

2. The insurer's action to recover its outlay from Kevin indicates that he has **most likely**
- A. failed to disclose a material circumstance.
  - B. failed to pay more than one monthly premium.
  - C. innocently stated a fact incorrectly.
  - D. not paid his premium.

**Key option: A**

**Learning outcome: 1.2**

3. The significance of the declaration on the proposal form which George pointed out to Kevin is that
- A. the contract remains in force following a claim.
  - B. George is indemnified against any adverse consequence of the advice given.
  - C. the declaration reminds Kevin that all material circumstances must be disclosed.
  - D. Kevin has received and approved the policy terms and exclusions.

**Key option: C**

**Learning outcome: 1.3**

6. In addition to Kevin, who has a duty to respond to questions, which other party to the motor insurance contract, if any, has a duty of fair presentation?
- A. No other party.
  - B. George only.
  - C. The insurer only.
  - D. George to Kevin only.

**Key option: C**

**Learning outcome: 1.3**

7. The explanation Colin wants to give to Rachel regarding her amended policy documents
- A. breaches the CII Code of Ethics.
  - B. breaches the principle of good faith.
  - C. is acceptable provided no financial loss has occurred.
  - D. is acceptable provided the error is rectified immediately.

**Key option: A**

**Learning outcome: 1.7**

21. The **primary** importance of the accuracy of the notes Chloe is required to make is to
- A. enable her employer to review the quality of her work.
  - B. make her fully accountable for her actions.
  - C. provide a complete audit trail.
  - D. demonstrate good faith.

**Key option: C**

**Learning outcome: 5.1**