

2. How does the use of an insurance broker benefit an insurer?
- A. All material circumstances will always be declared by the broker to the insurer.
 - B. It enables the insurer to easily cross-sell insurance policies for other classes of business to an existing insured.
 - C. It reduces the time spent by the insurer in explaining and administering a policyholder's insurance requirements.
 - D. The responsibility for the payment of Insurance Premium Tax is passed to the broker.

Key Option: C

Learning Outcome: 1.1

19. The Insurance Act 2015 emphasises what role for brokers with regard to material circumstances?
- A. To ensure all material circumstances are supplied to enable accurate presentation of the risk.
 - B. To explain to the proposer that any misrepresentation will be treated as deliberate or reckless.
 - C. To explain to the proposer that failure to disclose a material circumstance is an offence under the Act.
 - D. To verify the accuracy of all information supplied by the proposer.

Key Option: A

Learning Outcome: 2.5