

Insurance Law

Law 556-2 §951

Spring 2026 | Tuesdays (5:00-6:40 PM) | Online

Professor Sylvia Winston

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Office Hours: via email or via telephone or video by appointment only

Course Learning Objectives

This 2-unit course provides a comprehensive survey of the legal principles governing insurance law in the United States. The focus will be on understanding the structure, interpretation, and regulation of insurance policies, as well as the rights and obligations of insurers and policyholders.

By the end of the course, you should be able to demonstrate knowledge and sophistication in the following areas:

- The historical development and fundamental concepts of insurance, including indemnity, fortuity, adverse selection, and moral hazard.
- Construction and interpretation of insurance policies, including contract principles, policy organization, and public policy considerations.
- Regulatory frameworks at both state and federal levels, and the division of authority between them.
- Formation of the insurer-policyholder relationship, including oral contracts, binders, and duties of agents and policyholders.
- The insurable interest requirement and its application to property, life, and liability insurance.
- Causation and the concept of accident in insurance law.
- Duties of policyholders and insurers, including the duty of good faith and fair dealing.
- Key coverage areas such as property insurance, liability insurance, life, health, disability, and automobile insurance.
- Bad faith litigation and claims administration.
- Advanced topics such as excess and umbrella insurance, self-insurance, and reinsurance.

This course is designed to deepen your understanding of the legal framework of insurance and the practical issues lawyers face when advising clients, while also addressing public policy and ethical considerations relevant to the insurance industry.

Course Materials

The required textbook for this class is: **Principles of Insurance Law, by Stempel, Knutsen & Swisher (Carolina Academic Press, 5th Ed. 2020)**.

I will also post other supplemental materials such as articles, cases, statutes, or other laws on the class website from time to time. All supplemental reading will be treated the same as text reading for exam and assessment purposes.

Each week, students will receive an email on Wednesday with the reading assignments and any supplemental materials or assignments for the week ahead.

Attendance

Part of your success in your legal career will be to show up at the right place at the right time. The same is true for this course. Online classes will start promptly at the assigned times and failure to be logged in and have your camera on at the start of class will result in a class absence. Likewise, class is not come-and-go as you please. Absent true emergency situations or circumstances discussed in advance with the professor, students are expected to remain fully engaged and visible on camera for the entire class.

As specified in the *Rules of the Southern Illinois University School of Law*, “Regular attendance to class meetings in all courses is expected and required of all students in accordance with the rule to be announced by the Instructor at the beginning of each course. . . . Attendance will be taken in class and attendance records will be kept for one year. Violation of this attendance rule shall subject the student to [] penalties. . . .”

Attendance will be recorded electronically. By logging into the virtual classroom on time and with your camera on, you confirm that you are prepared for class. It is your responsibility to join the session before instruction begins. **If you enter the online session after class has started and I have begun teaching, you will be marked absent.** You should also note that the *School of Law Honor Code* applies to online classes as well—it is academic misconduct to log in or otherwise represent attendance on behalf of another student.

Students may have no more than a maximum of one (1) absence (partial or total) for any reason (other than jury duty, the student’s hospitalization, birth or adoption of the student’s child, or a death in the student’s immediate family – any of which shall be proven by documentation). **If you expect to be absent from class, please notify me in advance by sending me an email to sylvia.winston@siu.edu.**

Participation

Being logged into the virtual classroom is, of course, not your only responsibility. You are also expected to be fully engaged and prepared to learn throughout the session. This means reviewing all assigned materials in advance, understanding key concepts, and completing any discussion questions or problems before class. Active participation in an online environment includes staying attentive, contributing to discussions, and using your camera and microphone as required to foster interaction.

Workload Expectation

The American Bar Association standards for accrediting law schools contain a formula for calculating the amount of work that constitutes one credit hour. According to ABA Standard 310(b)(1), “a ‘credit hour’ is an amount of work that reasonably approximates: (1) not less than one hour of classroom or direct faculty instruction and two hours of out-of-class student work per week for fifteen weeks, or the equivalent amount of work over a different amount of time.” This is a 2-credit hour class, which means we will meet online for approximately 1 hour and 40 minutes together each week. In addition to attending class, you should plan to spend about 4 hours per week on course-related work outside of class. This includes reviewing assigned readings, completing any quizzes or discussion questions, and preparing for exams. These expectations align with the American Bar Association’s standard for credit hours.

Course Assignments and Grading

The reading assignments are included in the Course Overview attached hereto. I may supplement these readings with additional materials when necessary. Such additional materials will be distributed through the class website.

I will occasionally assign homework in the form of quizzes, discussion questions or case studies. These will be graded on a pass-fail basis. These assignments will be distributed through the class website.

Your final grade will be based on the following:

- 5% - Attendance, Participation, and Professionalism
- 10% - Homework
- 25% - Mid-Term Exam (will be available starting on March 4, 2026)
- 60% - Final Exam (date and time to be announced)

Use of Laptops

You are permitted to use laptops to take notes in class, however any other use of laptops during class is prohibited. Impermissible uses include, but are not limited to, looking at emails or instant messages, visiting social media sites, or any other use of the Internet, unless I explicitly invite you to look something up. **Misuse of laptops during class may result in you losing the privilege of using a laptop in the classroom and may negatively affect the class participation portion of your grade.**

Other Professional Courtesies

Normal classroom etiquette and professional courtesies apply to class sessions. Be on time. Be respectful of your fellow students, their desire to learn and their learning styles. Cell phones, headphones, iPods, and other such devices are not to be used (or heard) in the classroom.

Course Overview
 (Subject to Modification Based on the Flow of the Semester)

<u>Topic</u>	<u>Assigned Reading</u>
Insurance History and Fundamental Concepts <ul style="list-style-type: none"> • Historical Background • Defining Insurance • Indemnity • Fortuity, Adverse Selection and Moral Hazard • Insurer Operations 	Chapter 1 (p. 3-92)
Construction of the Insurance Policy <ul style="list-style-type: none"> • Review of Contract Law • Nature of Insurance Policy • Interpreting Insurance Policies • Organization of Insurance Policies • Insurance Policy Construction Canons • Role of Public Policy in Construing Insurance Policies 	Chapter 2 (p. 93-176)
Regulation of Insurance <ul style="list-style-type: none"> • Insurance Regulation at the State & Federal Levels • State-Federal Regulatory Divide • Specific Insurance Programs 	Chapter 3 (p. 177-234)
Formation of the Insurer-Policyholder Relationship <ul style="list-style-type: none"> • Oral Insurance Contracts • Insurance Binders & Conditional Receipts • Duties of Insurance Agents and Policyholders • Acceptance, Cancellation & Renewal of Insurance Policies • Insurer's Limitations of Risk • Policyholder Defenses 	Chapter 4 (p. 235-324)
The Insurable Interest Requirement <ul style="list-style-type: none"> • Insurable Interest Concept in Property Insurance and Life Insurance • Insurable Interest and Liability Insurance 	Chapter 5 (p. 325-366)
Causation and the Concept of Accident <ul style="list-style-type: none"> • Insurance Causation • Accidental Means versus Accidental Results • Pre-Existing Conditions, Fortuity and Accidents • Accidental Death by External Means 	Chapter 6 (p. 367-410)

<u>Topic</u>	<u>Assigned Reading</u>
Duties of Policyholder and Insurer <ul style="list-style-type: none"> • Policyholder Duties • Insurer Duties • Duty of Good Faith and Fair Dealing • Effect of Failure to Settle • Direct Actions by the Injured Party against the Insurer 	Chapter 7 (p. 411-480)
Property Insurance <ul style="list-style-type: none"> • Overview & Scope of Property Insurance • The Innocent Co-Insured Problem • Place of Loss Limitations • Theft and Mysterious Disappearance • Occupancy and Vacancy • Business Interruption Insurance • Large Scale Disasters • Valuation • Coinsurance, Subrogation and Title Insurance 	Chapter 8 (p. 481-578)
Liability Insurance <ul style="list-style-type: none"> • Purpose and Design of Liability Insurance • Organization of General Liability Policy • Defining Bodily Injury, Property Damage and Occurrence • Duty to Defend • Uninsurable Known Loss • When Coverage is Triggered • Common Exclusions • Additional Types of Liability Coverage 	Chapter 9 (p. 579-706)
Life, Health and Disability Insurance <ul style="list-style-type: none"> • Introduction and Overview of Life, Health and Disability Insurance 	Chapter 10 (p. 707-772)
Automobile Insurance <ul style="list-style-type: none"> • Introduction and Overview of Automobile Insurance • Policy Structure • Common Issues • State Regulations 	Chapter 11 (p. 773-846)
Bad Faith Litigation and Claims Administration <ul style="list-style-type: none"> • Concepts of Good Faith, Bad Faith and Fair Claims Handling • Differences among the States • Insurance Bad Faith Litigation 	Chapter 12 (p. 847-898)

<u>Topic</u>	<u>Assigned Reading</u>
Insurance Layering, Excess and Umbrella Insurance, Self-Insurance and Reinsurance <ul style="list-style-type: none"> • Introduction and Overview of Excess Insurance, Self-Insurance and Reinsurance 	Chapter 13 (p. 899-962)

SYLLABUS ATTACHMENT

SIU SIMMONS LAW SCHOOL – Spring 2026

EMERGENCY PROCEDURES: We ask that you become familiar with **Emergency Preparedness @ SIU**. Emergency response information is available on posters in buildings on campus, on the Emergency Preparedness @ SIU website, and through text and email alerts. To register for alerts, visit <http://emergency.siu.edu/>.

DISABILITY POLICY. SIU Carbondale is committed to providing an inclusive and accessible experience for all students with disabilities. The Office of Access and Accommodations, formerly Disability Support Services, coordinates the implementation of accommodations. If you think you may be eligible for accommodations but have not yet obtained approval, please contact OAA immediately at 618-453-5738 or disabilityservices.siu.edu. You may request accommodations at any time, but timely requests help to ensure accommodations are in place when needed. Accommodations and services are determined through an interactive process with students and may involve consideration of specific course design and learning objectives in consultation with faculty. Please send approved accommodations to your faculty through the DSS online portal.

SALUKI CARES and COUNSELING & PSYCHOLOGICAL SERVICES (CAPS). The purpose of Saluki Cares is to develop, facilitate and coordinate a university-wide program of care and support for students in any type of distress—physical, emotional, financial, or personal. By working closely with faculty, staff, students, and their families, SIU will continue to display a culture of care and demonstrate to our students and their families that they are an important part of the community. For Information on Saluki Cares: (618) 453-2461, or siucares@siu.edu, <https://salukicares.siu.edu/>. Associate Dean Shelia Simon ssimon@siu.edu or (618) 536-8321 is available at the Simmons Law School to help students access university resources. Additionally, counseling services are available through CAPS ([Counseling and Psychological Services \(CAPS\) | Student Health Services | SIU](#)). A counselor is at the law school every Wednesday from noon until 4:30pm in Room 268 for drop-in appointments.

SAFETY AWARENESS FACTS AND EDUCATION Title IX makes it clear that violence and harassment based on sex and gender is a Civil Rights offense subject to the same kinds of accountability and the same kinds of support applied to offenses against other protected categories such as race, national origin, etc. If you or someone you know has been harassed or assaulted, you can find the appropriate resources here: <http://safe.siu.edu>