer is subject to the same uncertainties as the **insured**. The law of large numbers works better, the insurer eliminate its risk more easily. On the other hand insurers may not be able to predict losses nearly so well in areas where adequate numbers of exposures may be lacking.

Accidental and Unintentional Loss

There must be some uncertainty surrounding the loss. Otherwise, there



would be no risk. If the risk or uncertainty already has been eliminated, insurance serves no purpose; the main function of insurance is to reduce risk. Thus, if a key employee is dying from an incurable disease that will cause death within a given time, there is little uncertainty or risk concerning the payment of loss. Thus, insurance is not feasible. Theoretically the insurer could issue a policy, but the **premium** would have to be large enough to cover both the expected loss and the insurer's cost of doing business. The cost of such a policy would probably be too high for the **prospective** insured. If premiums become exceedingly high, few would purchase insurance, and the insurer would no longer have a sufficiently large number of exposure units to be able to obtain a reliable estimate of future losses. Thus the first requirement of an insurable risk would not be met.

Determinable and Measurable Loss

The loss must be definite in time and place. It may seem unnecessary to add this requirement because most losses are easily recognized and can be measured with reasonable accuracy. It is a real problem to insurers, however, to be able even to recognize certain losses, let alone measure them. Even if it is clear that a loss has occurred, it may not be easy to measure it. For example, what is the loss from "pain and suffering" of an auto accident victim? Often only a jury can decide. Thus, before the burden of risk can be safely assumed, the insurer must set up procedures to determine whether loss has actually occurred and, if so, its size.

Loss Not Subject to Catastrophic Hazard

Conditions should not be such that all or most of the objects in the insured group might suffer loss at the same time and possibly from the same peril. Such simultaneous disaster to insured objects can be illustrated by reference to large fires, floods, earthquakes, and hurricanes that have disrupted major geographical areas in the past. If an insurer is unlucky enough to have on its books a great deal of property situated in areas such as these when catastrophe occurs, it obviously suffers a loss that was not contemplated when the premiums were formulated. Most insurers reduce this possibility by ample



dispersion of insured objects. It is also possible for insurers themselves to purchase insurance against the possibility of **excessive losses**. This insurance is called **reinsurance**.

Large Loss

Although an insurer theoretically might be willing to provide insurance regardless of the potential size of a particular loss, a requisite from the standpoint of the insured is that the maximum possible loss must be relatively large. The large-loss principle states that businesses and individuals should insure potentially serious losses before relatively minor losses. To do otherwise is uneconomical because small losses tend to occur frequently and are very costly to recover through insurance. If one can pay for a loss from savings or current income, it is probably too small a loss to give insurance high priority as a method of risk treatment.

Probability of Loss Must Not Be Too High

The final requisite of an insurable risk is that the probability of loss must be reasonable, or else the cost of risk transfer will be excessive. This requisite is of concern primarily for the potential insured, rather than the insurer. Due to the element of risk, insureds are often willing to pay more to avoid a loss than the true expected value of that loss. In fact, if it were not for this phenomenon, insurance could not exist, for insurers must always charge more for their service than the expected value of a loss. But the more probable the loss, the greater the premium will be. And a point ultimately is reached when the loss becomes so likely that when the insurer's expenses are added on, the cost of the premium approaches or even exceeds the full value of the item insured. At this point, insurance is no longer feasible because the insured will not be willing to pay the necessary premium.

Key Words

1. uncertainty /ʌn'sɜ:tntɪ/: 不确定性 指风险的发生与否、损失大小、损失情况等都是不确定的。



2. pure risks: 纯粹风险 指风险发生后只可能带来损失而不可能有任何收益的风险。
3. speculative risks: 投机风险 指风险发生后有可能带来收益但也有可能带来损失的风险。
4. premature /ˌpremə'tjʊə/: 过早的 指未达到预期寿命的死亡。
5. product liability: 产品责任 指由于产品对第三方造成人身伤害和财产损失而应当由产品生产方承担的责任。
6. property risks: 财产风险 指有形财产面临的财产损失风险。
7. liability risks: 责任风险 指因自己的过失或所拥有的财产而对第三者造成人身伤害和财产损失而依法应当承担的责任。
8. life risks: 人寿风险 指因寿命不能达到预期寿命而早死的风险。
9. health risks: 健康风险 指因疾病而导致的医疗费用支出和收入损失的风险。
10. loss of income risks: 收入损失风险 指因信用风险、灾难而造成的公司收入发生损失的风险。
11. tornado /tə:'neɪdəʊ/: 飓风,龙卷风
12. substantial /səb'stænʃəl/: 很多,大量的
13. repercussion /ˌri:pə'kʌʃən/: 反响,影响
14. financial stability: 财务稳定 保险能使公司或家庭的财务保持平稳,而不是大起大落。
15. pension /'penʃən/: 养老保险,养老金 指防范因人的寿命过长而导致的生活费用缺乏的保险。
16. credit risk: 信用风险 指因债务人或付款方的信用问题而不能还贷或付款,从而给债权人或收款方带来的风险。
17. foreign exchange risk: 汇率风险 指外汇汇率发生变化而带来的风险,是投机风险。
18. commodity risk: 商品风险 指商品价格发生变化而带来的风险,是投机风险。
19. interest rate risk: 利率风险 指银行存款利率的变化带来的风险,是投机风险。
20. insurable risks: 可保风险 指可以通过在保险公司购买保险从而转移的



风险。

21. insurer /In'ʃʊərə/: 保险人 即保险公司。
22. similar objects: 同质标的 指标的的风险应该具有相同之处,一般要求是独立同分布的同质风险单位。
23. insured objects: 被保险标的物
24. insured /In'ʃʊəd/: 被保险人
25. accidental and unintentional loss: 意外或非故意的损失 保险对于故意的损失都是不予承保的,否则会导致道德风险。
26. premium /'pri:mIəm/: 保费 指被保险人为了获得保障而支付给保险公司的费用。
27. prospective /prəs'pektIv/: 将来的,预期的
28. determinable and measurable loss: 可确定的和可衡量的损失 损失必须在事先能衡量和确定,否则精算师不能定价。
29. catastrophic hazard: 巨灾 指影响比较严重的大型灾难。
30. excessive loss: 超额损失 指超过保险公司期望值的大额损失。保险公司需要采用专门的方法来应对这类损失。
31. reinsurance /'ri:In'ʃʊərəns/: 再保险,保险公司的保险 保险公司通过购买再保险将超额损失转移给再保险公司。
32. large loss: 大额损失 指损失程度比较大的高额损失。
33. probability of loss: 损失概率 指损失发生的可能性。

Exercises

I. Reading Comprehension

Directions: Please read the text and choose the right answer.

1. A risk which offers the prospect of loss only, with no chance of gain, may be described as a _____.
A. pure risk
B. particular risk
C. speculative risk
D. fundamental risk
2. Which source of risk may not be the common sources of pure risks? _____.

- ## II. Translation

1. 纯粹风险是指损失是否会发生的不确定性,而投机风险则是指未来某一事件既可能带来损失又可能带来收益的不确定性。
2. 风险即为未来结果的不确定性。