



Malta International Training Centre

Award in Insurance Principles and Legal Aspects

21st June 2020

PLEASE READ THE FOLLOWING NOTES:

1. Three hours are allowed for this paper, which is in two parts: PART I and PART II.
 2. Answer ALL questions numbered 1-14 in PART I. You are advised to spend no more than 120 minutes on this part of the paper.
 3. In PART II you should answer two (2) questions, each carrying 30 marks, from the remaining questions 15-17.
 4. The whole paper carries 200 marks.
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Part I: Answer ALL questions 1-14 in this part.
Each question carries 10 marks.

- 1 a) Differentiate the ownership structure of a proprietary company from a mutual set up. (5 marks)
- b) Differentiate between a Corporation Sole and a Corporation aggregate. (5 marks)
- 2 a) What are the criteria for the rule in Rylands v Fletcher to operate? (3 marks)
- b) What are the criteria for a victim to make a successful claim under the tort of Negligence? (3 marks)
- c) What interest is the tort of Nuisance trying to protect and what essential element must be present for a claim to arise? (4 marks)
- 3 a) In the context of judicial precedent, briefly explain the terms:
- Ratio decidendi
 - Obiter dictum
 - Overruling
- (6 marks)
- b) List 2 advantages and 2 disadvantages of precedent. (4 marks)
- 4 a) In the context of nervous shock, what does a secondary victim have to prove in order to be successful in an action for damages for psychiatric illness? (7 marks)
- b) What are the 3 characteristics that an action in Trespass must show? (3 marks)

- 5 Briefly outline the provisions under TWO of the following:
- Third Parties (Rights against Insurers) Act 2010
 - Occupiers Liability Act 1984
 - Fires Prevention (Metropolis) Act 1774
 - Sale of Goods Act 1979
 - Rehabilitation of Offenders Act 1974 (5 marks each)
- 6 a) What is your understanding of:
- General damages
 - Special damages
 - Exemplary & Punitive damages (6 marks)
- b) Define a bankrupt person (4 marks)
- 7 a) Mention 2 types of contracts which must be evidenced in writing. (2 marks)
- b) Name 4 ways in which a contract may be discharged. (8 marks)
- 8 a) Name 2 reasons why insurable interest is required in insurance contracts. (2 marks)
- b) How do insurers adjust claims if the effects of the damage of concurrent causes cannot be distinguished? (4 marks)
- c) In the context of Good Faith, what do you understand by the term 'Nexus' explaining whether is it essential to invalidate an insurance contract? (4 marks)
- 9 a) List 6 ways in which an agency contract may be terminated. (6 marks)
- b) Briefly outline your understanding of 'agency by ratification'. (4 marks)

- 10 *"Everyone is equal under the law, so everyone is treated the same"*
In the context of the above, how would you explain that some categories of legal personality are treated differently under the law? (10 marks)
- 11 a) List 4 ways in which an offer in contract terminates. (4 marks)
b) List 3 ways in which a contract may be discharged. (3 marks)
c) Give 3 examples of illegal contracts. (3 marks)
- 12 a) List 3 sources of English Law. (3 marks)
b) List the 3 ways in which a company may be created. (3 marks)
c) Distinguish between the Memorandum of Association and Articles of Association of a company. (4 marks)
- 13 Antonio wishes to purchase a painting at an auction. He asks his art dealer to attend the auction on his behalf and instructs him of the maximum price he is willing to pay for the painting.
At the auction, the art dealer purchases the painting but exceeds the maximum price by 20% arguing that he acted out of necessity.
- a) Explain the extent of the art dealer's authority to act on Antonio's behalf. (5 marks)
b) Explain the extent to which Antonio is legally bound to pay the full auction price. (5 marks)
- 14 You are a claims handler working in the recoveries team of an insurer, ABC plc. You have responsibility for pursuing subrogation actions against third parties and allocating recovery monies between ABC plc and its policyholders. You have been asked to deal with the following two claims:
- claim A was paid at £100,000 and the recovery was £120,000.
 - claim B was paid at £400,000 and the recovery was only £380,000.

- a) Identify in whose name the legal actions for these recoveries would have been brought. (2 marks)
- b) Explain how you will allocate the surplus recovery in claim A. (4 marks)
- c) Outline two reasons why you may not have been able to recover the full amount in claim B. (4 marks)

Part II: Answer two (2) questions from 15-17, each carrying 30 marks

15 You are a claims handler for an insurer. One of the insurer's motor policyholders, Philip, has reported to you that his vehicle, was involved in a road traffic collision with a cyclist. At the scene of the collision, Philip apologises to the cyclist for his actions. The police investigated the incident and establish that Philip's vehicle had defective brakes.

Philip's motor policy wording states the following:

- *'The policyholder must not admit liability without prior written consent of the insurer. The insurer will not be liable for any losses arising out of the policyholder's failure to comply with this clause'.*
- *'Vehicles must be maintained in a roadworthy condition at all times'.*

You have received claims for the injury to the cyclist and the damage to Philip's vehicle.

- a) Explain, with justification, the likely effect of the apology given by Philip on the validity of the policy and the insurer's liability for the claim by the cyclist.
- b) Explain, with justification, the effect of the defective brakes on the validity of the policy and the insurer's liability for Philip's claim for vehicle damage.

16 You are a loss adjuster appointed by an insurer. One of the insurer's policyholders, Jamila, has a buildings and contents policy covering her home and a marine policy covering her yacht moored in a nearby marina. The building is insured for a value of up to £500,000 and the contents are insured for £75,000. The sum insured for the yacht is £200,000. There is also a separate policy covering a painting, insured on an agreed value basis for £5,000.

A recent storm has occurred and Jamila has submitted claims to her insurer as follows:

- The yacht was extensively damaged and is considered to be beyond repair
- The roof of Jamila's home sustained structural damage causing water leakage
- The painting was damaged by water
- A clock has been destroyed

In your report, you advise that the rebuilding value for Jamila's home is inadequate and should have been insured for £650,000. You have also reported that the roof was in a poor state of repair prior to the storm.

Jamila has informed you that the destroyed clock was extremely valuable to her for sentimental reasons.

Explain the basis of indemnity and method of settlement for the:

- a) Yacht
- b) Roof
- c) Painting
- d) Clock

17 You are preparing a training session for trainee graduates who recently joined your company and will be posted to one of your company's branch offices. They will be selling personal line insurance products and handling claims.

Consequently, your manager has asked you to prepare a report to help trainees understand the following concepts of insurance:

- Relationship between risk & insurance
- Underwriting and risk sharing
- Claims procedures

Draft your report.



Malta International Training Centre

Award in Personal Lines Insurance

8th May 2022

PLEASE READ THE FOLLOWING NOTES:

1. Three hours are allowed for this paper, which is in two parts: PART I and PART II.
 2. Answer ALL questions numbered 1-14 in PART I. You are advised to spend no more than 120 minutes on this part of the paper.
 3. In PART II you should answer two (2) questions, each carrying 30 marks, from the remaining questions 15-17.
 4. The whole paper carries 200 marks.
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**Part I: Answer ALL questions 1-14 in this part.
Each question carries 10 marks.**

1. (a) What are the advantages of receiving risk information by means of a proposal form? (5 marks)
(b) Give 5 examples of non-standard risks related to domestic property insurance. (5 marks)

2. (a) Differentiate between Co-insurance and Reinsurance. (5 marks)
(b) Briefly outline 5 benefits of Reinsurance. (5 marks)

3. (a) What is contained in a policy schedule of a Household Insurance policy? (6 marks)
(b) Explain the change in risk/circumstances clause. (4 marks)

4. (a) Mention 5 elements that constitute riot under a personal lines insurance policy based on special perils? (5 marks)
(b) What type of contents limits are set under a Household Insurance policy? (5 marks)

5. (a) What is the difference between specified and unspecified items under a Personal Possessions Insurance policy? (5 marks)
(b) List 5 All Risks exclusions found under a personal lines property insurance policy. (5 marks)

6. Explain the following:
- (a) Pairs or sets clause (2.5 marks)
 - (b) Hospital cash benefit (2.5 marks)
 - (c) Delayed departure cover (2.5 marks)
 - (d) New for old cover (2.5 marks)
7. (a) How is money defined under a Money Insurance policy? (6 marks)
- (b) Give two examples to illustrate circumstances when a money insurer would refuse to meet a claim. (4 marks)
8. (a) Liability cover features under a number of personal lines insurance products. Explain the scope of legal liability cover by giving 2 examples. (6 marks)
- (b) What would be the position under a Caravan or Boat Insurance policy if the insured wishes to travel beyond the geographical limits? (4 marks)
9. What risk assessment would be undertaken by a personal lines underwriter for the following classes of insurance? Provide 2 factors per class.
- (a) Payment protection insurance (2 marks)
 - (b) Domestic Animals (2 marks)
 - (c) Pedal cycles (2 marks)
 - (d) Extended warranty insurance (2 marks)
 - (e) Legal expenses cover (2 marks)

10. (a) Explain the intention of the health warranty declaration found in a typical Travel Insurance proposal form. (5 marks)
(b) Under a Travel Insurance policy, what 5 possible reasons would trigger a claim under the cancellation and curtailment section? (5 marks)
11. (a) Mention 5 conditions that have to be satisfied to validate a claim involving the theft of money under Travel Insurance. (5 marks)
(b) Mention 5 implied duties expected of a personal lines insurance claimant. (5 marks)
12. How are the following likely to be insured by a personal lines insurer?
(a) An obsolete building (2.5 marks)
(b) A priceless painting (2.5 marks)
(c) An old laptop (2.5 marks)
(d) A very expensive engagement ring (2.5 marks)
13. (a) What are the 4 typical occupation classes under a Personal Accident insurance policy? (4 marks)
(b) How are the different classes of occupations under Personal Accident insurance rated? (6 marks)
14. (a) Mention 5 ways of how one could lower the premium under a Private Medical Insurance policy. (5 marks)
(b) List 5 exclusions typically found under a Private Medical Insurance policy. (5 marks)
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Part II: Answer two (2) questions from 15-17, each carrying 30 marks.

15. The Smiths family will be spending 15 days in Italy and they wish to ensure that their Travel Insurance policy covers all of their needs and activities during their stay. Mr Smith comes to your underwriting office and informs you of the following:

a) His son is physically challenged and needs a wheelchair and other several walking aids to be able to travel. He also has prosthetics and uses an expensive electronic tracking device for emergency purposes.

b) His family intends to ski and climb mountains on the Alps in Italy.

c) His wife suffers from asthma and could require a nebuliser if she gets an attack, necessitating a visit to the hospital.

d) His father is 88 years of age and is currently in hospital with little hope of recovering from a terminal illness.

e) His daughter is six months pregnant with no complications registered so far.

f) His family intends to hire a boat while they visit the famous lake of Como in Italy.

What will you tell Mr Smith given the information above? Give reasons and refer to the various policy wording (where applicable) to explain the position of the insurer in the respective circumstances.

(6X5marks
each)

16. Discuss the following claims:

a) Peter holds a stand-alone Personal Accident Insurance policy and is also enrolled under a group Personal Accident Insurance policy arranged by his employer. While he is driving his vehicle abroad, he sustains a serious injury following a motor accident. Peter had arranged a Travel policy prior to his overseas trip. Both the Motor and Travel policies have a Personal Accident extension. If the fault of the accident is a third-party driver, how (if at all) would the respective insurance policies held by Peter respond to his claim?

(8 marks)

b) Rebekah's daughter secretly takes her credit card and uses it to buy €800 worth of clothes from an online website. As Rebekah holds a credit cards extension under her Household Insurance policy, she duly makes a claim. How would an insurer deal with the respective claim explaining whether the scenario would be differently handled if the loss was committed by a third party instead of Rebekah's daughter?

(6 marks)

c) Petra is a hockey player. On one occasion her hockey stick, worth €550, was damaged after she misaligned a shot. Returning to her locker she discovers that her sports bag had been pilfered and her mobile phone, air pods and iPad went missing. How would a personal possessions insurer deal with the ensuing claims?

(8 marks)

d) A flower pot hanging from a balcony falls onto a parked car which was parked directly underneath. James, the owner of the building, is being sued by the motor insurers of the damaged car. James holds a household insurance policy but is claiming that the cause of the loss was bad weather for which he has no control over and that the vehicle was parked illegally. How would the household insurers deal with the potential claim, if at all?

(8 marks)



Malta International Training Centre

Award in Commercial Property Insurance

20th September 2020

PLEASE READ THE FOLLOWING NOTES:

1. Three hours are allowed for this paper, which is in two parts: PART I and PART II.
 2. Answer ALL questions numbered 1-14 in PART I. You are advised to spend no more than 120 minutes on this part of the paper.
 3. In PART II you should answer two (2) questions, each carrying 30 marks, from the remaining questions 15-17.
 4. The whole paper carries 200 marks.
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**Part I: Answer ALL questions 1-14 in this part.
Each question carries 10 marks.**

1. a) What are the 3 elements that must be present to trigger a fire? (3 marks)
b) Explain how the peril fire is covered under a 'Fire only' commercial insurance policy. (7 marks)
2. When a building is reinstated, there are a number of miscellaneous costs beyond the cost of rebuilding. Mention and explain two of such additional reinstatement costs which are usually offered under the memoranda clauses of a typical material damage insurance policy. (10 marks)
3. Explain what you understand by a long-term agreement and provide a reason why this is advantageous for both parties. (10 marks)
4. The ABI All Risks material damage insurance policy has a number of exclusions. List
 - a) 5 exclusions that an insurer would offer as buy backs and (5 marks)
 - b) 5 exclusions that an insurer would not cover under any circumstance. (5 marks)
5. Differentiate between (a) first loss, (b) floating and (c) blanket type of cover arrangements as the basis of insuring stock under a material damage insurance policy. (10 marks)
6. Briefly explain the following:
 - a) Estimated maximum loss (5 marks)
 - b) Denial / Prevention of access extension under Business Interruption (5 marks)

7. Differentiate between the 'special condition of average' and the 'two conditions of average' under a commercial property insurance policy. (10 marks)
8. What is the role of an insurance loss adjuster and what does a post loss report typically contain? (10 marks)
9. Briefly explain the following:
- a) Reinstatement
 - b) Appreciation in value clause (escalator)
 - c) Day-one basis
 - d) Turnover (in the context of Business interruption) (2.5 marks each)
10. Briefly outline the scope of a Money Insurance policy and a Fidelity Guarantee Insurance policy. (10 marks)
11. a) What is the scope of cover of a Contract Works Insurance policy? (5 marks)
- b) What is the main difference between a Contractors All Risks Insurance policy and a Machinery Erection Insurance policy? (5 marks)
12. a) What does an Electronic Equipment Insurance policy seek to cover? (6 marks)
- b) What do you understand by increased in costs of workings as found under an Electronic Equipment Insurance policy? (4 marks)
13. Explain why a hotelier would be better off taking out a combined commercial policy to cover his risks rather than opting for stand-alone policies. (4 marks)
- Give examples of what a typical Hoteliers' Combined Insurance policy would contain. (6 marks)
14. Outline the wording of 5 typically used warranties under a material damage insurance policy. (10 marks)

Part II: Answer two (2) questions from 15-17 each carrying 30 marks

15. Peter runs a factory which involves the manufacture of high-quality writing paper. The process starts from the making of pulp using wood and plenty of water and runs all the way to the finished paper product.

On his premises, which he rents out from a third-party owner, are a number of modern hired processing machines and tools, some of which are electronic and are operated via a computer system.

Peter stocks a variety of finished products in a large warehouse on the premises, where he keeps customers' stock for collection and other stock awaiting to deliver to customers buying in bulk.

Peter has been given a copy of the standard Fire and Special Perils Insurance policy which he finds to be short of his expectations. As his broker, you inform him that additional cover is available and you refer him to the memoranda clauses, typical of a material damage policy.

In this scenario recommend, with an explanation for your recommendations, 10 memoranda clauses suitable for Peter's business.

(30 marks)

16. A claim ensues at a 750sqm depot which stocks and sells food products and other domestic consumables.

The buildings and general contents are insured on a reinstatement basis for €2.7million and €300,000 respectively, whereas the stock is insured for €1.5 million on an indemnity basis. The material damage policy is fire and special perils-based and includes theft and business interruption.

For the period 1st January 2019 to 31st December 2019, the turnover of the company was €3.8million and the gross profit insured under the business interruption policy is €2.4 million on a declaration linked basis with a one-year indemnity period as a maximum.

Upon a post loss investigation, the adjuster's report reveals that the sums insured for stock and building were underinsured by an amount of €300,000 each.

a) How would you settle the property and Business interruption claims based on the following information:

| | | |
|--|------------|------------|
| Buildings repair | €700,000 | |
| Machinery and contents repair and cleaning costs | €150,000 | |
| Stock replacement | €1,400,000 | |
| Architects' and surveyors' fees | €50,000 | |
| Reduction in Turnover | €1,232,000 | |
| Increased cost of working (economic) | €50,000 | |
| Savings | €20,000 | |
| Excess | €10,000 | (12 marks) |

b) What checks are made by the claims department prior to settling a commercial insurance claim? (12 marks)

c) What recommendations might an underwriter make to improve the risk after discussing the nature and cost of the loss with the claims department? (6 marks)

17. A private contractor has been entrusted with the construction of a 2 kilometre steel and stone bridge to connect two islands together. The project is envisaged to take 8 years to construct and it includes two terminal buildings on either side and a tarmac road on the steel bridge which spans over the Mediterranean Sea.

A consortium of insurers has been entrusted to secure the risk, however before doing so they await your report.

As a professional surveyor you are required to look at the project and draw up a surveyor report for insurance purposes.

Describe what your report would contain.

(30 marks)



Malta International Training Centre

Award in Liability Insurances

01 November 2020

PLEASE READ THE FOLLOWING NOTES:

1. Three hours are allowed for this paper, which is in two parts : PART I and PART II.
 2. Answer ALL questions numbered 1-14 in PART I. You are advised to spend no more than 120 minutes on this part of the paper.
 3. In PART II you should answer two (2) questions, each carrying 30 marks, from the remaining questions 15-17.
 4. The whole paper carries 200 marks.
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**Part I: Answer ALL questions 1-14 in this part.
Each question carries 10 marks.**

1. What must be established for an action to succeed under a breach of statutory duty? (10 marks)

2. Distinguish between Mandatory and Prohibitory Injunction. (10 marks)

3. Describe what a certificate of Employers' Liability insurance would typically contain. (10 marks)

4. What basis will underline the rating used by an underwriter to arrive at a commensurate premium for a
 - (a) public liability insurance policy? (3 marks)
 - (b) products liability insurance policy? (3 marks)
 - (c) professional indemnity insurance policy? (4 marks)

5. Briefly explain the choices that a liability underwriter has in deciding what event will trigger the operative clause of the policy and thus allow a claim. (10 marks)
area *allocation* *with effect*

6. Outline the three main types of indemnity limits that a liability insurance underwriter may adopt under a liability insurance contract. (10 marks)

7. At claims stage liability claims personnel apply a method known as triangulation. Explain triangulation and the purpose of such a method. (10 marks)

8. How may liability arise under a contract of employment for services rendered between the employer and the employee? (10 marks)
9. Although it is not statutory requirement to hold public liability insurance there are certain situations where this is required. Give four examples when this might be applicable. (10 marks)
10. What five specific questions relating to the product would be typically asked under a Products liability insurance proposal form? (5X2marks)
11. Different liability matters arise out of various professions. Give five examples of how liability may arise as a result of one's profession. (5X2marks)
12. In the context of a Directors' and Officers' liability insurance policy, explain what a Director and an Officer is defined to be. (10 marks)
13. Briefly outline the role of a Risk Manager and explain four identification techniques that could be used. (2 marks)
(8 marks)
14. Upon receiving advice of a liability claim from the claimant, what are the first steps that a claims officer would undertake? (10 marks)
- Handwritten notes for question 11: A list of professions including 'Lawyer', 'Accountant', 'Doctor', 'Nurse', and 'Engineer' with a checkmark next to it.*

Part II: Answer two (2) questions from 15-17, each carrying 30 marks

15. Mr Smith decides to refurbish his house and for this project he appoints DEX company Ltd which is a firm specialising in property decoration. DEX holds an employers' and public liability insurance policy. The works are to be held 200km from the premises of DEX just across the border.

During the year-long project, a number of mishaps occur and the following claims were lodged by the contracting company.

- a) on one occasion, one of the employees accidentally set fire to the premises after mishandling the blow torch used for stripping paint. There were no fire appliances on the premises and by the time the fire fighters arrived, a lot of damaged had been caused.
- b) one employee was injured after falling down the stairs which was fenced by a defective bannister.
- c) an employee borrowed a ladder from Mr Smith which proved to be defective and the employee fell a height of 20 feet injuring himself in the process.
- d) two DEX employees were frolicking with a compressor and one of them was injured and taken to hospital with serious lung damage.

In the light of the above incidents, discuss the legal liability issues arising, the responsibility for the injury or damage ensuing and the extent of cover offered by the insurance policies held by DEX company limited.

(30 marks)

16. A national conference on Insurance Liability is being organised by the Association of Insurance Companies. The conference is in two parts. The first part is a talk delivered by a keynote speaker and the second part is a panel discussion. The theme of the talk is on the different forms of liability that may arise out of tort and contract whereas the debate is on whether insurance should be compulsory or not.

Outline what the talk should address and the contrasting views of the debate.

(30 marks)

17. ABC services is a large corporate firm specialising in giving legal advice and legal services. It employs several administrative personnel and uses professional sub-contractors to deal with the enquiring clients. The firm has approached your broking office for advice on liability insurance.

Discuss, what questions you need to ask to analyse the liability risks involved and what types of cover you may suggest to ensure all the liability risks of the firm are secured.

(30 marks)



Malta International Training Centre

Award in Motor Insurance

29th November 2020

PLEASE READ THE FOLLOWING NOTES:

1. Three hours are allowed for this paper, which is in two parts: PART I and PART II.
2. Answer ALL questions numbered 1-14 in PART I. You are advised to spend no more than 120 minutes on this part of the paper.
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4. The whole paper carries 200 marks.

Part I: Answer ALL questions 1-14 in this part.

Each question carries 10 marks.

1. List five (5) sections found in a typical private motor insurance policy and briefly explain their purpose. (10 marks)
2. Explain three (3) basic dispute resolution alternatives that can be used to litigate motor insurance disputes. (10 marks)
3. Following a claim made under a motor insurance policy, identify and explain three (3) insurance principles that can come into operation, giving an example of the application of each. (10 marks)
4. a) Briefly explain how the "No Claims Discount" (NCD) scheme operates. (5 marks)
b) Differentiate between "Protected NCD" and "Guaranteed NCD". (5 marks)
5. What information is held by the Motor Insurance Database (MID)? (10 marks)
6. Explain the term "Fronting" in the context of Motor Insurance. (10 marks)
7. What is the role of the motor claims department? (10 marks)
8. Explain briefly how an "Agreed Value" insurance policy operates, giving an example related to motor insurance. (10 marks)
9. a) Why do you think motor insurance is the most popular insurance policy in the market? (2 marks)
b) Define the term 'Motor vehicle' (4 marks)
c) Define the term 'Road' (4 marks)

10. What does an insurer need to check if a policyholder asks to change cover of his/her insurance policy, mid-term? (10 marks)
11. List five (5) negative features when assessing a motor insurance proposal form. (10 marks)
12. a) Briefly explain the meaning of the term 'Constructive Total Loss' in relation to a motor vehicle. (2 marks)
- b) Outline the consequences for an insurer of allowing the policyholder to retain a motor vehicle that is deemed to be a constructive total loss. (4 marks)
- c) Summarize the steps that may be taken by the motor insurer to protect their position if they allow the policyholder to retain and repair the damaged vehicle. (4 marks)
13. List the main elements that make up the motor insurance premium. (10 marks)
14. Outline briefly the main provision of the EU 4th Motor directive. (10 marks)

Part II: Answer two (2) questions from 15-18 (30 marks each)

15. Mr Oliver has a normal mid sized vehicle, a Honda Civic. He is comprehensively insured and his policy covers himself and any driver over 25 years of age. He went to his insurance company to lodge a claim as he was involved in an accident with another vehicle and explained the circumstances of the accident to the claims handler of Global Insurance Company Ltd.

In his description of the accident Mr Oliver told the claims handler that the accident took place on a Friday night at 4 am, and that he does not remember what happened. He told him that on the night, he had been working late and that he must have slept whilst driving on his way home.

The claims handler was suspicious of the sincerity of these facts and he asked for the police report to investigate further. When Mr Oliver left the offices of the insurer, the claims handler retrieved Mr Oliver's underwriting file to investigate the disclosed material facts.

Two days later, Mr Oliver returned with the original police report. Upon presentation, it was discovered that Mr Oliver had been driving under the influence of alcohol. It also emerged he has a serious alcohol problem and it was not the first time that he had been convicted of drink driving. Notwithstanding his history, Mr Oliver never disclosed anything of the sort.

a) Explain what Mr Oliver's insurer is obliged to pay (if at all) and under what circumstances. (15 marks)

b) Explain what options are available to the innocent third party for his damages. (15 marks)

16. Fraud is on the increase, and insurers are constantly seeking new methods to combat this problem.

a) Discuss insurance fraud (10 marks)

b) What measures are there in place to combat insurance fraud? (20 marks)

17. You are preparing an article for a local insurance journal wherein you will be explaining and comparing the types of covers available for private vehicle motor insurance.

Prepare your notes for publication. (30 marks)

