

CII.IF1.v2022-08-15.q36

Exam Code:	IF1
Exam Name:	Insurance Legal and Regulatory (IF1) Exam
Certification Provider:	CII
Free Question Number:	36
Version:	v2022-08-15
# of views:	1051
# of Questions views:	360
https://www.freepdfdumps.com/CII.IF1.v2022-08-15.q36.html	

NEW QUESTION: 1

A claim has arisen which is fully covered under insurer A's policy and insurer B's policy. Insurer A's policy has a sum insured of £30,000 and insurer B's policy has a sum insured of £50,000. What proportion of the claim is insurer B liable for if the principle of contribution applies on a rateable proportion by sum insured basis?

- A. Five eighths.
- B. Two fifths.
- C. Three fifths.
- D. Three eighths.

Answer: A ([LEAVE A REPLY](#))

NEW QUESTION: 2

From April 2019, a small company with nine employees is in dispute with its insurer and wishes to refer the matter to the Financial Ombudsman Service (FOS). The FOS is only permitted to deal with the dispute if the insured's turnover does NOT exceed

- A. £3,500,000
- B. £1,000,000
- C. £6,000,000
- D. £6,500,000

Answer: ([SHOW ANSWER](#))

NEW QUESTION: 3

Which type of insurer is owned by multiple policyholders?

- A. A captive insurer.
- B. A proprietary insurer.
- C. A mutual insurer.
- D. A composite insurer.

Answer: C ([LEAVE A REPLY](#))

NEW QUESTION: 4

How would an employee benefit directly from her employer's business interruption insurance if its factory was forced to close temporarily due to flood damage?

- A. By payment of an early retirement pension.
- B. By payment of a redundancy lump sum.
- C. By continuation of her wages.
- D. By compensation for loss of bonus.

Answer: ([SHOW ANSWER](#))

NEW QUESTION: 5

When completing a proposal form, Tom declares that he has two spent speeding convictions. How, if at all, will the spent convictions affect an underwriter's decision to write the risk?

- A. They will be ignored in accordance with the provisions of the Rehabilitation of Offenders Act 1974.
- B. They will not be considered as this is not an underwriting factor in motor insurance risk assessment.
- C. They will be classed as relevant information and will affect the premium.
- D. They will only be considered if Tom had a further speeding conviction in the last 12 months.

Answer: ([SHOW ANSWER](#))

NEW QUESTION: 6

John and his wife arrange a household contents insurance policy in joint names with insurer A for a sum insured of £10,000. His wife arranges a second policy on the same basis with insurer B for a sum insured of £20,000. Both policies have identical terms and conditions. What is insurer A's liability if a valid claim of £3,000 is subsequently made?

- A. £2,000
- B. £3,000
- C. £1,500
- D. £1,000

Answer: D ([LEAVE A REPLY](#))

NEW QUESTION: 7

Michael, an insurance company employee, strongly suspects that a recent transaction involved money laundering but decides NOT to report his suspicions to anyone. How is this treated under the current Money Laundering Regulations?

- A. It is a disciplinary offence under the Banking Code.
- B. It is a disciplinary offence dealt with by the Money Laundering Joint Steering Committee.
- C. It is a criminal offence.
- D. It is a civil offence.

Answer: B ([LEAVE A REPLY](#))

NEW QUESTION: 8

A retail customer CANNOT buy insurance directly from which type of insurer?

- A. A direct insurer.
- B. A composite insurer.
- C. A captive insurer.
- D. A mutual insurer.

Answer: C ([LEAVE A REPLY](#))

NEW QUESTION: 9

To whom, if anyone, can an agent normally delegate the responsibility imposed on net under an agency agreement?

- A. The agent cannot delegate her responsibility.
- B. To suitably qualified individuals only.
- C. To suitably experienced individuals only.
- D. To anyone able to fulfil the duties.

Answer: A ([LEAVE A REPLY](#))

NEW QUESTION: 10

Under the provisions of the Financial Services Act 2012. what action, if any, can the regulator take against a firm that has committed money laundering offences?

- A. Civil proceedings.
- B. No action can be taken.
- C. Arbitration.
- D. Criminal prosecution.

Answer: ([SHOW ANSWER](#))

NEW QUESTION: 11

If an insurer invokes the cancellation clause to cancel a policy mid-year due to a change in the risk, how much of the premium, if anything, is normally returned to the policyholder?

- A. The full year's premium.
- B. A pro rata amount.
- C. None of the premium.
- D. The full year's premium less a fixed nominal charge.

Answer: D ([LEAVE A REPLY](#))

NEW QUESTION: 12

In accordance with the principle of good faith, which facts must a potential policyholder disclose to the insurer when applying for insurance?

- A. Any facts which are in the public domain.
- B. Any facts of law.
- C. Any facts which are considered material to the risk.
- D. Only those facts considered likely to reduce the cost of cover

Answer: C ([LEAVE A REPLY](#))

NEW QUESTION: 13

What is the principal reason for which a proposer is asked by the insurer whether his car will be driven by anyone else?

- A. It is a material circumstance.
- B. To enable a discount to be applied.
- C. To establish whether insurable interest exists.
- D. To enable a loading to be applied.

Answer: A ([LEAVE A REPLY](#))

NEW QUESTION: 14

Self-insurance arises when a

- A. policyholder finds that he has inadvertently taken out more than one policy covering the same risk.
- B. policyholder decides to insure proportions of his property with different insurers.
- C. company decides to set aside a fund to pay losses that may occur.
- D. number of insurers agree to collectively insure a particular risk in agreed proportions.

Answer: C ([LEAVE A REPLY](#))

NEW QUESTION: 15

When should a direct insurer advise a policyholder in writing of its complaints-handling procedure, to comply with regulatory requirements?

- A. Within 30 days of cover being incepted.
- B. At the time of the sale or immediately afterwards.
- C. At the time of a claim.
- D. Within 7 days of a complaint being made.

Answer: B ([LEAVE A REPLY](#))

NEW QUESTION: 16

Who cedes business to a reinsurer?

- A. The assessor.
- B. The insurer.

- C. The agent.
- D. The insured.

Answer: ([SHOW ANSWER](#))

Valid IF1 Dumps shared by Actual4test.com for Helping Passing IF1 Exam!

Actual4test.com now offer the **newest IF1 exam dumps**, the Actual4test.com IF1 exam **questions have been updated** and **answers have been corrected** get the **newest** Actual4test.com IF1 dumps with Test Engine here:

https://www.actual4test.com/IF1_examcollection.html (**100** Q&As Dumps, **30%OFF**

Special Discount: Freepdfdumps)

NEW QUESTION: 17

If a surveyor is sent to survey a risk, what does risk primarily refer to in this context?

- A. The policyholder.
- B. The policy cover details.
- C. The insured perils.
- D. The premises.

Answer: D ([LEAVE A REPLY](#))

NEW QUESTION: 18

Joe is a broker who has become a Fellow of the Chartered Insurance Institute. If he would like to use the title Chartered Insurance Broker, what must he do, if anything?

- A. He must apply to the Prudential Regulation Authority.
- B. He must apply to the British Insurance Brokers' Association.
- C. He must apply to the Chartered Insurance Institute.
- D. He cannot use the name as he would be in breach of the Insurance: Conduct of Business sourcebook (ICOBS).

Answer: C ([LEAVE A REPLY](#))

NEW QUESTION: 19

John wishes to insure his friend's house. Why would an insurer refuse to provide a quotation?

- A. He does not have any subrogation rights.
- B. He does not live in the house.
- C. His name is not on the mortgage.
- D. He does not have any insurable interest.

Answer: ([SHOW ANSWER](#))

NEW QUESTION: 20

In a chain of events, the proximate cause of a loss is always the

- A. dominant event leading to the loss.
- B. last event before the loss occurs.
- C. only event contributing towards the loss.
- D. only event which is not excluded by the terms of the policy.

Answer: ([SHOW ANSWER](#))

NEW QUESTION: 21

A firm of insurance brokers invite Stuart. an underwriter who handles its account, on a Caribbean cruise with his family. How should Stuart react to this invitation in order to comply with the Chartered Insurance Institute's Code of Ethics?

- A. Accept on the basis that this is an accepted business practice.
- B. Decline as this is against the Financial Ombudsman Service regulations.
- C. Accept only on the basis that the cost is less than £1.000.
- D. Decline to avoid any suggestion he is being compromised.

Answer: D ([LEAVE A REPLY](#))

NEW QUESTION: 22

The requirement to notify the fitting of a more powerful engine under a motor insurance policy is an example of a policy wording modifying the principle of

- A. good faith.
- B. indemnity.
- C. contribution.
- D. subrogation.

Answer: ([SHOW ANSWER](#))

NEW QUESTION: 23

In order for a contract to be legally enforceable, what further action is required after offer and acceptance?

- A. Witnessing by a third party.
- B. Provision of written terms and conditions.
- C. Exchange of consideration between the two parties.
- D. Delivery of goods or services concerned.

Answer: C ([LEAVE A REPLY](#))

NEW QUESTION: 24

Harry owns a sports car valued at £1.000 and agrees to sell it to Ben for £500. Ben discusses this with his solicitor who states the contract is

- A. unenforceable as the consideration is inadequate.
- B. unenforceable unless Harry signs a disclaimer acknowledging the consideration as acceptable.

C. enforceable but only if Harry does not refute the contract within six months of the contract date.

D. enforceable as consideration does not need to be adequate.

Answer: D ([LEAVE A REPLY](#))

NEW QUESTION: 25

A firm of insurance brokers holds client records on an index card system and does NOT intend to computerise this information. In what circumstances, if any, will these records be covered by the Data Protection Act 2018?

A. Only if the records include dates of birth.

B. In all circumstances.

C. In no circumstances.

D. Only if the records include details of race.

Answer: B ([LEAVE A REPLY](#))

NEW QUESTION: 26

An insured is temporarily disabled due to illness and unable to work. During this period, what type of insurance policy will typically pay a weekly benefit for up to two years?

A. An employers' liability insurance policy.

B. A personal accident and sickness insurance policy.

C. A critical illness insurance policy.

D. A medical expenses insurance policy.

Answer: B ([LEAVE A REPLY](#))

NEW QUESTION: 27

A risk control survey shows that premises proposed for insurance are in close proximity to a river with a history of flooding. The underwriter will consider this fact to be a

A. moral hazard.

B. fundamental risk.

C. pure risk.

D. physical hazard.

Answer: D ([LEAVE A REPLY](#))

NEW QUESTION: 28

Sara searches on a comparison website for car insurance. She selects the cheapest quotation and pays by credit card for immediate cover. This is known as

A. conditional acceptance.

B. an offer.

C. unconditional acceptance.

D. a Terms of Business Agreement.

Answer: C ([LEAVE A REPLY](#))

NEW QUESTION: 29

What is the basis of settlement under a new for old insurance policy if a television is stolen?

- A. The original cost, less wear and tear.
- B. The replacement cost in full.
- C. The replacement cost, less wear and tear.
- D. The original cost in full.

Answer: C ([LEAVE A REPLY](#))

NEW QUESTION: 30

How do an insurer's subrogation rights differ, if at all, between a theft policy and a personal accident policy?

- A. Subrogation rights only apply under a personal accident policy.
- B. Subrogation rights do not apply under either policy.
- C. Subrogation rights apply under both policies.
- D. Subrogation rights only apply under a theft policy.

Answer: D ([LEAVE A REPLY](#))

NEW QUESTION: 31

An intermediary needs to place a large properly risk, however the insurance company can only write 25% of the risk. What type of insurance arrangement would the intermediary require to complete the risk?

- A. Coinsurance.
- B. Dual insurance.
- C. Reinsurance.
- D. Self-insurance.

Answer: A ([LEAVE A REPLY](#))

Valid IF1 Dumps shared by Actual4test.com for Helping Passing IF1 Exam!

Actual4test.com now offer the **newest IF1 exam dumps**, the Actual4test.com IF1 exam **questions have been updated** and **answers have been corrected** get the **newest** Actual4test.com IF1 dumps with Test Engine here:

https://www.actual4test.com/IF1_examcollection.html (**100** Q&As Dumps, **30%OFF**

Special Discount: Freepdfdumps)

NEW QUESTION: 32

The purpose of the EU solvency requirements for insurers and intermediaries is to

- A. create a standard format for the presentation of accounting data.

- B. provide authorisation to transact insurance business.
- C. introduce monitoring procedures by the Prudential Regulation Authority.
- D. strengthen the financial security of the insurer or intermediary.

Answer: A ([LEAVE A REPLY](#))

NEW QUESTION: 33

An investor is unable to obtain insurance to protect his potential losses while trading on the stock market because the category of risk is deemed to be

- A. speculative.
- B. financial.
- C. particular.
- D. pure.

Answer: ([SHOW ANSWER](#))

NEW QUESTION: 34

How does insurable interest arise, if at all. when an insurer arranges reinsurance?

- A. Insurable interest does not arise.
- B. Insurable interest is created by statute.
- C. The policyholder is considered to have assigned the insurable interest to the insurer.
- D. The insurer is considered to have insurable interest by virtue of its liability to pay claims.

Answer: D ([LEAVE A REPLY](#))

NEW QUESTION: 35

Under common law. when does the insured's duty of fair presentation cease with regard to declarations that do NOT affect policy cover?

- A. When the policy contract takes effect.
- B. When a claim is submitted.
- C. At renewal.
- D. When a claim is paid.

Answer: C ([LEAVE A REPLY](#))

NEW QUESTION: 36

For which professional is professional indemnity insurance compulsory by statute?

- A. A loss assessor.
- B. A loss adjuster,
- C. A solicitor.
- D. A chartered surveyor. .

Answer: ([SHOW ANSWER](#))

Valid IF1 Dumps shared by Actual4test.com for Helping Passing IF1 Exam!

Actual4test.com now offer the **newest IF1 exam dumps**, the Actual4test.com IF1 exam **questions have been updated** and **answers have been corrected** get the **newest** Actual4test.com IF1 dumps with Test Engine here:

https://www.actual4test.com/IF1_examcollection.html (**100** Q&As Dumps, **30%OFF**

Special Discount: Freepdfdumps)