



*Chartered Insurance  
Institute of Nigeria*

*Chief Examiners' Report*

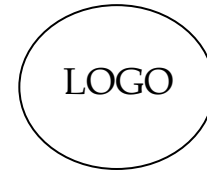
*April 2023*

*Foundation Level (F01 to F08)*

**F01**

**CHARTERED INSURANCE INSTITUTE OF NIGERIA**

**FOUNDATION**  
F01 - INSURANCE, LEGAL AND REGULATORY  
YEAR 2023 APRIL DIET



**All answers should be shaded on the answer form in accordance with the following instructions:**

- Two hours are allowed for this paper.
- Fill in the information requested on the answer form and attendance form.
- Handle the answer form with care and do not write notes on it.
- No marks are deducted for incorrect answers, so do not leave any questions unanswered.
- The answer form should be handed over personally by you to the invigilator before you leave the Examination Hall.
- Insert your candidate's number as given on your admission permit and any other particulars required on the answer form.
- Ensure that you write the full and correct candidate's number.
- If you bring a calculator into the examination room, it must be silent battery or solar powered non-programmable calculator. The use of programmable calculator is prohibited.
- No name should be written on the answer form.

**FAILURE TO ADHERE TO INSTRUCTIONS (WRITTEN AND VERBAL)  
WILL ATTRACT STATED SANCTIONS AS STATED IN THE APRIL 2023  
DIET CANDIDATES' INSTRUCTIONS.**

**CHARTERED INSURANCE INSTITUTE OF NIGERIA  
FOUNDATION**

**F01 - INSURANCE, LEGAL AND REGULATORY**

**INSTRUCTIONS TO CANDIDATES**

**READ THE INSTRUCTIONS BELOW BEFORE ANSWERING ANY QUESTIONS**

**Section A**

The questions 1 – 60 in this paper are numbered and four options follow each question. The options are labeled a,b,c,d. Only one of these options is correct. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

**Example:**

A comprehensive motor insurance policy would provide cover for:

- (a) Accidental damage to the vehicle
- (b) Wear and tear and depreciation
- (c) Mechanical and electrical failure or breakdown
- (d) Damage to tyres caused by road punctures or burst

The correct option is (a).

**Section B**

Questions 61 – 85 are to be answered as either True (T) or False (F). Select your chosen option and indicate it on the answer form by filling in the appropriate box.

**Example:**

A comprehensive motor insurance policy would provide cover for all types of accidental damages without any exclusion (True or False).

The correct option is False (F).

**Section C**

Questions 86 – 100. This section contains four (4) case studies each followed by some questions. The case studies are not numbered and appear at the top of the page. Each of the questions following a case study is numbered. Four options follow each question. The options are labelled, a, b, c, d. Only one of these options is correct or best. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

## SECTION A - ATTEMPT ALL QUESTIONS (Questions 1 – 60)

1. Risk measurement and the means of attempting to deal with risks faced are collectively termed risk ...  
(a) evaluation                      (b) measurement                      (c) control                      (d) management
2. One of the following alternatives does not form part of risk management functions.  
(a) Risk identification                      (b) Risk analysis  
(c) Risk polarization                      (d) Risk control
3. Risk ... involves discovery of threats to a company that may already exist and the potential threats that may exist in the future.  
(a) discoverer                      (b) identification                      (c) finder                      (d) analysis
4. Putting specific locks on the doors of a factory to reduce the risk of the theft risk is ... risk control.  
(a) physical                      (b) chemical                      (c) financial                      (d) actual
5. Internal control is not categorised as ...  
(a) detective                      (b) corrective                      (c) defensive                      (d) preventive
6. Where there is an accidental damage to a motor car, the cost of repairing or replacing the vehicle is the ...  
(a) financial value of the risk                      (b) exponential value of the risk  
(c) pure value of the risk                      (d) fundamental value of the risk
7. One of these is an example of fundamental risk.  
(a) The risk of machinery breakdown  
(b) The risk of injury to employees at work  
(c) The risk of earthquake to a city  
(d) All of the above
8. Risks that tend to affect whole countries, regions or communities are classified as ... risks.  
(a) environmental                      (b) fundamental                      (c) classified                      (d) pure
9. Risks that are localised or even personalised in their cause and effect are known as ...  
(a) fundamental                      (b) speculative                      (c) particular                      (d) pure
10. For a risk to be insurable, it must ...  
(a) be foreseen                      (b) have insurable interest  
(c) not be against public policy                      (d) be unforeseen
11. For an event to be insurable, it must be fortuitous so far as the ... is concerned.  
(a) insurer                      (b) insured                      (c) reinsurer                      (d) third party

12. If it gives rise to loss, it is a ...  
 (a) hazard                      (b) peril                      (c) risk                      (d) all of the above
13. The construction of the property is an example of ...  
 (a) moral hazard                      (b) peril  
 (c) physical hazard                      (d) all of the above
14. A discussion on attitude and behavior of people rests on one of the following.  
 (a) Physical Hazard                      (b) Moral Hazard  
 (c) Peril                      (d) All of the above
15. The risk transfer mechanism is a ... function of insurance.  
 (a) primary                      (b) secondary                      (c) tertiary                      (d) higher grade
16. A small fixed sum retained by the insured is called ...  
 (a) retention                      (b) surplus                      (c) line                      (d) excess
17. A policy issued to provide cover for material property such as buildings, contents and stock is a ... policy.  
 (a) fire and special perils                      (b) stock in trade policy  
 (c) material consequential loss                      (d) stock and content
18. An insurance for individuals, families and businesses to enable them to meet the cost of seeking legal advice or pursuing/defending civil actions is known as ... insurance.  
 (a) legal representation                      (b) legal expenses  
 (c) legal defence                      (d) lawyers' expenses
19. Under a particular class of insurance, the term freight can be used for goods being carried. This class will be one of the following.  
 (a) Marine Insurance                      (b) Maritime Adventure  
 (c) Aviation Insurance                      (d) Space Insurance
20. Critical illness insurance is a type of health insurance which provides cover for all the following except ...  
 (a) payments for inability to work due to sickness  
 (b) fixed benefits for individuals who suffer an accident, are ill or lose their jobs  
 (c) payment in the event of the diagnosis of a defined range of illnesses  
 (d) None of the above
21. A company wishing to transact insurance in Nigeria must be authorised by ...  
 (a) ILAN                      (b) RIMSON                      (c) NIA                      (d) NAICOM
22. Proprietary companies, mutual companies and captive companies are all types of ...  
 (a) insurance by function                      (b) insurance by ownership  
 (c) (a) only                      (d) both (a) and (b)

23. Companies that are licenced to transact both general and life assurance businesses are known as ...  
 (a) combined insurance (b) specialist insurers  
 (c) composite insurance (d) all of the above
24. One of these is not a stranger to Takaful insurance.  
 (a) Shared Responsibility (b) Common Interest  
 (c) Proximate Cause (d) Solidarity
25. One of these is not a component of marketing mix.  
 (a) Price (b) Production (c) Place (d) Promotion
26. The distribution channels used for insurance can be divided into ... main parts.  
 (a) one (b) two (c) three (d) four
27. Considering the indirect marketing channels, one of the following is odd to the function of the intermediaries.  
 (a) Provide advice on the best premium available  
 (b) Provide advice on the range of cover  
 (c) Provide advice on the extent to which the product meets their clients' demands  
 (d) Provide advice on the reasonable claim amount to pay
28. One of the following is not offered as an advantage of Bancassurance.  
 (a) Opportunities for joint product development  
 (b) Market development  
 (c) Improving value chain efficiency  
 (d) None of the above
29. When reinsurance is arranged on a single known risk, it is called ...  
 (a) treaty reinsurance (b) facultative reinsurance  
 (c) excess of loss reinsurance (d) all of the above
30. When insurers decide to begin to underwrite a new class of business they must register their intention to do so with ...  
 (a) NIA (b) NCRIB (c) CIIN (d) NAICOM
31. An individual who majors in investigating and adjusting claims from start to finish while acting for the insurer is a ...  
 (a) claims manager (b) reinsurance manager  
 (c) claims manager (a) loss adjuster
32. With respect to claim situation, a surveyor's role involves all but one of the following.  
 (a) Giving advice on the immediate action necessary  
 (b) Making recommendations as to any underwriting action necessary  
 (c) Paying well-adjusted and genuine claims

(d) Establishing whether previously advised requirements made by insurer have been complied with.

33. Compliance officers of financial services companies must report to ...  
(a) the Managing Director (b) the Board of Directors  
(c) the Executive Director (d) the Technical Officer
34. An individual who works within the firms to monitor and evaluate how well risks are being managed is called ...  
(a) compliance officer (b) external auditors  
(c) internal auditors (d) risk manager
35. The trade association of practicing reinsurance companies in Nigeria is known as ...  
(a) Practical Reinsurance Association of Nigeria (PRAN)  
(b) Professional Reinsurers Association of Nigeria (PRAN)  
(c) Professional Reinsurers Agents of Nigeria (PRAN)  
(d) Professional Reinsurers Associates of Nigeria (PRAN)
36. All parties to a contract must act in ...  
(a) excellent faith (b) good faith (c) bad faith (d) all of the above
37. Postal acceptance rule applies if the letter is delayed, lost or destroyed in the post and never reaches the offeror. This is established in the case of ...  
(a) Musgrove v. Pandelis (b) Curie v. Misa  
(c) Household Fire Insurance Co. v Grant  
(d) Comprehensive Fire Insurance v. Oliver Grantt
38. If the thing is described as each person's side of the bargain which supports the contract, it is ...  
(a) offer (b) acceptance (c) consensus (d) consideration
39. The main exception to a policyholder's right is ...  
(a) travel insurance for less than one month  
(b) baggage insurance for less than one month  
(c) All of the above (d) A only
40. If a fraudulent claim is made, one of the following is not an option.  
(a) The insurer is not liable to pay the claim  
(b) The insurer can recover any amounts already paid for the claim  
(c) The insurer must pay the claim if the client has been with the company for a long time  
(d) The insurer can choose to terminate the contract from the date of the fraudulent act.
41. A cover which provides fixed benefits mainly for accident and sickness is called a ...  
(a) fixed accident policy (b) fixed benefit policy  
(c) benefit policy (d) fixed sickness policy

42. Agency can arise in one of the following ways.  
 (a) Ramification (b) Accord (c) Consent (d) Content
43. The means of express appointment where the terms of the appointment are written down under the Agent/Principal relationship is called agency by ...  
 (a) ratification (b) necessity (c) agreement (d) content
44. An independent intermediary is considered to be the agent of the insured in all the following except one alternative?  
 (a) When giving advice on cover or placing of insurance  
 (b) When helping to arrange insurance  
 (c) When adjusting the claim when it arises  
 (d) When giving advice to the insured on how to make a claim or assisting them with it.
45. One of the following is not a duty of an agent to his principal.  
 (a) Obedience (b) Good Faith  
 (c) Personal Performance (d) Indemnity
46. With reference to agency and agreements all terms of business agreements must...  
 (a) be clear and succinct  
 (b) reflect that business relationship  
 (c) be clear but not necessarily succinct  
 (d) define and allocate responsibilities and rights
47. A case buttressing subject matter of the contract is ...  
 (a) Castellian v. Preston (1883) (b) Castellain v. Presting (1883)  
 (c) Castellain v. Preston (1883)  
 (d) Candlewood v. St. Augustine Links (1884)
48. The codifying law which stated that any marine insurance contract was void in the absence of insurable interest at the time of loss is ...  
 (a) Marine Insurance Act 1906 (b) Marine Insurance Act 1908  
 (c) Marine Insurance Law 1908 (d) None of the above
49. If insurable interest is so important in insurance and there is a provision that there need not be insurable interest at the time of claim which class of insurance may we be referring to?  
 (a) Motor Insurance Comprehensive Policy (b) Aviation Insurance  
 (c) Life Assurance (d) Marine Insurance
50. Where the rule that insurable interest must exist both at inception and at the time of loss applies, it must be in ... contracts  
 (a) life assurance (b) general insurance  
 (c) marine insurance (d) all insurance contracts
51. When the story is told of an individual causing injury to another through his own negligence with respect to insurable interest, we are referring to insurable interest arising under ...





**SECTION B - ATTEMPT ALL QUESTIONS (Questions from 61 to 85)  
Answer True (T) or False (F).**

61. Satellite insurance is a specialised branch of marine insurance.
62. One thing that stands partnerships out is that they have separate legal existence.
63. A company wishing to transact insurance in Nigeria must be authorised by NAICOM.
64. Takaful is a type of insurance that has its roots in the Islamic and Christian financial services industries.
65. The task of the underwriter is to manage the pool effectively and profitably as possible.
66. Loss adjusters and claims assessors are same.
67. ARIAN is the Association of all registered individual insurance agents and loss adjusters in Nigeria.
68. A contract lacking any of the essentials of a valid contract is said to be void abinitio.
69. In order to be valid, a contract must be supported by consideration.
70. The payment of money is the only form of consideration for one of the parties to a contract.
71. A policyholder has the choice to cancel without penalty and without giving any reason for most insurance purchased at a distance.
72. An agent has not earned his commission until the contract has been signed.
73. In the Nigerian insurance industry, the 2003 Insurance Act still remains the only instrument guiding insurable interest.
74. The principle of utmost good faith applies equally to both the proposal and the insurance throughout the contract.
75. It is important that the insured makes full and complete disclosure of all material facts.
76. Insurance history looks at previous refusals to insure by other insurers.
77. Proximate cause is the dominant cause.
78. It is established that not all contracts of insurance are policies of indemnity.
79. The most common example of replacement as a means of providing indemnity is “engineering insurance”.

80. In a valued policy, the insurable value is agreed between the insured and the third party.
81. Betterment is the term used for any improvements that may result from the repair or reconstruction.
82. New for old cover modifies the principle of indemnity by making slight allowance for wear and tear.
83. Whenever the policy wording does not restrict the agreed value to total losses, the partial losses will be dealt with on a proportionate basis.
84. Independent liability method is used for calculating contribution in liability insurances.
85. The name given to the residual value of subject matter of insurance considered to be beyond economic repairs is salvage.

**SECTION C – ATTEMPT ALL QUESTIONS (Questions 86 – 100)**

**Read the cases below carefully and answer the questions which follow.**

“Some rights, interest, profit or benefit according to one party or some forbearance, detriment, loss or responsibility given, suffered or undertaken by the other”

86. The above quotation rests generally on the subject of ...
  - (a) agency
  - (b) contract
  - (c) utmost good faith
  - (d) all of the above
87. The quotation is the definition of ...
  - (a) offer
  - (b) agency
  - (c) consideration
  - (d) utmost good faith
88. More specifically, it applies to essentials of ...
  - (a) agency
  - (b) utmost good faith
  - (c) a valid contract
  - (d) a valid indemnity
89. Mention the case which established the quotation.
  - (a) Curry v. Maysa
  - (b) Curry v. Myssa
  - (c) Kuri v. Musa
  - (d) Curie and Misa
90. Who of the parties is responsible to part with your identified answer to the question of ‘more specific’ above?
  - (a) Offeree
  - (b) Offeror
  - (c) Both Parties
  - (d) None of the above

In a particular case of X v. Y, the insurers made a settlement of ₦72,000.00, however, there was a long period of time between the payment of the claim and the recovery from third party and there had been changes in the currency rates of exchange. Consequently, the insured actually recovered ₦127,000.00.

91. What principle of insurance is evident in the above scenario?  
 (a) Proximate Cause (b) Utmost Good Faith  
 (c) Subrogation (d) Contribution
92. State the case in the above scenario.  
 (a) Godsall v. Boldero (b) Burnard v. Rodocanachi  
 (c) Yorkshire Insurance Co. v. Nisbet Shipping Co. Limited  
 (d) Castellain v. Preston
93. The principle is called a corollary of ...  
 (a) contribution (b) subrogation  
 (c) indemnity (d) insurable interest
94. One of the alternatives below does not reflect how the principle identified in the above scenario arise.  
 (a) Statute (b) Court Order (c) Tort (d) Contract
95. What was the decision in the decided case?  
 (a) It was held that the insurers were only entitled to ₦72,000.00  
 (b) It was held that the insured were entitled to ₦72,000.00  
 (c) It was held that the insured should keep both the ₦127,000.00 and the ₦72,000.00  
 (d) None of the above

In a motor insurance cover, one of the terms was to apply an excess of ₦500,000.00 or 10% of claim whichever is greater for a vehicle valued ₦10,000,000.00 in the event of a loss. There was actually a reported claim of ₦1,000,000.00 which was adjusted to ₦700,000.00.

96. How much will the insured bear first of all?  
 (a) ₦1,000,000.00 (b) ₦700,000.00  
 (c) ₦500,000.00 (d) None of the above
97. How much will the insurance company pay the insured?  
 (a) ₦300,000.00 (b) ₦700,000.00  
 (c) ₦9,500,000.00 (d) None of the above
98. If the claim is adjusted to ₦650,000.00 how much will the insurance company pay the insured?  
 (a) ₦150,000.00 (b) ₦500,000.00  
 (c) ₦650,000.00 (d) None of the above
99. If the claim is ₦1,200,000.00, how much will the insured bear?  
 (a) ₦120,000.00 (b) ₦1,200,000.00  
 (c) ₦1,080,000.00 (d) None of the above
100. Assuming the value of the vehicle is ₦12,000,000.00, how much will the insurer pay the insured in the initial scenario?  
 (a) ₦1,000,000.00 (b) ₦1,200,000.00  
 (c) ₦ 700,000.00 (d) None of the above.

**Chief Examiner's Comment**

This diet's performance was just average with 51% pass rate. While it could be said that the performance is fair, there is plenty room for candidates to improve on their performances.

**Comments on Overall Performance**

Overall performance was average at 51% pass rate.

**Suggestion(s) on Improvements**

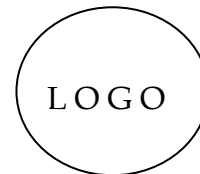
Candidates are advised to study as individuals and on group basis. They might learn to read in line, understand the principles, and most importantly, read ahead of examination.

**F01 - INSURANCE, LEGAL & REGULATORY**

<b>1</b>	D	<b>21</b>	D	<b>41</b>	C	<b>61</b>	F	<b>81</b>	T
<b>2</b>	C	<b>22</b>	B	<b>42</b>	C	<b>62</b>	F	<b>82</b>	F
<b>3</b>	B	<b>23</b>	C	<b>43</b>	C	<b>63</b>	T	<b>83</b>	T
<b>4</b>	A	<b>24</b>	C	<b>44</b>	C	<b>64</b>	F	<b>84</b>	T
<b>5</b>	C	<b>25</b>	B	<b>45</b>	D	<b>65</b>	T	<b>85</b>	F
<b>6</b>	A	<b>26</b>	B	<b>46</b>	C	<b>66</b>	F	<b>86</b>	B
<b>7</b>	C	<b>27</b>	D	<b>47</b>	C	<b>67</b>	F	<b>87</b>	C
<b>8</b>	B	<b>28</b>	D	<b>48</b>	A	<b>68</b>	T	<b>88</b>	C
<b>9</b>	C	<b>29</b>	B	<b>49</b>	C	<b>69</b>	T	<b>89</b>	D
<b>10</b>	D	<b>30</b>	D	<b>50</b>	B	<b>70</b>	F	<b>90</b>	C
<b>11</b>	B	<b>31</b>	D	<b>51</b>	A	<b>71</b>	T	<b>91</b>	C
<b>12</b>	B	<b>32</b>	C	<b>52</b>	A	<b>72</b>	T	<b>92</b>	C
<b>13</b>	C	<b>33</b>	B	<b>53</b>	B	<b>73</b>	T	<b>93</b>	C
<b>14</b>	B	<b>34</b>	C	<b>54</b>	C	<b>74</b>	T	<b>94</b>	B
<b>15</b>	A	<b>35</b>	B	<b>55</b>	C	<b>75</b>	T	<b>95</b>	D
<b>16</b>	D	<b>36</b>	B	<b>56</b>	B	<b>76</b>	T	<b>96</b>	C
<b>17</b>	A	<b>37</b>	C	<b>57</b>	A	<b>77</b>	T	<b>97</b>	D
<b>18</b>	B	<b>38</b>	D	<b>58</b>	A	<b>78</b>	T	<b>98</b>	A
<b>19</b>	A	<b>39</b>	C	<b>59</b>	A	<b>79</b>	F	<b>99</b>	D
<b>20</b>	B	<b>40</b>	C	<b>60</b>	B	<b>80</b>	F	<b>100</b>	D

F02

CHARTERED INSURANCE INSTITUTE OF NIGERIA



**All answers should be shaded on the answer form in accordance with the following instructions:**

- Two hours are allowed for this paper.
- Fill in the information requested on the answer form and attendance form.
- Handle the answer form with care and do not write notes on it.
- No marks are deducted for incorrect answers, so do not leave any questions unanswered.
- The answer form should be handed over personally by you to the invigilator before you leave the Examination Hall.
- Insert your candidate's number as given on your admission permit and any other particulars required on the answer form.
- Ensure that you write the full and correct candidate's number.
- If you bring a calculator into the examination room, it must be silent battery or solar powered non-programmable calculator. The use of programmable calculator is prohibited.
- No name should be written on the answer form.

**FAILURE TO ADHERE TO INSTRUCTIONS (WRITTEN AND VERBAL)  
WILL ATTRACT STATED SANCTIONS AS STATED IN THE APRIL 2023  
DIET CANDIDATES' INSTRUCTIONS.**

**CHARTERED INSURANCE INSTITUTE OF NIGERIA**  
**FOUNDATION**

F02 – GENERAL INSURANCE BUSINESS

**INSTRUCTIONS TO CANDIDATES**

**READ THE INSTRUCTIONS BELOW BEFORE ANSWERING ANY QUESTIONS**

**Section A**

The questions 1 – 60 in this paper are numbered and four options follow each question. The options are labeled a,b,c,d. Only one of these options is correct. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

**Example:**

A comprehensive motor insurance policy would provide cover for:

- (a) Accidental damage to the vehicle
- (b) Wear and tear and depreciation
- (c) Mechanical and electrical failure or breakdown
- (d) Damage to tyres caused by road punctures or

The correct option is (a).

**Section B**

Questions 61 – 85 are to be answered as either True (T) or False (F). Select your chosen option and indicate it on the answer form by filling in the appropriate box.

**Example:**

A comprehensive motor insurance policy would provide cover for all types of accidental damages without any exclusion (True or False).

The correct option is False (F).

**Section C**

Questions 86 – 100. This section contains three (3) case studies each followed by five questions. The case studies are not numbered and appear at the top of the page. Each of the five questions following a case study is numbered. Four options follow each question. The options are labelled, a, b, c, d. Only one of these options is correct or best. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.



## SECTION A - ATTEMPT ALL QUESTIONS (Questions 1 – 60)

1. Which of these is NOT a class of motor insurance?  
(a) Private Cars (b) Goods-in-Transit (c) Motor Cycles (d) Commercial vehicles
2. The levels of cover available will include all except ...  
(a) Road Traffic Act only (b) Third Party only  
(c) Third Party, Fire and Theft (d) Standard
3. The provision that where an insurer requires an insured to complete a proposal form, it shall be done in a certain manner is contained in Section ... of the Insurance Act 2003.  
(a) 54(1) (b) 54(2) (c) 64(1) (d) 64(2)
4. The widest cover in Motor insurance is ...  
(a) Road Traffic Act (b) Standard (c) Third party (d) Comprehensive
5. Which of these policies will cover an 'own damage' loss?  
(a) Road Traffic Act only (b) Standard  
(c) Third Party only (d) Comprehensive
6. In which of these levels of motor insurance cover will you allot a "young or inexperienced drivers excess"?  
(a) Road Traffic Act only (b) Standard  
(c) Third Party only (d) Comprehensive
7. Cover for 'election' risk is regarded as?  
(a) Comprehensive (b) Standard  
(c) Optional extension (d) Road Traffic Act
8. Which of the following does not form part of the cover that is provided under a comprehensive private motor insurance policy?  
(a) Accidental damage to the insured vehicle  
(b) Driver's personal accident  
(c) Recovery of a vehicle after breakdown  
(d) Recovery of a vehicle to a repairer after an accident
9. Under a third party only motor cycle policy, what cover is provided as standard?  
(a) Damage to clothing and personal effects (b) Emergency treatment fees  
(c) Medical expenses (d) Personal accident benefits
10. Goods being carried by vehicles will be covered by ...  
(a) commercial vehicles insurance (b) motor trade insurance  
(c) goods-in transit insurance (d) private car insurance
11. Which of these policies that could pay disablement benefit due to ill-health?  
(a) Sickness Insurance (b) Medical Expenses Insurance  
(c) Theft Insurance (d) Fidelity Guarantee

12. ... may be used to provide compensation in the event of death or serious injury by accident, and to mitigate against loss of income and additional expenses.
- (a) Fidelity guarantee (b) Money insurance  
(c) Sickness insurance (d) Personal accident insurance
13. Which of these will provide cover for individuals who seek medical treatment outside the NHS?
- (a) Sickness Insurance (b) Personal Accident Insurance  
(c) Medical Expenses Insurance  
(d) Personal Accident and Sickness Insurance
14. Which of these could be used to describe “a contract to pay a sum of money in the event of a certain contingency, irrespective of whether the insured sustains a direct financial loss”?
- (a) Indemnity Policy (b) Policy of Subrogation  
(c) Policy of Contribution (d) Benefit Policy
15. Sickness cover will exclude sickness contracted within the first .... days of the commencement of the policy period.
- (a) 10 (b) 21 (c) 30 (d) 40
16. Which of these will pay a percentage of the sum in the event of a loss of toes or fingers?
- (a) Permanent Partial Disablement (b) Temporary Total Disablement  
(c) Permanent Total Disablement (d) Temporary Partial Disablement
17. Which of these is NOT covered by medical expenses insurance?
- (a) Hospital Charges (b) Self-Inflicted Injury  
(c) Specialist Fees (d) Additional Costs
18. Under which circumstance(s) will the benefits from medical expenses policy become payable?
- (a) When unable to work due to accident (b) When unable to work due to illness  
(c) On diagnosis of a critical condition (d) On undergoing minor surgery
19. An example of package policy is?
- (a) Motor Insurance (b) Goods-in-Transit Insurance  
(c) Theft Insurance (d) Travel insurance
20. The two options for settlement of household claims where the items are irreparable are:
- (a) indemnity and contributions (b) indemnity and subrogation  
(c) indemnity and proximate cause (d) indemnity and new for old
21. Items like television and beddings will be covered in which section of a household insurance?
- (a) Building Insurance (b) Deductible Insurance  
(c) Content Insurance (d) All of the above

22. Building in household insurance will include all except ...  
 (a) shed (b) double glazer (c) greenhouses (d) fence and paths
23. The form of special perils that arise where an aircraft crashed landed on a building is called?  
 (a) Aircraft Liability (b) Impact Damage  
 (c) Ground Heave (d) Landslip
24. "No picture or other work of art, stamp collection, precious metal, jewellery or fur will be treated as being of greater value than, say 5% of the total contents sum insured". What is this called?  
 (a) Simple Article Limit (b) Multiple Article Limit  
 (c) Valuable Limit (d) Non-Valuable Limit
25. A policy that will cover every risk except those specifically excluded is called?  
 (a) Combined Policy (b) Household Policy  
 (c) Package Policy (d) "All Risks" Policy
26. Which of these is not covered under a money policy?  
 (a) Luncheon Vouchers (b) Travel Tickets  
 (c) Premium Bonds (d) Lottery Tickets
27. Small craft defined as vessels not exceeding 16 feet (5 metres) overall and with design speed not exceeding 17 knots are covered, through a/an ...  
 (a) "all risks" policy (b) comprehensive (c) third party only (d) goods in transit
28. In travel insurance, where the cover is not an annual policy, cover provided will be for .... month(s).  
 (a) one (b) three (c) six (d) nine
29. Which of these will cover delay of the aircraft, ship, e.t.c., in which the insured has arranged travel for at least 12 hours of original departure time due to strike, industrial action, e.t.c?  
 (a) Travel Interruption (b) Travel Delay  
 (c) Failure of the organisers (d) Lack of services or amenities
30. John's travel insurance policy provides cover under all sections for him and his family. Which of the following occurrence can he NOT claim for under his policy?  
 (a) Theft from his home while away on holiday  
 (b) Bring home his son's dead body  
 (c) Delay in departure of holiday flight  
 (d) Loss of his daughter's limb whilst on holiday
31. An insurance document, which brings together fire, special perils, theft, business interruption, money and other types of insurance for small business, in a single contract is known as ...  
 (a) an 'all risk' policy (b) an open cover  
 (c) a trader's combined policy (d) a collective policy

32. The fire policy covers damage to property caused by ...  
 (a) lightning (b) explosion resulting from fire  
 (c) earthquake or subterranean fire (d) its own spontaneous fermentation
33. ... is an example of social perils.  
 (a) Explosions (b) Strikers (c) Ground Heave (d) aircraft
34. Which of these is an example of miscellaneous perils?  
 (a) Heating (b) Locked-Out Workers (c) Aircrafts (d) Explosions
35. If an excess of ₦250.00 applies, how much would the insurer pay in the loss of ₦375.00?  
 (a) Nil (b) ₦125.00 (c) ₦250.00 (d) ₦375.00
36. Which of these is not an optional extension in "theft" insurance?  
 (a) Breakage of Glass (b) Replacement of locks  
 (c) Index Linking (d) Theft of a radio while on the premise
37. In the Nigerian Insurance Act 2003 sections ... provides for insurable interest.  
 (a) 56 and 57 (b) 57 and 58 (c) 50 and 51 (d) 68 and 69
38. For theft of shop stock to be covered under a standard theft policy, there would only usually need to be:  
 (a) forcible and violent entry or exit (b) forcible and violent entry and exit  
 (c) forcible or violent entry or exit (d) forcible or violent entry and exit
39. Which of these is NOT part of the group legal benefit policies under legal expenses insurance?  
 (a) Employment Cover (b) Personal Cover  
 (c) Motor Cover (d) Criminal Prosecution Defence Cover
40. Material damage warranty is found in which of these classes of insurance?  
 (a) Motor Insurance (b) Fidelity Guarantee  
 (c) Money Insurance (d) Business Interruption Insurance
41. The most common business interruption policies will exclude ...  
 (a) general accident (b) fire and special perils  
 (c) 'all risks' (d) engineering
42. Which of these policies will pay compensation to a staff who suffered injury in course of his official assignment?  
 (a) Public Liability Insurance (b) Employers' Liability Insurance  
 (c) Products Liability Insurance (d) Directors' and Officers' Insurance
43. "Any person who is under a contract of service or apprentice" is a/an ...  
 (a) contractor (b) employer (c) insured (d) employee

44. With which of the following types of loss will the insured loss recovery services under a comprehensive motor policy NOT assist the insured?  
 (a) loss of use of the vehicle whilst being repaired (b) personal injury  
 (c) policy excess (d) repairs to the insured vehicle
45. Which of the following must a proposer disclose?  
 (a) Facts of law (b) Facts of public knowledge  
 (c) Facts that increase the risk (d) Facts where the insurer has waived its right
46. The rehabilitation period for a probationary order under the Rehabilitation of Offenders Act 1974 is .... year(s) of completion.  
 (a) one (b) four (c) five (d) seven
47. ... hazard relates to the human aspects that may influence the outcome of risk.  
 (a) Moral (b) dynamic (c) good physical (d) bad physical
48. General questions will NOT include ...  
 (a) proposer's address (b) proposer's age  
 (c) details of past insurance history (d) building construction
49. Which of these documents will contain questions pertaining to a risk being offered for insurance?  
 (a) proposer form (b) policy (c) certificate (d) cover note
50. "Declaration" will be found in which of these documents?  
 (a) Proposal Form (b) Policy (c) Certificate (d) Cover Note
51. Slip is commonly used in what class of insurance?  
 (a) Motor insurance (b) Money Insurance  
 (c) Marine Insurance (d) Fire Insurance
52. ... is regarded as the eyes and ears of the underwriter.  
 (a) Broker (b) Assessor (c) Risk Surveyor (d) Police
53. Adjustable premium is commonly used in ... insurances.  
 (a) fire and marine (b) theft and fidelity guarantee  
 (c) motor and general accident (d) employers' liability and stock declaration
54. Rate per mille will be used in ... insurance.  
 (a) product liability (b) motor (c) fire (d) general accident
55. The full value of a small television is ₦2,000.00. The insurer sets a rate percent of 10%. What will be the premium?  
 (a) ₦2.00 (b) ₦20.00 (c) ₦200.00 (d) ₦2,000.00
56. The A to Z Manufacturing Company is a company that produces spare car parts. Its turnover is ₦28,000,000.00 per year. Ectasy Insurance Company offers products liability insurance

for a limit of indemnity of ₦2,000,000.00 at a rate of 0.5 per mille on turnover. If A to Z wishes to increase the limit to ₦5,000,000.00 Ectasy has quoted an increased rate of 0.7 per mille. Calculate the premium for a proposal of ₦2,000,000.00 limit of indemnity?

(a) ₦19,600.00 (b) ₦14,000.00 (c) ₦196,000.00 (d) ₦140,000.00

57. ... is a document issued as evidence that insurance has been granted, pending the issuance of a policy or endorsement.  
(a) Cover note (b) Certificate (c) Policy document (d) Renewal notice
58. Which of these documents is required by law to be issued under a compulsory insurance?  
(a) Cover note (b) Certificate (c) Policy document (d) Renewal notice
59. Which of these is not found in a certificate of insurance?  
(a) Name of Policyholder (b) Commencement Date  
(c) Expiry Date (d) Address
60. A factory owner insures the factory for ₦300,000.00. The factory catches fire, sustaining damage to the amount of ₦100,000.00. The insurer calculates that the true value of the property is in fact ₦400,000.00. How much will the factory owner be paid?  
(a) ₦75,000.00 (b) ₦100,000.00 (c) ₦300,000.00 (d) ₦400,000.00

**SECTION B - ATTEMPT ALL QUESTIONS (Questions from 61 to 85)  
Answer True (T) or False (F).**

61. There are eight internationally acceptable principles of insurance.
62. Third party, fire and theft give the widest cover in motor insurance.
63. Loss of use is an optional extension in comprehensive motor insurance.
64. In specified rider insurance, the subject-matter of insurance is the rider rather than the motor cycle.
65. Buses and coaches are examples of vehicles of special construction.
66. Insurance companies are also broking firms.
67. In permanent total disablement, compensation is usually in the form of a capital sum of an annuity.
68. When an insured is unable to work due to accident, the medical expenses policy benefit will become payable.
69. New for old (or reinstatement) is a basic feature of household insurance.
70. Theft or attempted thereof is not covered under the household policy.

71. An 'all-risks' policy will cover every risk except those specifically excluded.
72. A standard fire policy will cover storm.
73. Escape of water is a peril of nature.
74. The peril insured against under sprinkler leakage is accidental escape of water of water from any automatic sprinkler installation.
75. Flood cover is only granted in conjunction with storm cover.
76. Under insurance is allowed in commercial theft insurance.
77. Glass insurance is an "All Risk" policy.
78. Money insurance is on an "all-risks" basis, covering all risks of loss or destruction of or damage to money in different situation.
79. Legal expenses insurance is to provide indemnity for costs arising out of the need to seek legal advice or to pursue or defend a civil action.
80. General accident is a form of business interruption.
81. Material damage warranty is commonly used in money insurance.
82. Public liability insurance will pay compensation to employees.
83. Public liability policy is an "open" policy as against a "specific" policy.
84. A butcher will buy professional indemnity policy against his liability to his customers.
85. Specialist surveyors are sometimes used to carry out surveys or provide advice upon employers' liability risk.

**SECTION C – ATTEMPT ALL QUESTIONS (Questions 86 – 100)**

**Read the cases below carefully and answer the questions which follow.**

An aircraft travelling from Sun to Moon crashed at Star Island. It damages properties and killed four people on ground and another ten who were passengers in the aircraft.

86. The policy that the aircraft must have is ...
- |                          |                                |
|--------------------------|--------------------------------|
| (a) “all risk” insurance | (b) passengers’ insurance      |
| (c) aviation insurance   | (d) public liability insurance |
87. Which personal line insurance would protect Mr. Monday Jack whose building was also damaged?
- |                                 |                                       |
|---------------------------------|---------------------------------------|
| (a) Motor Insurance             | (b) Aviation Insurance                |
| (c) Personal Accident Insurance | (d) Fire and Special Perils Insurance |
88. The particular risk covered by the personal line insurance is called ...
- |                |                                       |
|----------------|---------------------------------------|
| (a) collusion  | (b) aircraft and other aerial devices |
| (c) subsidence | (d) ground heave                      |
89. The section of the Aircraft insurance that covers damage to third parties is ...
- |                                   |                              |
|-----------------------------------|------------------------------|
| (a) control tower section         | (b) public liability section |
| (c) passengers’ liability section | (d) general risk section     |
90. The section that provides cover to the passengers in the aircraft is ...
- |                                   |                              |
|-----------------------------------|------------------------------|
| (a) control tower section         | (b) public liability section |
| (c) passengers’ liability section | (d) general risk section     |

Joyce Mohammed is a tenant at 14 Allen Street, Maryland, Lagos State, Nigeria and had insured the building and content without disclosing to the insurer her relationship with the building. The intention for doing so was that in the event of a loss she would be paid by the insurer and she would use the money to build her own house.

91. Which insurance principle that prevents her to insure the building?
- |                        |                     |
|------------------------|---------------------|
| (a) Insurable Interest | (b) Proximate Cause |
| (c) Contribution       | (d) Subrogation     |
92. The section of a household insurance policy which will cover a building is the ... section.
- |             |              |                         |              |
|-------------|--------------|-------------------------|--------------|
| (a) content | (b) building | (c) “all risks” section | (d) property |
|-------------|--------------|-------------------------|--------------|
93. Which section of the household policy will pay for loss of Joyce’s diamond necklace?
- |                         |                      |
|-------------------------|----------------------|
| (a) Content Section     | (b) Building Section |
| (c) “All Risks” Section | (d) Property Section |
94. Which section of the household policy will pay for the loss of a television set?
- |                         |                      |
|-------------------------|----------------------|
| (a) Content Section     | (b) Building Section |
| (c) “All Risks” Section | (d) Property Section |



95. If Joyce is the owner and occupier of the house, which section will cover all her insurable risks?
- (a) Content Section (b) Building Section  
(c) "All Risks" Section (d) Property Section

All Seasons' Supermarket has approached you for insurance of the contents of its store which is situate at Agbado Island, Otuoke, Bayelsa State, Nigeria. The contents of the supermarket fluctuate as a result of trading activities. The actual value of the content at inception was ₦600,000.00 but the owner decided to insure for ₦500,000.00. The rate for the risk is 0.23% and there was an excess of ₦5,000.00 on the policy for any loss.

96. Which policy will be best suitable for the insurance of the supermarket as a result of the fluctuations?
- (a) Money Insurance (b) Stock Declaration Policy  
(c) Fidelity Guarantee (d) Theft Insurance
97. The penalty for underinsurance is called what?
- (a) Subrogation (b) Contribution (c) Average (d) Indemnity
98. How much will the insurer pay to the insured on an adjusted loss amount of ₦6,000.00?
- (a) Nil (b) ₦1,000.00 (c) ₦5,000.00 (d) ₦6,000.00
99. Calculate the actual premium payable if he had insured for the full value of the contents?
- (a) ₦1,159.00 (b) ₦1,380.00 (c) ₦2,760.00 (d) ₦4,000.00
100. In case of an adjusted loss amount of ₦100,000.00, with a waiver of the excess on the policy, how much will the insured be paid?
- (a) ₦83,000.00 (b) ₦100,000.00 (c) ₦183,000.00 (d) ₦500,000.00

**Chief Examiner's Comment**

Candidates performed below average. Candidates should be encouraged to prepare ahead of the examinations.

**Comments on Overall Performance**

The 2023 April diet examination performance was average with 51.29% pass rate.

**Suggestion(s) on Improvements**

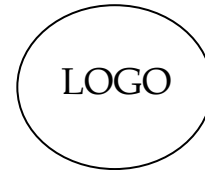
Candidates are advised to prepare well and study their course books before writing the examination.

<b>F02 - GENERAL INSURANCE BUSINESS</b>									
<b>1</b>	B	<b>21</b>	C	<b>41</b>	A	<b>61</b>	F	<b>81</b>	F
<b>2</b>	D	<b>22</b>	B	<b>42</b>	B	<b>62</b>	F	<b>82</b>	F
<b>3</b>	A	<b>23</b>	A	<b>43</b>	D	<b>63</b>	T	<b>83</b>	T
<b>4</b>	D	<b>24</b>	A	<b>44</b>	C	<b>64</b>	T	<b>84</b>	F
<b>5</b>	D	<b>25</b>	D	<b>45</b>	C	<b>65</b>	F	<b>85</b>	T
<b>6</b>	D	<b>26</b>	D	<b>46</b>	A	<b>66</b>	F	<b>86</b>	C
<b>7</b>	C	<b>27</b>	A	<b>47</b>	A	<b>67</b>	T	<b>87</b>	D
<b>8</b>	C	<b>28</b>	B	<b>48</b>	D	<b>68</b>	T	<b>88</b>	B
<b>9</b>	B	<b>29</b>	B	<b>49</b>	A	<b>69</b>	T	<b>89</b>	B
<b>10</b>	C	<b>30</b>	A	<b>50</b>	A	<b>70</b>	F	<b>90</b>	C
<b>11</b>	A	<b>31</b>	C	<b>51</b>	C	<b>71</b>	T	<b>91</b>	A
<b>12</b>	D	<b>32</b>	A	<b>52</b>	C	<b>72</b>	F	<b>92</b>	B
<b>13</b>	C	<b>33</b>	B	<b>53</b>	D	<b>73</b>	F	<b>93</b>	C
<b>14</b>	D	<b>34</b>	C	<b>54</b>	A	<b>74</b>	T	<b>94</b>	A
<b>15</b>	B	<b>35</b>	B	<b>55</b>	A	<b>75</b>	F	<b>95</b>	B
<b>16</b>	B	<b>36</b>	D	<b>56</b>	A	<b>76</b>	F	<b>96</b>	B
<b>17</b>	B	<b>37</b>	A	<b>57</b>	A	<b>77</b>	T	<b>97</b>	C
<b>18</b>	D	<b>38</b>	A	<b>58</b>	B	<b>78</b>	T	<b>98</b>	A
<b>19</b>	D	<b>39</b>	B	<b>59</b>	D	<b>79</b>	T	<b>99</b>	B
<b>20</b>	D	<b>40</b>	D	<b>60</b>	A	<b>80</b>	F	<b>100</b>	A

**F03**

**CHARTERED INSURANCE INSTITUTE OF NIGERIA**

**FOUNDATION**  
F03 - LIFE ASSURANCE, ANNUITY  
AND PENSIONS ADMINISTRATION  
APRIL 2023 DIET



**All answers should be shaded on the answer form in accordance with the following instructions:**

- Two hours are allowed for this paper.
- Fill in the information requested on the answer form and attendance form.
- Handle the answer form with care and do not write notes on it.
- No marks are deducted for incorrect answers, so do not leave any questions unanswered.
- The answer form should be handed over personally by you to the invigilator before you leave the Examination Hall.
- Insert your candidate's number as given on your admission permit and any other particulars required on the answer form.
- Ensure that you write the full and correct candidate's number.
- If you bring a calculator into the examination room, it must be silent battery or solar powered non-programmable calculator. The use of programmable calculator is prohibited.
- No name should be written on the answer form.

**FAILURE TO ADHERE TO INSTRUCTIONS (WRITTEN AND VERBAL)  
WILL ATTRACT STATED SANCTIONS AS STATED IN THE APRIL 2023  
DIET CANDIDATES' INSTRUCTIONS.**

**CHARTERED INSURANCE INSTITUTE OF NIGERIA**

**FOUNDATION**

**F03 – LIFE ASSURANCE, ANNUITY AND  
PENSIONS ADMINISTRATION**

**APRIL 2023 DIET**

**INSTRUCTIONS TO CANDIDATES**

**READ THE INSTRUCTIONS BELOW BEFORE ANSWERING ANY QUESTIONS**

**Section A**

The questions 1 – 60 in this paper are numbered and four options follow each question. The options are labeled a,b,c,d. Only one of these options is correct. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

**Example:**

A life assurance policy is on ...the life of a person and not on a property, tor insurance policy would provide cover for:

- |                          |                              |
|--------------------------|------------------------------|
| (a) the life of a person | (b) the life of a valued pet |
| (c) the life of a minor  | (d) all of the above         |

The correct option is (a).

**Section B**

Questions 61 – 85 are to be answered as either True (T) or False (F). Select your chosen option and indicate it on the answer form by filling in the appropriate box.

**Example:**

A life assurance policy can be issued on the life of a minor (True or False).

The correct option is False (F).

**Section C**

Questions 86 – 100. This section contains three (3) case studies each followed by five questions. The case studies are not numbered and appear at the top of the page. Each of the five questions following a case study is numbered. Four options follow each question. The options are labelled, a, b, c, d. Only one of these options is correct or best. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

## SECTION A - ATTEMPT ALL QUESTIONS (Questions 1 - 60)

### Section A

1. Under a joint tenancy, if one joint tenant dies, the interest passes to ...  
(a) other survivor (b) brother (c) estate (d) family
2. Which of these cases did a father handed a policy to his son, requesting him to erect a tombstone out of the policy money on death.  
(a) Re: King, Sewell v. King (1879) (b) Re: Williams, Williams v. Ball (1917)  
(c) Castallian v. Preston (1883) (d) Thomas v. Harris (1947)
3. Which of these is an intermediary in a reinsurance market?  
(a) Pool (b) Management Companies (c) Captives (d) Direct Insurers
4. Risk transfer through risk pooling is called ...  
(a) reinsurance (b) bancassurance (c) insurance (d) savings
5. Joint life annuity is best used to provide benefits for a ...  
(a) single person (b) widow (c) married couple (d) divorce
6. Which of the following is not a type of retirement?  
(a) Early Retirement (b) Personal Retirement  
(c) Normal Retirement (d) Late Retirement
7. When a policy lapses, this means that the assured has ... the premium.  
(a) discounted (b) discovered (c) discontinued (d) denied
8. Term assurance provides cover against ... within ... period.  
(a) death/a specified (b) accident/an unlimited  
(c) accident/ a specified (d) death/an unlimited
9. In an endowment policy, the sum assured is paid ...  
(a) on maturity only  
(b) on death or surrender, whichever comes last  
(c) on maturity or death whichever comes first (d) on surrender only
10. In a policy with double accident benefit, the death sum assured payable is ...  
(a) the ordinary sum assured (b) twice the sum assured  
(c) thrice the sum assured (d) zero sum assured
11. Under the PPRA 2014, the ... shall bear the cost of the premium for the group life policy.  
(a) employer (b) employee (c) trustee (d) administrator
12. Underwriting in insurance involves assessing the ...  
(a) proposal form (b) insurer (c) claim (d) policy

13. The declaration in the proposal form must be signed by the ...  
(a) proposer (b) agent (c) insurance broker (d) financial planner
14. Classification of underwriting in life assurance will not include ...  
(a) non-medical underwriting (b) financial underwriting  
(c) medical underwriting (d) better underwriting
15. The standard exclusion in the policy document includes all except ...  
(a) suicide (b) HIV and AIDS  
(c) pregnancy and child birth (d) unintentional injury
16. In the Nigerian Insurance Act 2003 sections ... provides for insurable interest.  
(a) 56 and 57 (b) 57 and 58 (c) 50 and 51 (d) 68 and 69
17. Where a policyholder can no longer afford to pay the premiums on an endowment or whole life assurance, they may request for the policy to be ...  
(a) paid up (b) lapsed (c) changed (d) revived
18. Which of these is not a type of mortgage?  
(a) Second Mortgage (b) Transfer Mortgage  
(c) Popular Mortgage (d) Collateral Mortgage
19. An officer in the life office that accepts risks on behalf of his company is called ...  
(a) underwriter (b) marketer (c) CEO (d) policyholder
20. The standard grace period in life insurance is for ... days.  
(a) 30 (b) 21 (c) 60 (d) 90
21. A single life policy covers ...  
(a) only one life (b) anybody  
(c) an unmarried person (d) everybody
22. A contingent policy pays the sum assured when the assured ...  
(a) life assured dies  
(b) life assured does not die during the specified period  
(c) the life assured dies during the life time of another specified person  
(d) another specified person
23. Group life assurance enables employers to provide for dependants of employees who ... while in services  
(a) dies (b) retires (c) resigns (d) any of the above
24. Which of these is not a form of business assurance cover?  
(a) Partnership Share Protection (b) Directors' Share Protection  
(c) Key Person Insurance (d) Income Protection

25. The law in Nigeria that made group life assurance for employees for the first time is ...  
 (a) National Health Insurance Scheme 1999      ((b) Insurance Act 2005  
 (c) Pension Reform Act 2004                      (d) Employee Compensation Act 2020
26. The regulator of pensions in Nigeria is ...  
 (a) PENCOM      (b) NAICOM      (c) NICON      (d) NSITF
27. Which of these policies will pay the sum assured only if the assured dies during the period of the cover?  
 (a) term assurance                                      (b) whole life assurance  
 (c) endowment    (d) pure endowment
28. A form of term assurance which gives the assured the option to upgrade the policy to a higher cover is ...  
 (a) renewal term assurance                              (b) level term assurance  
 (c) convertible term assurance                              (d) decreasing term assurance
29. The life assurance policy that will pay the sum assured whenever death occurs is ...  
 (a) term assurance                                      (b) endowment assurance  
 (c) whole life assurance                                      (d) annuity contract
30. The individual that buys protection from a life office is officially called the ...  
 (a) insured      (b) assured      (c) beneficiary      (d) reinsurer
31. The first mortality table was constructed by ...  
 (a) John Graunt                                      (b) Rev Dr. Assheton  
 (c) James Dobson                                      (d) Edmond Halley
32. Mr. Ola took a policy on the life of Mr. Akpan having had a valid insurable interest, a scenario like this is called ...  
 a) simple life policy                                      (b) life of another policy  
 (c) joint life policy                                      (d) first death policy
33. Which of these types of cover is not part of the basic life assurance policy?  
 (a) Term Assurance                                      (b) Whole Life Assurance  
 (c) Endowment Assurance                                      (d) Annuity
34. Which of these is the simplest way of providing term assurance?  
 (a) Renewable Term Assurance                              (b) Family Income Protection  
 (c) Level Term Assurance                                      (d) Unit Linked Policies
35. Another name for equity is?  
 (a) Fixed Interest Fund                                      (b) Property Fund  
 (c) Ordinary Share                                      (d) Endowment



36. Which of these are referred to as bonds and are the simplest form of unit-linked policy?  
 (a) Non-Profit Whole Life Policies (b) Low-Cost Whole Life Policies  
 (c) Simple Premium Unit-Linked Whole Life Policies  
 (d) Regular Premium Unit-Linked Whole Life Policies
37. Which of these is not truly a life policy since it provided no life cover?  
 (a) Pure Endowments (b) Universal Life Policies  
 (c) Contingent Policies (d) Flexidowment
38. Which of these are riders to the basic life policies?  
 (a) Bolt-On Policies (b) Partnership Group Life Assurance  
 (c) Income Protection Insurance (d) Proportionate Benefit
39. Which of these will pay out the sum assured on the diagnosis of a life-threatening illness as well as death?  
 (a) Increasing Cover Option (b) Critical Illness Cover  
 (c) Terminal Illness Cover (d) Waiver of Premium Option
40. Which of these is referred to as the basis of life assurance contract?  
 (a) Policy (b) Endowment (c) Renewal Notice (d) Proposal Form
41. Which of these is considered in medical underwriting?  
 (a) General Practitioner's Report only (b) Medical Examination only  
 (c) both (a) and (b) above (d) neither (a) nor (b) above
42. Which of these is not part of occupations with above average risk of death by accident?  
 (a) Scaffolders (b) Trawlerman (c) Professional boxers (d) Publicians
43. Which of these is not a method for handling substandard risks?  
 (a) Decreasing the Extra Risk  
 (b) Charging Standard Life Rates for the Risk Under Limited Types of Policies  
 (c) Exclusions (d) Monetary extra
44. In which of the following is it assumed that the life of an x-years-old man with chronic bronchitis might be rated 'plus 5' and be charged the normal premium rate for a 50-old man.  
 (a) Monetary Extra (b) Rating-Up  
 (c) Postponement (d) Declinature
45. The earliest form of premium calculation was called ...  
 (a) rating premium (b) equality premium  
 (c) level premium (d) natural premium
46. The provision that where an insurer requires an insured to complete a proposal form, it shall be done in a certain manner is contained in Section ... of the Insurance Act 2003.  
 (a) 54(1) (b) 54(2) (c) 64(1) (d) 64(2)

47. Which of these items is not contained in a policy document?  
 (a) Preamble (b) Declaration (c) Operative Clause (d) Schedule
48. ... shows the individual details of the contract, policy number, the life assured, e.t.c.  
 (a) Preamble (b) Declaration (c) Operative Clause (d) Schedule
49. Once a policy has been issued, its ownership can be changed in a number of ways, except through ...  
 (a) absolute assignment (b) endowment  
 (c) mortgage (d) bankruptcy
50. ... is a transfer of ownership from one person to another.  
 (a) Alteration (b) Reinstatement (c) Assignment (d) Paid-Up
51. In exercising the rights of a mortgagee, if the borrower fails to repay, the lender will have all the following remedies, except ...  
 (a) repayment (b) reinstatement (c) power of sale (d) foreclosure
52. Death benefit will be paid in all except ...  
 (a) term assurance (b) annuity  
 (c) whole life assurance (d) endowment assurance
53. ... is a form of treaty reinsurance whereby the principal office reassures a fixed percentage of claim in a particular class of business.  
 (a) original term reinsurance (b) morbidity reinsurance  
 (c) quota premium reinsurance (d) quota share reinsurance
54. The buyer of annuity is called the ...  
 (a) assured (b) life assured (c) annuitant (d) insured
55. ... is an annuity which guaranteed to be paid for a minimum period regardless of when the buyer of the annuity dies.  
 (a) Joint life and last survivor annuity (b) Increasing annuity  
 (c) Equity-linked annuity (d) Guaranteed annuity
56. The lump sum of money paid to an employee by his employer having worked with them for a number of years is called ...  
 (a) annuity (b) group life benefit (c) pension (d) gratuity
57. In underwriting a life traditional proposal, the rate will usually vary with the ...  
 (a) proposal form (b) terms of the insurance cover only  
 (c) age of the client and terms of the policy (d) age of the client only
58. Where an underwriter cannot accept a proposal at ordinary rates, he can do all of these except, ...  
 (a) decline the proposal (b) impose some form of special terms

- (c) obtain further information
- (d) accept the proposal anyway to gain the business

59. A life insurance company can obtain further information about a proposer's medical condition by ... and/or a ...
- (a) doctor's report/visit
  - (b) medical examination/phone call
  - (c) doctor's report/medical examination
  - (d) visit/phone call
60. The underwriter will impose a ... loading if the premiums are to be paid more frequently.
- (a) higher
  - (b) lower
  - (c) basis
  - (d) blanket

**SECTION B - ATTEMPT ALL QUESTIONS (Questions from 61 to 85)**  
**Answer True (T) or False (F).**

61. Early insurance began as life assurance where group of people in the country came together to share their individual and communal risks through common pool of resources.
62. Takaful insurance companies cannot sell life assurance products.
63. When a claim is made by trustees of a life office, their title should not be examined.
64. A power of appointment trust cannot be created under the MWPA as long as the class of potential beneficiaries is restricted to spouse, civil partner and children.
65. The first duty of a trustee is to become familiar with the terms of the trust and then to gain control over the trust property.
66. Normal retirement is when an employee retires beyond the normal age as stipulated in the country's legislation or company's policy.
67. Gratuity is usually in the form of a series of money.
68. Impaired life annuity is a form of annuity.
69. Quota share reinsurance is a type of treaty reinsurance whereby the principal office reassures a fixed percentage of every policy in a particular class of business.
70. The reinsurance of a proportion of the original sum assured can be accepted on whatever terms agreed by the offices concerned.
71. The assured and the life assured are always the same.
72. In convertible term assurance has a sum assured which reduces each year (or possibly each month) by a standard amount, decreasing to nil at the end of the term.

73. In family income policies, instead of having a term assurance paying out a lump sum on death, it is possible to have a policy which pays out an income instead.
74. Most life offices reserve the right to apply a market value reduction factor (MVR) to surrenders and switches out of the with-profits fund.
75. Bolt-on-options are riders to the basic life policies.
76. Partnership Share Protection is an example of individual policy.
77. In the case of Missing Employee in group life assurance, the Board of Inquiry shall, within thirty (30) working days of receipt of complete evidence required for its deliberations, communicate its findings to employer, insurer and the National Pension Commission, for appropriate action to be taken.
78. A life policy is an indemnity contract.
79. A life office may need to reassure a policy if it is over the office's retention limit.
80. Monetary extra is an extra premium expressed in terms of a specific amount per N1,000 sum assured.
81. Both non-medical and free cover limit mean the same, except that while the non-medical limit is used for individual life, free cover limit is used for group life to establish the level of sum assured and which does not require medical examination.
82. Endorsement informs the assured of a new renewal date.
83. Once a policy has lapsed due to non-payment of premiums the office is off-risk.
84. An assignment is the payment of claim to a third party without the insured consent.
85. Life policies cannot be used as collateral security for loans.

**SECTION C – ATTEMPT ALL QUESTIONS (Questions 86 – 100)**

**Read the cases below carefully and answer the questions which follow.**

Boots Manufacturing Company in Aba, Abia State, Nigeria, has contacted an intermediary, Mr Johnson Nwachukwu to assist the company to buy life assurance products from a reputable insurance company in Nigeria. One of the engineering staff member of the company also requested the agent to help him effect a policy that will be used to pay school fees for his child with a sum assured of ₦6,000,000.00. This staff was exempted from going for medical examination by the life office.

86. Mr. Johnson Nwachukwu will be seen as a/an ...  
(a) broker (b) underwriter (c) agent (d) reinsurer
87. The traditional form of life assurance that will assist the staff pay the school fees of his children will be a ... product type.  
(a) term assurance (b) endowment  
(c) whole life assurance (d) annuity
88. The exemption from going to see a doctor for medical examination in life assurance proposal is called?  
(a) Non-Medical Underwriting (b) Medical Underwriting  
(c) Occupational Underwriting (d) Financial Underwriting
89. The amount of cover where the proposal is exempted from medical examination is the ...  
(a) Free Cover Limit (b) Underwriting Limit  
(c) Paid-Up Limit (d) Surrender Value
90. The best cover for the staff to meet his need is?  
(a) Flexidowment (b) Annuity Certain  
(c) Pure Endowment (d) Educational Endowment

Mr. Johnson who lives in Lagos lent the sum of ₦60,000.00 to Mr. Mike his cousin to assist him pay his rent in Shomolu with the hope that the loan will be repaid in two years' time on equal instalments. In order to protect himself against the loss the amount, Mr. Johnson had approached Capeland Insurance Company for a life cover on the life of his debtor.

91. The principle that allows Mr. Johnson to buy a life cover on the life of Mr. Mike is ...  
(a) utmost good faith (b) proximate cause  
(c) subrogation (d) insurable interest
92. The insurable amount in the above is ...  
(a) ₦60,000.00 (b) ₦100,000.00 (c) ₦160,000 (d) Unlimited
93. The best form of cover for the debt is ...  
(a) increasing term assurance (b) family income protection  
(c) decreasing term assurance (d) endowment

94. On repayment of the debt, Mr, Johnson can still insure the life of Mike for the sum of ...  
(a) ₦0.00 (b) ₦60,000.00 (c) ₦160,000 (d) Unlimited
95. Which of these is true?  
(a) Mr. Mike has insurable interest in the life of Mr. Johnson  
(b) Mr. Johnson has insurable interest in the life of Mr. Mike  
(c) Both have insurable interest in each other's life  
(d) None of them have insurable interest in each other's life.

Nkem Musa worked with Benefic Industry Limited as a machine operator. The company had approached Victory Life Insurance Company for a life cover to protect it against the risk of death in service for its entire staff and had requested the staff to provide the company with their personal details which was used in proposing the cover. Nkem gave a wrong age of 32 years instead of 38 years to his employer who had innocently used same in the proposal for the cover. Six months after the purchase of the cover, he died.

96. The type of insurance that the company had purchased for the benefits of its staff is called?  
(a) Joint Life Insurance (b) Joint Annuity  
(c) Group Life Insurance (d) Group Annuity
97. The principle of insurance protecting the non-disclosure of material facts is called ...  
(a) insurable interest (b) utmost good faith  
(c) indemnity (d) proximate cause
98. The non-disclosure of the age is a ...  
(a) material interest (b) material fact  
(c) disclosure fact (d) subrogation fact
99. The form of insurance purchase for the benefits of the employee as a whole is ...  
(a) term assurance (b) whole life assurance  
(c) annuity (d) endowment assurance
100. In this contract, Nkem Musa is the ...  
(a) assured (b) assurer (c) intermediary (d) life assured

**Chief Examiner's Comment**

Candidates performed well this diet. However, there were avoidable errors committed by the candidates in many of the questions.

**Comments on Overall Performance**

It was a good performance with average of 77.49%, and this means that the candidates understood the questions.

**Suggestions on improvement (if any):**

Whilst performance was good, candidates are advised to study the course book to improve on their individual performances.

**F03 - LIFE ASSURANCE, ANNUITY & PENSIONS  
ADMINISTRATION**

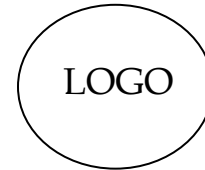
<b>1</b>	A	<b>21</b>	A	<b>41</b>	C	<b>61</b>	T	<b>81</b>	T
<b>2</b>	D	<b>22</b>	C	<b>42</b>	D	<b>62</b>	F	<b>82</b>	F
<b>3</b>	B	<b>23</b>	A	<b>43</b>	A	<b>63</b>	F	<b>83</b>	T
<b>4</b>	C	<b>24</b>	D	<b>44</b>	B	<b>64</b>	F	<b>84</b>	F
<b>5</b>	C	<b>25</b>	C	<b>45</b>	D	<b>65</b>	T	<b>85</b>	F
<b>6</b>	B	<b>26</b>	A	<b>46</b>	A	<b>66</b>	F	<b>86</b>	C
<b>7</b>	C	<b>27</b>	A	<b>47</b>	B	<b>67</b>	F	<b>87</b>	B
<b>8</b>	A	<b>28</b>	C	<b>48</b>	D	<b>68</b>	F	<b>88</b>	A
<b>9</b>	C	<b>29</b>	C	<b>49</b>	D	<b>69</b>	T	<b>89</b>	A
<b>10</b>	B	<b>30</b>	B	<b>50</b>	C	<b>70</b>	T	<b>90</b>	D
<b>11</b>	A	<b>31</b>	B	<b>51</b>	B	<b>71</b>	F	<b>91</b>	D
<b>12</b>	A	<b>32</b>	B	<b>52</b>	B	<b>72</b>	F	<b>92</b>	A
<b>13</b>	A	<b>33</b>	D	<b>53</b>	D	<b>73</b>	T	<b>93</b>	C
<b>14</b>	D	<b>34</b>	C	<b>54</b>	C	<b>74</b>	T	<b>94</b>	A
<b>15</b>	D	<b>35</b>	C	<b>55</b>	D	<b>75</b>	T	<b>95</b>	B
<b>16</b>	A	<b>36</b>	C	<b>56</b>	D	<b>76</b>	F	<b>96</b>	C
<b>17</b>	A	<b>37</b>	A	<b>57</b>	C	<b>77</b>	T	<b>97</b>	B
<b>18</b>	C	<b>38</b>	A	<b>58</b>	D	<b>78</b>	F	<b>98</b>	B
<b>19</b>	A	<b>39</b>	C	<b>59</b>	C	<b>79</b>	T	<b>99</b>	A
<b>20</b>	A	<b>40</b>	D	<b>60</b>	A	<b>80</b>	T	<b>100</b>	D



F04

CHARTERED INSURANCE INSTITUTE OF NIGERIA

<p style="text-align: center;"><b>FOUNDATION</b> F04 - BUSINESS COMMUNICATION AND INFORMATION TECHNOLOGY APRIL 2023 DIET</p>
--



**All answers should be shaded on the answer form in accordance with the following instructions:**

- Two hours are allowed for this paper.
- Fill in the information requested on the answer form and attendance form.
- Handle the answer form with care and do not write notes on it.
- No marks are deducted for incorrect answers, so do not leave any questions unanswered.
- The answer form should be handed over personally by you to the invigilator before you leave the Examination Hall.
- Insert your candidate's number as given on your admission permit and any other particulars required on the answer form.
- Ensure that you write the full and correct candidate's number.
- If you bring a calculator into the examination room, it must be silent battery or solar powered non-programmable calculator. The use of programmable calculator is prohibited.
- No name should be written on the answer form.

**FAILURE TO ADHERE TO INSTRUCTIONS (WRITTEN AND VERBAL)  
WILL ATTRACT STATED SANCTIONS AS STATED IN THE APRIL 2023  
DIET CANDIDATES' INSTRUCTIONS.**

**CHARTERED INSURANCE INSTITUTE OF NIGERIA  
FOUNDATION**

**F04 - BUSINESS COMMUNICATION  
AND INFORMATION TECHNOLOGY**

**INSTRUCTIONS TO CANDIDATES**

**READ THE INSTRUCTIONS BELOW BEFORE ANSWERING ANY QUESTIONS**

**Section A:** The questions 1 – 50 in this paper are numbered and four options follow each question. The options are labeled a,b,c,d. Only one of these options is correct. Select your answer for each question and indicate it on the answer form by filling in the appropriate box. **For Example:** One of the demerits of electronic communication bothers on its ...

- (a) speed                      (b) coverage                      (c) security                      (d) accessibility

The correct option is (c).

**Section B:**

Questions 51 – 60 are to be answered by picking the correctly spelt word.

**For Example:**

- (a) Folow                      (b) Follow                      (c) Foloow                      (d) Followw

The correct option is False (b).

**Section C**

Questions 61 – 70 are to be answered by picking the option that has the sentence which is correctly written. **For Example:**

- (a) See you soonestly  
(b) See you soonest than ever (c) See you sooner                      (d) I hope to be with you soon

The correct option is (d)

**Section D**

Questions 71 - 80 are to be answered by picking the option that has the sentence which is correctly punctuated. **For Example:**

- (a) I hope to be with you soon,  
(b) I hope to be with you soon?                      (c) I hope to be with you soon.  
(d) I hope to be with you soon;

The correct option is (c)

**Section E**

Questions 81 – 90 are to be answered by picking the option that correctly fills the blank spaces in each of the sentences.

**For Example:** The meeting is scheduled to start ... 10.00a.m. prompt.

- (a) at                      (b) in                      (c) on                      (d) for

The correct option is (a)

**Section F**

Questions 91 – 100. This section contains one (1) case study followed by ten questions. The case study is not numbered and appear at the top of the page. Each of the ten questions following a case study is numbered. Four options follow each question. The options are labelled, a, b, c, d. Only one of these options is correct or best. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

## SECTION A - ATTEMPT ALL QUESTIONS (Questions 1 - 50)

1. Which of the following best describes business communication?
  - (a) The exchange of ideas and other information among business stakeholders.
  - (b) The exchange of ideas and other information among contemporaries.
  - (c) The exchange of ideas and other information in speech or writing.
  - (d) None of the above
  
2. Business communication is not geared towards -----.
  - (a) promoting a business
  - (b) influencing customers
  - (c) exchanging ideas within an enterprise
  - (d) controlling political power
  
3. The two major sub-divisions of business communication are ----- and -----.
  - (a) verbal and semi-verbal
  - (b) interior and external
  - (c) verbal and oral
  - (d) internal and external
  
4. Non-verbal communication deals with -----.
  - (a) typed information
  - (b) written information
  - (c) spoken information
  - (d) information transmitted through gestures and other forms of body language
  
5. Business communication is effective when -----.
  - (a) information gets to its target audience
  - (b) information received is properly documented
  - (c) information elicits the expected response
  - (d) there is no barrier to its transmission
  
6. Principles of effective communication excludes -----.
  - (a) conciseness
  - (b) length
  - (c) accuracy
  - (d) clarity
  
7. Which of the following is a barrier to effective communication?
  - (a) Emotion
  - (b) Hearing impediment
  - (c) Ambiguity
  - (d) All of the above
  
8. The core essence of information recording in business communication is to -----.
  - (a) prevent information from getting to the wrong person
  - (b) provide answers to questions which may be raised in respect of the information
  - (c) prevent dispute
  - (d) file the information
  
9. Some of the essential ingredients of effective business communication are -----.
  - (a) courtesy, cooperation and content
  - (b) courtesy, clarity and completeness
  - (c) cooperation, content and compassion
  - (d) cooperation, content and completeness
  
10. In business communication, when the receiver is unable to provide information required by the sender, s/he is obliged to -----.
  - (a) inform the sender of the time such information would be available or who can provide it
  - (b) report to the head of the department
  - (c) ensure immediate availability of such information
  - (d) None of the above

11. By-passing in communication refers to a situation whereby -----.
- (a) the sender and receiver adopt different styles of communication
  - (b) a message does not get to all the people it is meant for
  - (c) a communicator is afraid of criticisms
  - (d) the sender and the receiver attach different meanings to the same message
12. A ----- is a bulletin issued periodically to members of a society or an organisation.
- (a) newsletter
  - (b) circular
  - (c) gazette
  - (d) journal
13. Which of the following is an objective of internal communication?
- (a) Requesting information
  - (b) Recording information
  - (c) Providing information
  - (d) All of the above
14. One of the following is not a channel for internal business communication.
- (a) e-mails
  - (b) Press Release
  - (c) Memorandum
  - (d) Reports
15. ----- is a good example of internal-downward business communication.
- (a) Communication from a junior officer to a management staff
  - (b) Communication among colleagues on the same level
  - (c) Communication from a departmental head to a unit head
  - (d) Communication from an organisation to the public
16. In business communication, the sender's credibility determines -----.
- (a) the reliability of a message
  - (b) how a message will be conveyed
  - (c) the speed with which a message is conveyed
  - (d) the nature of the barrier to be encountered in transmitting a message
17. Noise in business communication is best defined as -----.
- (a) any barrier to effective communication
  - (b) any interference from automobiles
  - (c) any form of sound
  - (d) the emotional state of an encoder which can affect the message
18. Which of the following is not true about business communication? It -----.
- (a) provides a sense of direction to employees
  - (b) increases employees' inefficiency
  - (c) attracts customers' patronage
  - (d) promotes cooperation among the various departments in an organisation
19. One of the following does not apply to business communication.
- (a) The sender encodes the message.
  - (b) The receiver provides the feedback.
  - (c) The channel is the means of transmitting the message
  - (d) The decoder decides the message
20. One of the demerits of oral communication is that it -----.
- (a) can be communicated to a large audience
  - (b) is difficult to document
  - (c) enhances immediate feedback
  - (d) may require an interpreter

21. Which of the following is not essential in a formal letter?  
(a) the receiver's address (b) the writer's address  
(c) the writer's signature (d) the writer's official designation
22. Salutation in formal letters is the same as -----.  
(a) closing remarks (b) words used to address the receiver  
(c) greetings (d) subscription
23. Business letters do not include one of the following.  
(a) Enquiry Letters (b) Recruitment letters  
(c) Letters of Apology (d) None of the above
24. A memorandum communicates information to -----.  
(a) members of the public (b) members of the same organisation  
(c) clients of an organisation  
(d) members and non-members of an organisation
25. One of the following is not essential in a memorandum.  
(a) The Date (b) The Addresser  
(c) Closing Remark (d) The Subject
26. The two divisions of an e-mail are ----- and -----.  
(a) the message header and the body (b) the message header and the salutation  
(c) the salutation and the message body  
(d) the addresser and the addressee's comments
27. A major difference between a formal letter and a memorandum is that -----.  
(a) a formal letter can be documented while a memo cannot  
(b) a formal letter emanates from the sender while a memo emanates from the head of a department  
(c) a formal letter must be typed while a memo may not be typed  
(d) a formal letter can be used for external communication while a memo cannot
28. One of the advantages of a memorandum over a formal letter is that it can be -----.  
(a) more detailed (b) less formal  
(c) less clearly written (d) used for internal and external communication
29. Formal invitations may be used for all the following except -----.  
(a) product launch (b) business award  
(c) birthdays (d) business dinner
30. A press release is usually issued by ----- to -----.  
(a) newspapers to organisations (b) news agents to the public  
(c) organisations to news media (d) employers of labour to their employees

31. Which of the following is not true about radio advertisements? They -----.
- (a) need to be played regularly (b) can reach a wide range of audience  
(c) are cheap (d) are not restricted to people in the rural areas
32. Circulars are used for -----.
- (a) closed group and general communication  
(b) closed group communication only  
(c) general communication only  
(d) informal communication only
33. One of the demerits of direct mail as a medium of advertisement is that it -----.
- (a) has a wide circulation (b) has a restricted audience  
(c) is cost effective (d) is expensive
34. Printed directories are usually -----.
- (a) flexible (b) inflexible (c) easy to send (d) cheap
35. One of the following is an example of an on-line advertisement medium.
- (a) Billboards (b) Moving Vehicles (c) Websites (d) Press Release
36. Which of the following does not apply to billboard advertisement?
- (a) It is a mobile form of advertisement.  
(b) It is usually expensive.  
(c) It is placed at strategic locations.  
(d) It can contain the user's contact or website.
37. A form differs from a questionnaire in that it -----.
- (a) is mainly used in a research (b) contains series of questions  
(c) is used for gathering information (d) mainly used to obtain feedback
38. A dichotomous question in a questionnaire demands that respondents -----.
- (a) make a choice out of two options  
(b) air personal views about the research topic  
(c) choose from three or more options (d) All of the above
39. Questions in a questionnaire which require respondents to tick as many options as are applicable to them are known as -----.
- (a) multiple choice questions (b) multiple answer questions  
(c) open ended questions (d) fixed alternative questions
40. Comments on a company's products or services are classifiable as -----.
- (a) feedback (b) comments  
(c) business report (d) oral communication
41. Which of the following does not apply to a report?
- (a) The tone is chatty. (b) Its writing is guided by rules and conventions  
(c) It contains definite information.  
(d) It gives the result of an investigation.

42. Good public speaking skills are essential because they -----.
- (a) improve brand awareness                      (b) makes job execution easier  
(c) enhance career growth of an employee        (d) All of the above
43. In a meeting, a resolution refers to a -----.
- (a) proposal which has been passed              (b) proposal which is yet to be passed  
(c) statement which has been approved by the executive  
(d) motion for the adjournment of a meeting
44. Which of the following is not true about the use of Technology in business? It -----.
- (a) increases a company's liability              (b) reduces manpower need of a company  
(c) can be used to track business records        (d) improves employees' productivity
45. One of the following computer software is used as an aid to business presentations.
- (a) Excel                      (b) Microsoft                      (c) Mozilla Firefox        (d) Power Point
46. One of the following can be used to communicate business partners in remote areas without electricity power supply.
- (a) Television                      (b) Radio                      (c) E-mails                      (d) Skype
47. Which of the following is not based on Artificial Intelligence?
- (a) Alexa                      (b) Siri                      (c) Google Assistant                      (d) Automobiles
48. Artificial Intelligence has the following qualities except -----.
- (a) speed                      (b) accuracy                      (c) flexibility                      (d) precision
49. Sensors have the capacity to respond to the following expect -----.
- (a) skin colour                      (b) temperature                      (c) smoke                      (d) alcohol
50. One of the following is a humanoid robot.
- (a) Roomba Vacuum                      (b) Lawn Mowers  
(c) Alexa                      (d) Litter Cleaners

**SECTION B: (Questions 51 – 60) Pick the Word that is Correctly Spelt**

51. (a) nureology (b) nerology (c) neurology (d) neurorlogy  
52. (a) obsolesence (b) orbsolence (c) obsolescence (d) obsolensese  
53. (a) raporteur (b) rapporteur (c) wrapoteur (d) raportiore  
54. (a) progenitor (b) progenator (c) progenetor (d) proganitor  
55. (a) psychoteraphy (b) psychoteurapy (c) psychotherapy (d) sychotherapy  
56. (a) necessary (b) neccesary (c) necessary (d) necessary  
57. (a) arsthetic (b) esthetic (c) aesthetic (d) aesthetic  
58. (a) bronchithis (b) bronchitis (c) bronckitis (d) brounchitis  
59. (a) cumbarsome (b) cumbersome (c) cumberson (d) cumbasome  
60. (a) reccurrence (b) reocurrence (c) reocurance (d) recurrence

**SECTION C: (Questions 61 – 70) Choose the Sentence Which is Correctly Written**

61. (a) The Director General refused to shake hand with some of the guests.  
(b) The Director General refused to shake a hand with some of the guests.  
(c) The Director General refused to shake hands with some of the guests.  
(d) The Director General refused to shake his hand with some of the guests.
62. (a) We served on the seven men panel last year.  
(b) We served on the seven man's panel last year.  
(c) We served on the seven man panel last year.  
(d) We served on the seven men's panel last year.
63. (a) He would have to order for twelve packs of six-inches nail.  
(b) He would have to order for twelve packs of six-inche's nail.  
(c) He would have to order for twelve packs of six-inches' nail.  
(d) He would have to order for twelve packs of six-inch nail.
64. (a) The public relations manager has promised the clients that we would make amends.  
(b) The public relations manager has promised the clients that we would make ammends.  
(c) The public relations manager has promised the clients that we would make amend.  
(d) The public relations manager has promised the clients that we would make ammend.
65. (a) The different departments submitted different analysis of the situation.  
(b) The different departments submitted different analyse of the situation.  
(c) The different departments submitted different analysises of the situation.  
(d) The different departments submitted different analyses of the situation.
66. (a) The meeting was attended by many directors-general.  
(b) The meeting was attended by many director-generals.  
(c) The meeting was attended by many director-general.  
(d) The meeting was attended by many directors-generals.
67. (a) They left a lot of furniture and equipments at the factory.



- (b) They left a lot of furnitures and equipments at the factory.
  - (c) They left a lot of furniture and equipment at the factory.
  - (d) They left a lot of furnitures and equipment at the factory.
68. (a) Most of the passengers complained that they lost their luggages and goods.  
 (b) Most of the passengers complained that they lost their luggage and good.  
 (c) Most of the passengers complained that they lost their luggage and goods.  
 (d) Most of the passengers complained that they lost their luggages and good.
69. (a) Apart from destroying the man's property, the fire caused considerable damage to the main house.  
 (b) Apart from destroying the man's properties, the fire caused considerable damage to the main house.  
 (c) Apart from destroying the man's property, the fire caused considerable damages to the main house.  
 (d) Apart from destroying the man's properties, the fire caused considerable damages to the main house.
70. (a) The client could afford neither cash or cheque.  
 (b) The client could afford neither cash nor cheque.  
 (c) The client could afford neither cash without cheque.  
 (d) The client could afford neither cash but cheque.

**SECTION D: (Questions 71 – 80) Choose the Sentence Which is Correctly Punctuated**  
**Which of the sentences is correctly punctuated?**

**Choose the sentence which is correctly written.**

71. (a) We saw the girls outside the girls' rooms.  
 (b) We saw the girls, outside the girls' rooms.  
 (c) We saw the girls outside the girls room.  
 (d) We saw the girls outside, the Girls' room.
72. (a) the Heroes of today are tomorrow's forgotten people.  
 (b) The heroes' of today are tomorrows forgotten people.  
 (c) The heroes of today are tomorrow's forgotten people.  
 (d) The heroes of today are tomorrows forgotten People.
73. (a) In some countries, men are proud, of their judges, because they believe they are incorruptible.  
 (b) In some countries, men are proud of their judges because, they believe they are incorruptible  
 (c) In some countries men are proud of their judges because they believe they are incorruptible.  
 (d) In some countries, men are proud of their judges because they believe they are incorruptible.
74. (a) Without good health life isnt worth living.

- (b) Without good health life is'nt worth living.  
(c) without good health, life isn;t worth living.  
(d) Without good health, life isn't worth living.
75. (a) Its all very well, talking about fitness for living.  
(b) It's all very well talking, about fitness for living.  
(c) It's all very well talking about fitness for living.  
(d) Its all very well: talking about fitness for living?
76. (a) Wow, I'm still staggering.  
(b) Wow! Im still staggering.  
(c) Wow. I'm still staggering.  
(d) Wow! I'm still staggering.
77. (a) We have specialist writers dealing with politics, Finance, science, Industry, education, the arts, entertainment among many others.  
(b) We have specialist writers dealing with politics, finance, science, industry; education, the arts, entertainment, among many others.  
(c) We have specialist writers dealing with politics, finance, science, industry, education, the arts, entertainment among many others.  
(d) We have, specialist writers, dealing with politics, finance, science, industry, education, the arts, entertainment among, many others.
78. (a) Don't wish you were someone else. use your own gifts and talents to the full!  
(b) Don't wish you were someone else; Use your own gifts and talents to the full.  
(c) Dont wish you were someone else; use your own gifts and talents to the full.  
(d) Don't wish you were someone else; use your own gifts and talents to the full.
79. (a) Many students fail they do not read with a purpose.  
(b) Many students fail. they do not read with a purpose.  
(c) Many students fail; they do not read with a purpose.  
(d) many students fail; they do not read with a purpose!
80. (a) James, whom everybody admired turned out to be a criminal.  
(b) James, whom everybody admired; turned out to be a criminal.  
(c) James, whom, everybody admired turned out to be a criminal.  
(d) James, whom everybody admired, turned out to be a criminal.

**SECTION E - ATTEMPT ALL QUESTIONS (Questions 81 - 90)**

**Read the questions below carefully choose the option that correctly fills the blank spaces.**

81. A sharp cry ----- the sky when the accident happened.  
(a) rent (b) rend (c) rented (d) rended
82. Susan has not ----- any dress recently.  
(a) sewn (b) sown (c) sowed (d) sew
83. The pilot would have been ----- last year.  
(a) ground (b) grinded (c) grounded (d) grind
84. Ibrahim ought to have ----- the pepper before his mother returned.  
(a) grind (b) grinded (c) ground (d) grounded
85. She explained that she ----- home early yesterday in order to be able to catch the early bus.  
(a) has to leave (b) had to leave (c) leave (d) has left
86. Many a player ----- to score so as to be highly honoured.  
(a) is wanting (b) want (c) have wanted (d) wants
87. The men were reported ----- the money fraudulently.  
(a) to take (b) to have taken (c) to have took (d) to having taken
88. It was difficult for the doctor to ----- the patient's ailment.  
(a) diagnose (b) unravel (c) discover (d) decide
89. Her mother has been ill ----- three weeks now.  
(a) for (b) since (c) by (d) after
90. The farmer with his friend ----- millet.  
(a) grows (b) grow (c) are growing (d) have grown

## SECTION F - ATTEMPT ALL QUESTIONS (Questions 91 - 100)

Read the case below carefully and answer the questions which follow.

Bacteria are extremely small single cells, the majority of which rely upon other organisms to provide the source of their food. They are often found associated with the decomposition of organic matter, and in that way are important in recycling material in the complex network of the food chain. Some bacteria are harmful when human tissue is infected. Classifying bacteria is difficult and this is usually done by their individual shapes and other features, so that the use of the term 'species', 'genera', etc. for these organisms is not the same as in the animal world.

Bacteria are able to divide rapidly to form new cells, and from one cell a colony can grow at incredible rates, in the order of 16 million in one day. One expert has calculated that, provided conditions are ideal for reproduction, within 36 hours one cell could multiply enough times to cover the whole earth with a layer of one foot deep.

Bacteria also have a wide range of variability. So much so that it is sometimes difficult to distinguish where one 'specie' begins and another ends. This variation is the main problem that doctors have in trying to find a solution to many bacterial infections for each one usually requires a specific antibiotic to combat it.

*(Adapted From: SCIENCE VS EVOLUTION (Second Edition) by Malcolm Bowden, 2002, p. 59.)*

91. What seems to be the writer's intention?  
(a) To persuade (b) To argue (c) To expose (d) To inform
92. Doctors find it difficult to find a solution to bacterial infections according to the passage because bacteria -----.  
(a) are highly variable (b) reproduce rapidly  
(c) feast on other organisms (d) are harmful
93. What does the writer consider the yardstick for the high rate of reproduction by bacteria?  
(a) Their species (b) Their variability  
(c) The presence of organic matters (d) Ideal conditions
94. Which of the following cannot be inferred from the passage?  
(a) Bacteria are of different shapes.  
(b) Bacteria play an important role in the network of food chain  
(c) All bacteria are harmful to man. (d) None of the above
95. One of the criteria stated in the passage for the classification of bacteria is -----.  
(a) their species (b) their genera (c) shapes (d) cells

Linguists hold several views about the human language, one of which is that it is central to human communication. Although humans possess other means of communication, language is the most frequently used and the most highly developed form of human communication. Language is integral to man's social life and relationship as people can only conceive ideas and communicate same to others due to their disposition to use language. They also express their intentions, daily needs, experiences, desires and feelings through the medium of language (spoken or written).

Again, language serves as a culture-transmitting mechanism. It is the commonest and most dynamic form in which human societies sustain and transmit their cultural heritage to their future generations.

Another view about language which is strongly held by linguists is that it is essentially a human phenomenon. Language is restricted and limited to human beings irrespective of the fact that other creatures such as animals, birds and fishes are capable of communicating with other members of their species. The different forms of communication such as sounds and signals employed by these creatures do not in a strict sense qualify as language since they lack the essential attribute of displacement which enables language users to communicate abstract concepts and meanings to other users and, to communicate immediate, past and future experiences.

96. Which of the following is not true about the passage? It states that -----.
- (a) humans only communicate through language
  - (b) humans are not the only species endowed with communication skills
  - (c) language is the most developed form of human communication
  - (d) language is at the heart of man's social life
97. It is implied in the passage that -----.
- (a) animals, birds and fishes can communicate through language
  - (b) animals, birds and fishes communicate but not through language
  - (c) animals, birds and fishes lack the ability to communicate
  - (d) all human languages are developed
98. The quality of displacement possessed by the human language guarantees that human experience can be related -----.
- (a) to even to animals
  - (b) in the past, present and future
  - (c) only humans
  - (d) members of the same language group
99. The word 'phenomenon' as used in the passage means -----.
- (a) action
  - (b) enterprise
  - (c) activity
  - (d) occurrence
100. An important function of language stated in the passage is that of -----.
- (a) character modification
  - (b) peace keeping
  - (c) culture transmission
  - (d) economic development

**Chief Examiner's Comment**

Many of the Candidates exhibited sound knowledge and mastery of the various aspects of Business Communication and Information Technology. However, few of them seemed not to have good understanding of the English Grammar, particularly the spellings words. Students' general impressive performance could be adduced to the clarity and conciseness of the English used in the course module as well as in the examination questions.

**Comments on overall performance:**

The general performance of the candidates is very impressive at the pass rate of 74%.

**Suggestions on improvement (if any):**

More attention should be given to grammar in the course module.

**F04 - BUSINESS COMMUNICATION AND  
INFORMATION TECHNOLOGY**

<b>1</b>	<b>A</b>	<b>21</b>	<b>D</b>	<b>41</b>	<b>A</b>	<b>61</b>	<b>C</b>	<b>81</b>	<b>A</b>
<b>2</b>	<b>D</b>	<b>22</b>	<b>B</b>	<b>42</b>	<b>D</b>	<b>62</b>	<b>C</b>	<b>82</b>	<b>A</b>
<b>3</b>	<b>D</b>	<b>23</b>	<b>D</b>	<b>43</b>	<b>A</b>	<b>63</b>	<b>D</b>	<b>83</b>	<b>C</b>
<b>4</b>	<b>D</b>	<b>24</b>	<b>B</b>	<b>44</b>	<b>A</b>	<b>64</b>	<b>A</b>	<b>84</b>	<b>C</b>
<b>5</b>	<b>C</b>	<b>25</b>	<b>C</b>	<b>45</b>	<b>D</b>	<b>65</b>	<b>A</b>	<b>85</b>	<b>B</b>
<b>6</b>	<b>B</b>	<b>26</b>	<b>A</b>	<b>46</b>	<b>B</b>	<b>66</b>	<b>A</b>	<b>86</b>	<b>D</b>
<b>7</b>	<b>D</b>	<b>27</b>	<b>D</b>	<b>47</b>	<b>D</b>	<b>67</b>	<b>C</b>	<b>87</b>	<b>B</b>
<b>8</b>	<b>C</b>	<b>28</b>	<b>B</b>	<b>48</b>	<b>C</b>	<b>68</b>	<b>C</b>	<b>88</b>	<b>A</b>
<b>9</b>	<b>B</b>	<b>29</b>	<b>C</b>	<b>49</b>	<b>A</b>	<b>69</b>	<b>B</b>	<b>89</b>	<b>A</b>
<b>10</b>	<b>A</b>	<b>30</b>	<b>C</b>	<b>50</b>	<b>C</b>	<b>70</b>	<b>B</b>	<b>90</b>	<b>A</b>
<b>11</b>	<b>D</b>	<b>31</b>	<b>C</b>	<b>51</b>	<b>C</b>	<b>71</b>	<b>A</b>	<b>91</b>	<b>D</b>
<b>12</b>	<b>A</b>	<b>32</b>	<b>A</b>	<b>52</b>	<b>A</b>	<b>72</b>	<b>C</b>	<b>92</b>	<b>A</b>
<b>13</b>	<b>D</b>	<b>33</b>	<b>B</b>	<b>53</b>	<b>B</b>	<b>73</b>	<b>D</b>	<b>93</b>	<b>D</b>
<b>14</b>	<b>B</b>	<b>34</b>	<b>B</b>	<b>54</b>	<b>A</b>	<b>74</b>	<b>D</b>	<b>94</b>	<b>C</b>
<b>15</b>	<b>C</b>	<b>35</b>	<b>C</b>	<b>55</b>	<b>C</b>	<b>75</b>	<b>C</b>	<b>95</b>	<b>C</b>
<b>16</b>	<b>A</b>	<b>36</b>	<b>A</b>	<b>56</b>	<b>C</b>	<b>76</b>	<b>D</b>	<b>96</b>	<b>A</b>
<b>17</b>	<b>A</b>	<b>37</b>	<b>D</b>	<b>57</b>	<b>D</b>	<b>77</b>	<b>B</b>	<b>97</b>	<b>B</b>
<b>18</b>	<b>B</b>	<b>38</b>	<b>A</b>	<b>58</b>	<b>B</b>	<b>78</b>	<b>D</b>	<b>98</b>	<b>B</b>
<b>19</b>	<b>D</b>	<b>39</b>	<b>A</b>	<b>59</b>	<b>B</b>	<b>79</b>	<b>C</b>	<b>99</b>	<b>C</b>
<b>20</b>	<b>B</b>	<b>40</b>	<b>A</b>	<b>60</b>	<b>D</b>	<b>80</b>	<b>D</b>	<b>100</b>	<b>C</b>

F05

CHARTERED INSURANCE INSTITUTE OF NIGERIA

<p style="text-align: center;"><b>FOUNDATION</b> F05 - INSURANCE UNDERWRITING PROCESS APRIL 2023 DIET</p>
---



**All answers should be shaded on the answer form in accordance with the following instructions:**

- Two hours are allowed for this paper.
- Fill in the information requested on the answer form and attendance form.
- Handle the answer form with care and do not write notes on it.
- No marks are deducted for incorrect answers, so do not leave any questions unanswered.
- The answer form should be handed over personally by you to the invigilator before you leave the Examination Hall.
- Insert your candidate's number as given on your admission permit and any other particulars required on the answer form.
- Ensure that you write the full and correct candidate's number.
- If you bring a calculator into the examination room, it must be silent battery or solar powered non-programmable calculator. The use of programmable calculator is prohibited.
- No name should be written on the answer form.

**FAILURE TO ADHERE TO INSTRUCTIONS (WRITTEN AND VERBAL)  
WILL ATTRACT STATED SANCTIONS AS STATED IN THE APRIL 2023  
DIET CANDIDATES' INSTRUCTIONS.**



**CHARTERED INSURANCE INSTITUTE OF NIGERIA**

**FOUNDATION**

**F05 - INSURANCE UNDERWRITING PROCESS**

**INSTRUCTIONS TO CANDIDATES**

**READ THE INSTRUCTIONS BELOW BEFORE ANSWERING ANY QUESTIONS**

**Section A**

The questions 1 – 50 in this paper are numbered and four options follow each question. The options are labeled a,b,c,d. Only one of these options is correct. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

**Example:**

Employers' liability insurance certificates are legally required to be kept for a minimum of ...

- |                             |                             |
|-----------------------------|-----------------------------|
| (a) 40 years from inception | (b) 50 years from inception |
| (c) 40 years from expiry    | (d) 50 years from expiry    |

The answer is option (c).

**Section B**

Questions 51 – 60 are to be answered as either True (T) or False (F). Select your chosen option and indicate it on the answer form by filling in the appropriate box.

**Example:**

An employers' liability insurance never expires. (True or False).

The correct option is False (F).

**Section C**

Questions 61 – 75. This section contains three (3) case studies each followed by five questions. The case studies are not numbered and appear at the top of the page. Each of the five questions following a case study is numbered. Four options follow each question. The options are labelled, a, b, c, d. Only one of these options is correct or best. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

**SECTION A - ATTEMPT ALL QUESTIONS (Questions 1 - 50)**

1. Claims Run-off refers to ...
  - (a) repudiated claims
  - (b) large claims attributed to catastrophe
  - (c) movement in claims reserves
  - (d) unknown claims as the end of the year
  
2. The risk premium is ...
  - (a) premium required to cover total cost of claims
  - (b) premium arrived at after payment of commission
  - (c) premium without provision of reinsurance
  - (d) premium relating to long term business
  
3. The record of insurance companies reveal that motor claims are many but with relatively low payouts. Which of these statements is correct in terms of this type of frequency and severity?
  - (a) Severity is High
  - (b) Frequency is Low
  - (c) Both frequency and Severity are Low
  - (d) Severity is Low
  
4. The accumulation of large number of claims all arising out of a single event is known as ...
  - (a) latent claims
  - (b) catastrophic claims
  - (c) long tail claims
  - (d) particular claims
  
5. Which of these is not true of “outstanding loss ratio”?
  - (a) It is extracted directly from the books
  - (b) It does not take into account that premium has not been fully earned
  - (c) It uses 100% of the gross premium
  - (d) It uses 100% of the claims paid
  
6. The part of the policy that signifies the section of the policy which are operative in relation to the pre-printed policy form is the ...
  - (a) schedule
  - (b) heading
  - (c) preamble
  - (d) information and facilities
  
7. The general rule of interpreting an ambiguous contract term against the party that drafted the contract is known as ...
  - (a) caveat emptor
  - (b) uberimas fidei
  - (c) res ipsa loquitor
  - (d) contra proferentem
  
8. That part of the policy which refers to the two parties to the contract is called ...
  - (a) operative clause
  - (b) preamble
  - (c) heading
  - (d) schedule
  
9. One of these is not an implied condition.
  - (a) An insured must act as if uninjured
  - (b) Insured must take reasonable steps to minimise a loss
  - (c) Insured to install a mortise lock in burglary insurance
  - (d) The insured must not hinder the insurers in their claims investigation

10. In which part of the policy would you find complaints procedure  
 (a) Schedule (b) Information and facilities  
 (c) Preamble (d) Operative clause
11. War is a standard exclusion in all general insurance policies. Which of these policies would war be an insured peril?  
 (a) Marine Cargo (b) Electronics/ Computer Insurance  
 (c) Goods-in-Transit (d) Erection All Risks
12. Mr. lucky has a household insurance policy with an “All-Risks” section covering his laptop. He took a Travel Insurance in which it was also covered. There was a claim and the Travel Insurance underwriter pointed out that the Household Insurer must share the claim with them. Which principle allows this operation?  
 (a) Contribution (b) Subrogation (c) Average (d) Proximate Cause
13. Market cycles of risks can be shortened in all these ways except one.  
 (a) Occurrence of major disasters (b) Weather related incidents  
 (c) Accounting year changes (d) Amendments to legislation
14. A reinsurance arrangement in which an agreed proportion of all policies of a given class is ceded to the treaty irrespective of size is called the ...  
 (a) surplus treaty (b) quota share (c) co-insurance (d) excess of loss
15. You are told that a treaty has a line of ₦X amount and a capacity of 10 lines. Which type of treaty would that be?  
 (a) Co-insurance (b) Quota Share (c) Excess of loss (d) Surplus
16. A reinsurance is arranged as follows:  
 Layer 1: ₦500,000.00 in excess of ₦500,000.00  
 Layer 2: ₦1,000,000.00 in excess of ₦1,000,000.00  
 Which type of treaty would this be?  
 (a) Excess of Loss (b) Stop Loss (c) Quota Share (d) Surplus
17. Which type of reinsurance arrangement would you recommend to protect the public liability exposure of an insurance company?  
 (a) Quota Share (b) Excess of Loss (c) Surplus (d) Stop Loss
18. The “standard” fire cover is made up of ... part(s).  
 (a) one (b) two (c) three (d) four
19. In a Third Party, Fire and Theft policy, which of these is not covered?  
 (a) Damage done in the cause of attempted theft  
 (b) Cost of alternative transport following an accident  
 (c) Damage done by lightning  
 (d) Damage done by fire to vehicle

20. Cover given by Third Party only and Third Party, Fire and Theft is very similar. Which of these is not covered by both scopes of cover?
- (a) Damage in the course of attempted theft      (b) Legal cost to defend a claim  
(c) Indemnity for legal liability of passengers  
(d) Minimum third party property claims
21. Ralph Specialist Hospital just acquired a new station wagon vehicle to be used for its ambulance services. To which class of commercial vehicles will this vehicle be classified?
- (a) Goods Carrying      (b) Passenger Carrying  
(c) Special Types      (d) Carriage of Passengers for Hire
22. Where an insured owns a group of vehicles and would like to cover them under one policy. This is called ... insurance.
- (a) multiple      (b) business      (c) corporate      (d) fleet
23. A type of policy put in place by an employer to provide indemnity in a situation where the employees use their vehicles for the employer's business and cover proves defective/inoperative. This is called ... insurance.
- (a) plurality      (b) contingent third party  
(c) fleet      (d) occasional Business use
24. The continental scale of benefits can be found in which of these policies?
- (a) Personal Accident      (b) Burglary  
(c) Consequential Loss      (d) Private Motor
25. Which of these is not a benefit under personal accident policy?
- (a) Death      (b) Medical Expenses  
(c) Temporary Partial Disablement      (d) Legal Expenses
26. Single article limit is a feature of "burglary and household insurance". What is the standard that is found if change is not requested?
- a. 15%      (b) 10%      (c) 5%      (d) 0%
27. Travel insurance is very important especially to those travelling across borders by air. Which of these is not covered?
- (a) Delayed Luggage      (b) Confiscated Luggage  
(c) Personal Accident Injury      (d) Hospital Cash Benefits
28. Which of these policies will cover a manufacturer of an aircraft?
- (a) Product Liability Insurance  
(b) Employers' Liability Insurance  
(c) Product Liability Insurance  
(d) Directors' and Officers' Liability Insurance

29. The most common medium by which the insurer receives information about the risk to be insured is the ...  
 (a) newspaper (b) proposal form (c) website  
 (d) supplementary proposal form
30. The involvement of aggregators in the sale of insurance products is now very prevalent. In which of these policies would you see such to be very active?  
 (a) Contractors' All-Risk (b) Consequential Loss  
 (c) Fidelity Guarantee (d) Private Motor
31. Questions on the proposal form can be classified as 'general' or 'specific'. Which one of these is not under the specific question group?  
 (a) Proposer's Risk Address (b) Sum Insured  
 (c) Proposer's Occupation (d) Proposer's Age
32. The law of large number in insurance is important for all of these reasons except one.  
 (a) It is a large number of similar risks  
 (b) It makes pricing easier  
 (c) It is only useful for risks of catastrophe insure  
 (d) It makes premium to be cheap and affordable
33. In the Nigerian Insurance Act 2003 sections ... provides for insurable interest.  
 (a) 56 and 57 (b) 57 and 58 (c) 50 and 51 (d) 68 and 69
34. Which of these policies will be subject to adjustable premium having paid a deposit premium at inception?  
 (a) All Risks (b) Motor (c) Employer's Liability (d) Erection All Risks
35. The document issued by insurers to give temporary cover when all the material information is yet to be submitted is called a/an ...  
 (a) endorsement (b) certificate (c) prospectus (d) cover note
36. NID in the UK and NIID in Nigeria confirms that covers have been purchased in which of these classes of insurance?  
 (a) Fire Insurance (b) Motor Insurance  
 (c) Travel Insurance (d) Aviation Insurance
37. Which of this information is not statutorily required on motor insurance certificate evidencing compliance with the law?  
 (a) Limitation as to use (b) Scope of policy cover  
 (c) Name of policyholder (d) Registration mark of vehicle
38. ... covers liability for injury, damage or financial loss to clients or the public as a result of breach of professional duty.  
 (a) Professional Indemnity Insurance (b) Pollution Liability  
 (c) Public Liability Insurance (d) Contractual Liability Insurance

39. Which aspect of Insurance premium in Nigeria is subjected to Value Added Tax (VAT) in Nigeria?
- (a) Gross Premium (b) Net Premium  
(c) Commission (d) Expenses Portion
40. In the assessment of risk, the measurements are important, along with the severity and frequency. What will you classify industrial accidents that occur many times but with low fatality?
- (a) Low Frequency, Low Severity (b) High Frequency, High Severity  
(c) Low Frequency, High Severity (d) High Frequency, Low Severity
41. When you assess severity and frequency in risk, how will you classify a gigantic petrochemical plant?
- (a) Low Frequency, Low Severity (b) High Frequency, High Severity  
(c) Low Frequency, High Severity (d) High Frequency, Low Severity
42. Employers in Nigeria are expected by law to buy which of these policies for the benefit of their employees?
- (a) Employee Compensation Insurance (b) Personal Accident Insurance  
(c) Employers' Liability Insurance (d) Fidelity Guarantee Insurance
43. The standard fire policy is the foundation of fire insurance policy? Which of these is not part of the cover of this standard policy?
- (a) Storm (b) Fire (c) Lightning  
(d) Explosion (from domestic usage of gas/boilers)
44. Which special peril is linked with areas of former mining activities?
- (a) Storm (b) Spontaneous Fermentation# (c) Impact  
(d) Subterranean fire
45. The provision that where an insurer requires an insured to complete a proposal form, it shall be done in a certain manner is contained in Section ... of the Insurance Act 2003.
- (a) 54(1) (b) 54(2) (c) 64(1) (d) 64(2)
46. The main difference between the insurable definition of theft and the statutory definition of theft as it relates to the "Theft Act" is ...
- (a) dishonesty (b) force and violence  
(c) property appropriation (d) intention to permanently deprive
47. Apart from the fire policy, in which of this type of policy is EMR/MPL important?
- (a) Goods-in-Transit (b) Burglary  
(c) Motor Commercial (d) Personal Accident
48. In which general insurance policy will you find "Escort Warranty"?
- (a) Money (b) Theft (c) Marine Cargo (d) All-Risks

49. The maximum time the income of the business could be affected as a result of a material damage loss in business interruption is the ...
- |                                |                      |
|--------------------------------|----------------------|
| (a) cooling off period         | (b) return period    |
| (c) elongated insurance period | (d) indemnity period |
50. Under liability covers, the courts would usually not allow a claim if there is no injury. In which type of policy may damages be awarded for pure financial loss?
- |                          |                            |
|--------------------------|----------------------------|
| (a) Employer's Liability | (b) Professional Indemnity |
| (c) Product Liability    | (d) Public Liability       |

**SECTION B - ATTEMPT ALL QUESTIONS (Questions from 51 to 60)**

**Answer True (T) or False (F)**

51. The principle of utmost good faith applies to only one party in the contract of insurance i.e. the insured.
52. The duty of fair representation/disclosure under the policy terminates immediately after the policy is issued.
53. Social attitude which does not regard cheating insurers as immoral or illegal is an example of moral hazard.
54. The anniversary date for most general insurance policies that run for twelve (12) months is called the renewal date.
55. The "No Claims Discount" (NCD) is a feature of all general insurance policies.
56. In the process of risk management, frequency and severity are considered at the risk control stage.
57. Apart from motor insurance, approved repairers are also used in household insurance.
58. As part of the duties of managing the common pool, the underwriter must also manage investment of the fund.
59. The major rating for personal accident and permanent health insurance is occupation.
60. Application fraud is perpetuated at inception when a proposer is applying for and insurance cover.

## SECTION C - ATTEMPT ALL QUESTIONS (Questions 61 - 75)

Read the cases below carefully and answer the questions which follow.

Ms. Bubu, an officer with a government corporation, with her savings and mortgage from a building society put up a beautiful bungalow. She had approached Union Trust Insurance limited for cover indicating values for the building and contents made up of household goods, electronics and other usables in the house. The insurance company gave her a rate and policy terms, which include a condition that they would have to see the items proposed before confirming cover.

61. Which is the most suitable policy you would recommend to Ms. Bubu for effective coverage of the building and contents?
- (a) All-Risks (b) Burglary  
(c) Fire and Special Peril (d) Household Comprehensive
62. The Insurers requested to inspect the building and contents before confirming cover. This is a ...
- (a) building census (b) contents verification  
(c) bi-party meeting (d) survey inspection
63. She says she does not want to bother herself listing all the items under contents but just a bulk-sum insured, a simple article limit will apply to the burglary section. What universal percentage is this limit?
- (a) 2.5% (b) 5% (c) 7.5% (d) 10%
64. In defining what constitutes the building, which of there will not be acceptable as part of it?
- (a) Shed (b) Garage (c) Laptop (d) Swimming Pool
65. A typical household comprehensive policy will have all but one of these as sections in its coverage.
- (a) Building (b) Business Interruption  
(c) Burglary (d) Occupier's Liability

Owosepataki Nigeria Limited is a business venture jointly owned by some Nigerians living outside the country and those at home. These owners are conscious of the safety of their investment and assets of Machineries/Equipment that they would be sending down to Nigeria in the course of transit, while the machineries/equipment are being installed and are functioning; and how to ensure a profitable operation that is not derailed by foreseen contingencies, which they believe that insurance can handle. You are to advise them in view of your insurance knowledge about questions that agitate their minds.

66. The machineries are heavy equipment. What policy will cover the transportation from various international nations into Nigeria?
- (a) Marine Hull (b) Goods-in-Transit  
(c) Marine Cargo (d) Erection All Risks
67. Which important policy is required to protect the buildings, plants, machineries, equipment and stock of raw materials and finished goods?
- (a) Fire and Special Perils (b) Burglary  
(c) All Risks (d) Parts All Risks



68. They are helping to put in place a good system that would ensure effective protection of all assets in the custody of employees. For few employees who might prove unfaithful by stealing or defrauding the company, which policy can be put in place to take care of this risk of loss of property in custody of the company's workers?
- (a) All Risks Insurance (b) Professional Indemnity Insurance  
(c) Public Liability Insurance (d) Fidelity Guarantee Insurance
69. Having witnessed situations in which fire destroyed factories, taking many months to rebuild with the resultant effect that ceases for a long time and attendant loss of revenue coupled with costs that still continue to run during this period. Which policy will you recommend to them to take care of this situation that they are envisaging?
- (a) Consequential Loss (b) Erection All Risks  
(c) Fidelity Guarantee (d) Credit Guarantee Bond
70. Which policy would be appropriate for potential liability towards visitors to the premises where the company they set up do the business?
- (a) Employer's Liability (b) Extended Warranty Policy  
(c) Travel Insurance (d) Public Insurance

Fire insurance portfolio makes a sizeable proportion of the premium income of a General Insurance Company. You have been asked to explain the cover details of the policy to some company representatives who wish to have more understanding on the benefits of this policy and its contents. The company is also considering the notes associated with the weather conditions too.

71. The standard fire policy is the foundation of fire insurance policy. Which of these is not one of the perils it covers?
- (a) Riot (b) Lightning  
(c) Fire (d) Explosion (from domestic uses)
72. Which of these special perils is normally written together with storm?
- (a) Explosion (b) Flood (c) Impact (d) War
73. A policy written in the fire department includes a material damage proviso. Which party will this be?
- (a) All Risks (b) Business Interruption  
(c) Household (d) Standard Fire
74. Which of these perils emanates from chemical reactions?
- (a) Flood (b) Malicious Damage (c) Explosion (d) Lightning
75. Riot and civil commotion special peril is an important cover in the fire policy. What minimum number of people under the Act constitutes a group for the purpose?
- (a) 50 (b) 30 (c) 25 (d) 12

**Chief Examiner's Comment**

Candidates' performance this diet was below average, at just 40% pass rate even though the questions asked spread across the entire syllabus.

**Comments on Overall Performance**

Overall performance is not particularly impressive 40% pass rate. Candidates should try to start their preparations early.

**Suggestion(s) on Improvements**

Candidates should show more interest in this course and should study more for success.

**F05 - INSURANCE UNDERWRITING PROCESS**

<b>1</b>	C	<b>21</b>	C	<b>41</b>	C	<b>61</b>	D
<b>2</b>	A	<b>22</b>	D	<b>42</b>	A	<b>62</b>	D
<b>3</b>	D	<b>23</b>	B	<b>43</b>	A	<b>63</b>	B
<b>4</b>	B	<b>24</b>	A	<b>44</b>	D	<b>64</b>	C
<b>5</b>	B	<b>25</b>	D	<b>45</b>	A	<b>65</b>	B
<b>6</b>	A	<b>26</b>	C	<b>46</b>	B	<b>66</b>	C
<b>7</b>	D	<b>27</b>	B	<b>47</b>	B	<b>67</b>	A
<b>8</b>	B	<b>28</b>	A	<b>48</b>	A	<b>68</b>	D
<b>9</b>	C	<b>29</b>	B	<b>49</b>	D	<b>69</b>	A
<b>10</b>	B	<b>30</b>	D	<b>50</b>	B	<b>70</b>	D
<b>11</b>	A	<b>31</b>	C	<b>51</b>	F	<b>71</b>	A
<b>12</b>	A	<b>32</b>	C	<b>52</b>	F	<b>72</b>	B
<b>13</b>	C	<b>33</b>	A	<b>53</b>	T	<b>73</b>	B
<b>14</b>	B	<b>34</b>	C	<b>54</b>	T	<b>74</b>	C
<b>15</b>	D	<b>35</b>	D	<b>55</b>	F	<b>75</b>	D
<b>16</b>	A	<b>36</b>	B	<b>56</b>	F		
<b>17</b>	B	<b>37</b>	B	<b>57</b>	T		
<b>18</b>	C	<b>38</b>	A	<b>58</b>	F		
<b>19</b>	B	<b>39</b>	C	<b>59</b>	T		
<b>20</b>	A	<b>40</b>	D	<b>60</b>	T		

F06

CHARTERED INSURANCE INSTITUTE OF NIGERIA

FOUNDATION  
F06 – MOTOR INSURANCE PRODUCTS  
APRIL 2023 DIET



**All answers should be shaded on the answer form in accordance with the following instructions:**

- Two hours are allowed for this paper.
- Fill in the information requested on the answer form and attendance form.
- Handle the answer form with care and do not write notes on it.
- No marks are deducted for incorrect answers, so do not leave any questions unanswered.
- The answer form should be handed over personally by you to the invigilator before you leave the Examination Hall.
- Insert your candidate's number as given on your admission permit and any other particulars required on the answer form.
- Ensure that you write the full and correct candidate's number.
- If you bring a calculator into the examination room, it must be silent battery or solar powered non-programmable calculator. The use of programmable calculator is prohibited.
- No name should be written on the answer form.

**FAILURE TO ADHERE TO INSTRUCTIONS (WRITTEN AND VERBAL)  
WILL ATTRACT STATED SANCTIONS AS STATED IN THE APRIL 2023  
DIET CANDIDATES' INSTRUCTIONS.**

**CHARTERED INSURANCE INSTITUTE OF NIGERIA**

**FOUNDATION**

**F06 – MOTOR INSURANCE PRODUCTS**

**INSTRUCTIONS TO CANDIDATES**

**READ THE INSTRUCTIONS BELOW BEFORE ANSWERING ANY QUESTIONS**

**Section A**

The questions 1 – 50 in this paper are numbered and four options follow each question. The options are labeled a,b,c,d. Only one of these options is correct. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

**Example:**

Which insurance principle does new for old overrule?

- |               |                  |
|---------------|------------------|
| (a) Average   | (b) Contribution |
| (c) Indemnity | (d) Subrogation  |

The answer is option (c).

**Section B**

Questions 51 – 60 are to be answered as either True (T) or False (F). Select your chosen option and indicate it on the answer form by filling in the appropriate box.

**Example:**

A comprehensive motor insurance policy would provide cover for all types of accidental damages without any exclusion (True or False).

The correct option is False (F).

**Section C**

Questions 61 – 75. This section contains two (2) case studies each followed by some sets of questions. The case studies are not numbered and appear at the top of the page. Each of the sets of questions following a case study is numbered. Four options follow each question. The options are labelled, a, b, c, d. Only one of these options is correct or best. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

**SECTION A - ATTEMPT ALL QUESTIONS (Questions 1 - 50)**

1. The regulator of motor insurance in Nigeria is ...  
(a) FCA (B) NAICOM (c) FPC (d) NIA
2. Joint policies may be issued in which of these circumstances?  
(a) Corporate bodies with large employees  
(b) Corporate solely for employees of the same company  
(c) Where there is legal tussle of ownership  
(d) Policyholder and their spouse
3. All of these can be termed commercial motor policy except one.  
(a) Vehicle used by the policyholder as private car  
(b) Small vans used only in connection to carrying the insurer's goods only  
(c) Large vehicles in use for general haulage business  
(d) Vehicles belonging to commercial business with a size of six or less in their fleet
4. Many insurers will consider any mix of vehicles owned by the same insured for fleet rating but there must be a minimum number of vehicles. What would this be?  
(a) Ten (b) Seven (c) Five (d) Two
5. Motor Trade can be rated on all these criteria for 'road risks' except one.  
(a) Number of drivers (b) Trade plate numbers  
(c) Garage location (d) Points basis
6. Intermediaries in the market that allow potential customers to view prices of different financial products are called or known as ...  
(a) brokers (b) agents (c) consultants (d) aggregators
7. What role do software houses play in insurance supply chain?  
(a) Provide sales executives to insurers  
(b) Provide distribution mechanism for quotation system users by different insurers  
(c) Offer support on travel flight schedules to those who purchase travel insurance policy  
(d) Serves as information clearing house on large risks
8. Which of these is regarded as the "compensation body" appointed under Article 6 of the Fourth EU Motor Database?  
(a) MIB (b) MID (c) UKIC (d) ABI
9. The body set up to provide compensation to victims of motor vehicle accidents whose responsible vehicle/driver could not be traced is ...  
(a) Accident's Office Committee (b) Lloyd's Council  
(c) Motor Insurance Database (d) Motor Insurance Bureau

10. The major obligation of setting up the Motor insurance Database is to ...
- coordinate motor license processes
  - reduce the level of uninsured vehicles
  - support insurer to sell their third party policies
  - liaise with police to recover stolen vehicles
11. For victims of uninsured or untraced drivers to obtain compensation, the body set up for this purpose must have its own fund. What is the source of its funding?
- Levy on motor premium income of insurers
  - Deduction from road levy paid to the Government
  - Subvention from British Insurers Association
  - Penalty proceeds on motorists who break traffic laws
12. The Motor Vehicle (Third Party Insurance Ordinance) 1945 in Nigeria took effect from?
- 1945
  - 1948
  - 1950
  - 1976
13. The provision that where an insurer requires an insured to complete a proposal form, it shall be done in a certain manner is contained in Section ... of the Insurance Act 2003.
- 54(1)
  - 54(2)
  - 64(1)
  - 64(2)
14. Nigerian Insurance Industry Database helps to ...
- check the authenticity of an insurance company
  - capture the insurance cover status of vehicles on Nigerian roads
  - analyse the insurance industry motor claims
  - exchange information with state licensing authorities
15. A group of students studying international relations in one of the higher institutions wish to have a study tour to Benin, Togo, Ghana and Sierra-Leone using their departmental bus. Which document should they obtain to cover third party liabilities in the countries they are visiting?
- ECOWAS International Passport
  - ECOWAS Travel Certificate
  - ECOWAS Drivers Licence
  - ECOWAS Brown Card
16. Any person that wishes to drive on a public road in Nigeria must possess a valid driving license. Where can this be obtained?
- Federal Road Safety Corps
  - Motor Vehicle Administration Agency
  - Vehicle Inspection Office
  - Nigeria Police Force
17. Which scope of cover in motor will not cover non-road use?
- Road Traffic Act
  - Third Party
  - Third Party, Fire and Theft
  - Comprehensive

18. In an insurance contract, two parties endorse or sign the contract. Who then is the third party especially in motor insurance?
- (a) The Broker
  - (b) Any person involved in the accident covered by the policy
  - (c) Automobile Engineer carrying out the vehicle inspection
  - (d) The vendor or motor company whose name is on the invoice
19. The Driving Other Cars extension is available to all the scopes of cover except one. Which one is it?
- (a) Road Traffic Act
  - (b) Third Party
  - (c) Third Party, Fire and Theft
  - (d) Comprehensive
20. The widest cover in motor insurance is provided by ...
- (a) Road Traffic Act
  - (b) Third Party
  - (c) Third Party, Fire and Theft
  - (d) Comprehensive
21. A vehicle was snatched at night and in the bid to escape, the robber ran into the concrete road divider on sensing that the police were around. Under which of these options could the insured get indemnity?
- (a) Road Traffic Act only
  - (b) Third Party only
  - (c) Third Party, Fire and Theft only
  - (d) Third Party, Fire and Theft and Comprehensive
22. In private motor insurance, indemnity will be offered in all of these methods except one.
- (a) Repair
  - (b) Replacement
  - (c) Reinstatement
  - (d) Cash
23. In which section of the policy do we find the “applicable excess” on the motor policy?
- (a) Preamble
  - (b) Operative Clause
  - (c) Heading
  - (d) Schedule
24. Which of these will not qualify to be classified as an accessory?
- (a) Steering Wheel
  - (b) Audio/Music Player
  - (c) Spare Wheel
  - (d) Jack
25. In relation to the loss of the insured vehicle, the basis of indemnity will be the ...
- (a) invoice value
  - (b) market value
  - (c) purchase value
  - (d) intrinsic value
26. It is normal for insurers to fix a limit of repairs of which it is not economical to effect repairs on vehicles involved in an accident. What level seems to be the global limit?
- (a) 50%
  - (b) 60%
  - (c) 70%
  - (d) 80%
27. Under which of these policy covers is personal effects and clothings in the car indemnified?
- (a) Comprehensive
  - (b) Third Party, Fire and Theft
  - (c) Third Party
  - (d) Traffic Road Act



28. What is the minimum seating capacity a vehicle should have to be qualified as “buses and coaches”?
- (a) Exceed 12 Seats (b) Exceed 10 Seats  
(c) Exceed 8 Seats (d) Exceed 4 Seats
29. In motor insurance, the contingent liability policy will provide cover to the ...
- (a) employee (b) union (c) emergency agency (d) employer
30. When employees use their vehicles insured for domestic and pleasure purposes for their employer’s business. Which policy does the employer need to put in place in the event of the employees incurring liability whilst using their personal car for their employer’s business?
- (a) Public Liability (b) General Liability  
(c) Commercial Vehicle Cover (d) Occasional Business Use
31. Loading and unloading clause is found in which of these policies?
- (a) Private Motor (b) Commercial Vehicle  
(c) Motorcycle Policy (d) Contingent Liability
32. The Motor Insurance Bureau in the UK provides compensation to victims of uninsured or unidentified drivers. In Nigeria, which body performs this role?
- (a) Nigeria Liability Insurance Pool  
(b) Security and Development Fund under NAICOM  
(c) Motorist Technical Committee of NIA  
(d) Image Committee of the Nigerian Insurance Industry
33. In motor insurance as in other general insurance policies, the insured must have insurable interest in the subject matter of the insurance. What/who is subject matter in a motor policy in Nigeria? It is the ...
- (a) driver (b) seller (c) vehicle (d) broker
34. Which of these persons have no insurable interest in an insured vehicle?
- (a) Anyone driving or using the vehicle (b) Fare-Paying passengers  
(c) The owner who gave it to another to use  
(d) Any person renting by terms of the rental agreement
35. The Accident Report Form serves all but one of these functions.
- (a) To ensure that all relevant information is supplied in one document  
(b) To enable validation of claim by checking policy coverage  
(c) To check to ensure that information declared at inception was accurate  
(d) To determine how to share the risk or cede to reinsurer
36. The ECOWAS Brown Card was established by ECOWAS Protocol/A/PI/5/82 on ...
- (a) 5<sup>th</sup> November 2004 (b) 22<sup>nd</sup> August 1997  
(c) 1<sup>st</sup> June 1986 (d) 29<sup>th</sup> May 1982

37. When a vehicle becomes a total loss following an accident, what is the measure of indemnity?  
(a) Sum Insured (b) Market Value  
(c) Gross Estimate (d) Showroom Invoice Amount
38. Insurers register all total loss and theft cases in an industry database to safeguard against fraud in one way or the other. Which body carries out this function in the United Kingdom?  
(a) MIB (b) DVLA (c) MIATER (d) Police
39. A front seat passenger in a car is involved in an accident leading to fatal injury. The failure to wear a seatbelt will constitute to ...  
(a) liability (b) acceptance  
(c) defendant (d) contributory negligence
40. The ECOWAS Brown Card will not be used in ...  
(a) Cameroon (b) Guinea Bissau (c) Cote'd'Ivoire (d) Niger
41. Which of these is not a rating factor in Motor insurance?  
(a) Geographical area of use (b) Use to which the vehicle is used  
(c) Marital status of insured (d) Scope of cover required
42. What is the appropriate NCD for driving one year without claim under the motor tariff in Nigeria for private motor?  
(a) 10% (b) 20% (c) 25% (d) 30%
43. A policy is flat rated without the prospect of earning or losing discount and as such pays the same rate. Which scheme will this be?  
(a) Protected NCD (b) Basic NCD  
(c) Starter NCD (d) Guaranteed NCD
44. Form B certificates or blanket certificates are issued to ...  
(a) Motor Trade (b) Individual Private Cars  
(c) Passenger Vehicles (d) Special Type Ambulances
45. When all the information needed to issue a motor certificate are not fully available, a document is issued to the insured as a proof of cover. What is this document called?  
(a) Proposal Form (b) Premium Payment Remittance  
(c) Cover Note (d) Driver's License
46. "Statements of Facts" is a substitute for which of these documents below?  
(a) Claim Form (b) Proposal Form  
(c) Discharge Voucher (d) Satisfaction Note
47. Where there is dispute on settlement amount following a claim, ... would be referred to.  
(a) the Court (b) the reinsurer (c) NIA (d) arbitration
48. In the Nigerian Insurance Act 2003 sections ... provides for insurable interest.  
(a) 56 and 57 (b) 57 and 58 (c) 50 and 51 (d) 68 and 69

49. The Green card system is coordinated in Europe by the Council of Bureaus comprising of a bureautor for each country. Which body performs the role of bureau in the UK?  
(a) MID (b) MIAFTR (c) MIB (d) CUE
50. Persons who are convicted of certain criminal offences are said to be rehabilitated after specified periods of time. Which number of years' conviction/imprisonment is never rehabilitated?  
(a) 5 years (b) 4 years (c) 2 years (d) 1½ years

**SECTION B - ATTEMPT ALL QUESTIONS (Questions from 51 to 60)**  
**Answer True (T) or False (F)**

51. Only a Lloyd's Broker can place business at Lloyd's.
52. The MID in the UK was set up with the objective of reducing the number of uninsured vehicles on the roads.
53. In motorcycle insurance, the accessories are covered if stolen while the policyholder stops briefly in the course of a journey.
54. Cover under RTA and TPO extend to non-road users.
55. The operative clause is that part of the policy that reminds the policyholder that the proposal certificate and schedule all forms part of the contract and should be used together.
56. When a cover note is first issued, it is an order for the commencement date of the certificate to carry the commencement date of the cover note.
57. Some cars that are "cherished" or "classic" type increase in value as the years go by and in the event of a total loss the indemnity will be the "agreed value" and not the market value.
58. The risk of theft and accident is higher in the countryside than urban areas.
59. There are three categories of flood.
60. The Marine Insurance Act 1906 also has an effect on all classes of insurance as it made insurable interest a legal requirement and put a stop to gambling in the guise of insurance.

## SECTION C - ATTEMPT ALL QUESTIONS (Questions 61 - 75)

Read the cases below carefully and answer the questions which follow.

### SECTION C

Emeka bought a car last year which he uses for domestic and business purposes. He was told that he was under statutory obligation to provide insurance or other acceptable alternatives in respect of third-party liabilities for using the vehicle on a public road. He got to know that the third party only policy does not give cover to his car and asked that you should increase the scope of cover to take care of all potential liabilities to third parties and all damage to his car if you could satisfactorily answer his question by shedding light on what he stands to gain.

61. What level of cover would you recommend to him as giving the widest of benefits?
- (a) Road Traffic Act (b) Third Party Only  
(c) Third Party, Fire and Theft (d) Comprehensive
62. What is the minimum benefit he can get for damage to third party property damage?
- (a) ₦500,000.00 (b) ₦1,000,000.00  
(c) ₦2,000,000.00 (d) ₦3,000,000.00
63. Which document should he check for details of the contract of insurance between him and the insurance company?
- (a) Policy Document (b) Proposal Form  
(c) Cover Note (d) Renewal Notice
64. When accosted by the police or operatives of the federal road corps, which document would they require to show compliance with the requirement of the Road Traffic Act?
- (a) Motor Vehicle License (b) Proposal Form  
(c) Certificate of Insurance (d) Renewal Notice
65. If he wants to go on a trip to Lome or Cotonou to visit his brothers doing business in these places, which document will he require to take his vehicle across the border?
- (a) Road Worthiness Certificate (b) Endorsement  
(c) Customs Bill of Entry (d) ECOWAS Brown Card

Dogo had an accident with his car and was sent a form to complete with the advice that he should send the car to any garage contained in a list attached to the form. At the end of the repairs, the garage requested him to sign a document before releasing the car to him, while the Insurer conveyed to him how much they would pay on the claim based on the negotiation of their Automotive Engineer. In the letter, they indicated deduction for a part he was supposed to bear as reflected in the policy as well as making him to pay for some percentage on the cost of painting the whole car. Another form was enclosed for him to sign to authorise claim settlement payment to him. He is wondering why claims involve so much documentation and why.

66. The form that was sent to him by the insurance company is the ...
- (a) proposal form (b) purchase invoice  
(c) accident report form (d) contribution form

67. The document the garage made him to sign before the release of the vehicle is the ...  
 (a) negotiation form (b) release fore  
 (c) subrogation form (d) date form
68. The list of garages sent to the policyholder to send his car to any one of them is collectively known as ...  
 (a) junk yard (b) bureau centre  
 (c) service companies (d) approved garages
69. The amount or proportion of the claim he was expected to bear as reflected in the policy schedule is ...  
 (a) excess (b) franchise (c) penalty (d) discount
70. The improvement in the repair of the car involved in an accident which the insured is to pay for, is called ...  
 (a) penalty (b) betterment (c) franchise (d) warranty

Ms. Pebble, during her vacation drove her saloon car outside the UK to another European country. As a result of non-familiarity with road signs, she ran into another car, causing some minor damages to it. She got back from the UK and was herself hit from the rear by a hot and run driver.

71. Which document will she be required to produce as evidence of insurance at the other European country where the first accident had occurred?  
 (a) The Policy Document (b) The Visa Document  
 (c) The Proposal Document (d) The Green Card
72. What is the name of the central coordinating body of all the respective country's bodies managing the road traffic insurance requirement for the above claims?  
 (a) European Union (b) European Parliament  
 (c) Council of Bureau (d) UEFA
73. In which of these countries will Ms. Pebble drive her car and will not be covered by her authentic document?  
 (a) Cyprus (b) Russia (c) Czech Republic (d) Slovenia
74. The driver that caused damage to her could not be traced and the vehicle number could not be traced. Which body is saddled with the responsibility of providing compensation in such situations?  
 (a) MIB (b) MID (c) CUE (d) DVLA
75. The body responsible for provision of information about in respect of the authorised document required for the trip in the UK is ...  
 (a) CUE (b) DVLA (c) UKIC (d) BIA

**Chief Examiner's Comment**

This diet's performance was above average even though a better performance was expected.

**Comments on Overall Performance**

Overall performance was minimally above 50% with the many having narrow margin failures.  
Overall pass rate was 58%

**Suggestion(s) on Improvements**

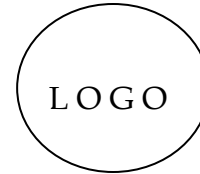
Candidates are encouraged to devote more time to study their course books for improved performance.

<b>F06 - MOTIR INSURANCE PRODUCTS</b>							
<b>1</b>	<b>B</b>	<b>21</b>	<b>D</b>	<b>41</b>	<b>C</b>	<b>61</b>	<b>D</b>
<b>2</b>	<b>D</b>	<b>22</b>	<b>C</b>	<b>42</b>	<b>A</b>	<b>62</b>	<b>B</b>
<b>3</b>	<b>A</b>	<b>23</b>	<b>D</b>	<b>43</b>	<b>D</b>	<b>63</b>	<b>A</b>
<b>4</b>	<b>C</b>	<b>24</b>	<b>A</b>	<b>44</b>	<b>A</b>	<b>64</b>	<b>C</b>
<b>5</b>	<b>C</b>	<b>25</b>	<b>B</b>	<b>45</b>	<b>C</b>	<b>65</b>	<b>D</b>
<b>6</b>	<b>D</b>	<b>26</b>	<b>B</b>	<b>46</b>	<b>B</b>	<b>66</b>	<b>C</b>
<b>7</b>	<b>B</b>	<b>27</b>	<b>A</b>	<b>47</b>	<b>D</b>	<b>67</b>	<b>B</b>
<b>8</b>	<b>A</b>	<b>28</b>	<b>A</b>	<b>48</b>	<b>A</b>	<b>68</b>	<b>D</b>
<b>9</b>	<b>D</b>	<b>29</b>	<b>D</b>	<b>49</b>	<b>C</b>	<b>69</b>	<b>A</b>
<b>10</b>	<b>B</b>	<b>30</b>	<b>D</b>	<b>50</b>	<b>B</b>	<b>70</b>	<b>B</b>
<b>11</b>	<b>A</b>	<b>31</b>	<b>B</b>	<b>51</b>	<b>F</b>	<b>71</b>	<b>D</b>
<b>12</b>	<b>C</b>	<b>32</b>	<b>B</b>	<b>52</b>	<b>T</b>	<b>72</b>	<b>C</b>
<b>13</b>	<b>A</b>	<b>33</b>	<b>C</b>	<b>53</b>	<b>F</b>	<b>73</b>	<b>B</b>
<b>14</b>	<b>B</b>	<b>34</b>	<b>B</b>	<b>54</b>	<b>F</b>	<b>74</b>	<b>A</b>
<b>15</b>	<b>D</b>	<b>35</b>	<b>D</b>	<b>55</b>	<b>F</b>	<b>75</b>	<b>C</b>
<b>16</b>	<b>A</b>	<b>36</b>	<b>D</b>	<b>56</b>	<b>T</b>		
<b>17</b>	<b>A</b>	<b>37</b>	<b>B</b>	<b>57</b>	<b>T</b>		
<b>18</b>	<b>B</b>	<b>38</b>	<b>C</b>	<b>58</b>	<b>F</b>		
<b>19</b>	<b>A</b>	<b>39</b>	<b>D</b>	<b>59</b>	<b>T</b>		
<b>20</b>	<b>D</b>	<b>40</b>	<b>A</b>	<b>60</b>	<b>T</b>		

F07

CHARTERED INSURANCE INSTITUTE OF NIGERIA

FOUNDATION  
F07 - HOUSEHOLD INSURANCE PRODUCTS  
APRIL 2023 DIET



**All answers should be shaded on the answer form in accordance with the following instructions:**

- Two hours are allowed for this paper.
- Fill in the information requested on the answer form and attendance form.
- Handle the answer form with care and do not write notes on it.
- No marks are deducted for incorrect answers, so do not leave any questions unanswered.
- The answer form should be handed over personally by you to the invigilator before you leave the Examination Hall.
- Insert your candidate's number as given on your admission permit and any other particulars required on the answer form.
- Ensure that you write the full and correct candidate's number.
- If you bring a calculator into the examination room, it must be silent battery or solar powered non-programmable calculator. The use of programmable calculator is prohibited.
- No name should be written on the answer form.

**FAILURE TO ADHERE TO INSTRUCTIONS (WRITTEN AND VERBAL)  
WILL ATTRACT STATED SANCTIONS AS STATED IN THE APRIL 2023  
DIET CANDIDATES' INSTRUCTIONS.**



**CHARTERED INSURANCE INSTITUTE OF NIGERIA**

**FOUNDATION**

**F07 - HOUSEHOLD INSURANCE PRODUCTS**

**INSTRUCTIONS TO CANDIDATES**

**READ THE INSTRUCTIONS BELOW BEFORE ANSWERING ANY QUESTIONS**

**Section A**

The questions 1 - 50 in this paper are numbered and four options follow each question. The options are labeled a,b,c,d. Only one of these options is correct. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

**Example:**

Which insurance principle does new for old overrule?

- |               |                  |
|---------------|------------------|
| (a) Average   | (b) Contribution |
| (c) Indemnity | (d) Subrogation  |

The answer is option (c).

**Section B**

Questions 51 - 60 are to be answered as either True (T) or False (F). Select your chosen option and indicate it on the answer form by filling in the appropriate box.

**Example:**

A household policy can be extended to cover motor insurance. (True or False).

The correct option is False (F).

**Section C**

Questions 61 - 75. This section contains three (3) case studies each followed by five questions. The case studies are not numbered and appear at the top of the page. Each of the five questions following a case study is numbered. Four options follow each question. The options are labelled, a, b, c, d. Only one of these options is correct or best. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

## SECTION A - ATTEMPT ALL QUESTIONS (Questions 1 - 50)

1. Which of the following best describe an insurance policy that cover the structure of a building together with its fixtures and fittings?
  - (a) A combined policy
  - (b) Buildings only policies
  - (c) Rent insurance policy
  - (d) Contents only policy
  
2. An individual or organisation who through the completion of one set of questions aim to give the proposer quotations from a number of insurance providers with whom the individual or organisation has links are best referred to as?
  - (a) Agents
  - (b) Brokers
  - (c) Aggregators
  - (d) Bancassurers
  
3. A type of insurance rooted in shariah compliance financial principle is called?
  - (a) Shariah Insurance
  - (b) Muslim Insurance
  - (c) Takaful Insurance
  - (d) Cultural Insurance
  
4. Damage caused by frost is excluded under which of the following perils?
  - (a) Fire
  - (b) Subsidence
  - (c) Storm and Flood
  - (d) Lightning
  
5. ... limit is the limit for any one valuable item that varies between explicably stated amounts by the insurers. Insurers are often prepared to include items of greater valued produced.
  - (a) Multiple
  - (b) Valuable
  - (c) Money
  - (d) Single article
  
6. Repairs to plumbing after freezing covers ...
  - (a) damage when the property is unoccupied
  - (b) cost of repairing damages to plumbing after freezing
  - (c) cost of repairing any plumbing outside the building
  - (d) all the above
  
7. ... limit is specifically included in up to a specifically stated limit and has a wider policy definition, which may include cheque, postal, money orders, postage stamp, premium bonds, e.t.c.
  - (a) Multiple
  - (b) Valuables
  - (c) Money
  - (d) Single article
  
8. Common exclusions under the building insurance includes damages caused by the following except ...
  - (a) wear and tear
  - (b) insect or vermin
  - (c) fire
  - (d) corrosion
  
9. Frozen foods cover will not cover loss ...
  - (a) of food stored in a freezer caused by a change in temperature
  - (b) resulting from contamination by freezing agents
  - (c) of food held for business purposes
  - (d) caused by freezer breakdowns

10. Legal expenses cover will not cover...
- (a) claims reported after notification period has elapsed
  - (b) recovery cost for legal actions
  - (c) prosecution defense cost for certain criminal charges
  - (d) legal cost involved in the defense of civil claims not covered by other forms of insurance
11. What are the geographical limits that apply to the sport equipment extensions?
- (a) Anywhere in the country of issuance
  - (b) Anywhere in the world for unlimited period
  - (c) None of the above
  - (d) All of the above
12. Cover on caravan insurance does not apply to ...
- (a) loss of or damage to the caravan and equipment
  - (b) loss or damage to the contents
  - (c) material damage caused by electrical failure
  - (d) legal liability
13. The principal specific exclusion that apply to a caravan policy includes the following except ...
- (a) property more specifically insured
  - (b) Storm damage to a trailer or tent
  - (c) removal to a specialist repairer
  - (d) the policy excess
14. Most travel policies provide the following basic covers except ...
- (a) personal accident benefit
  - (b) repatriation benefit
  - (c) baggage, personal effect and money
  - (d) medical and associated expenses
15. Personal accident benefit covers the following except ...
- (a) death
  - (b) loss of limb
  - (c) skiing accident
  - (d) Temporary total disablement
16. The provision that where an insurer requires an insured to complete a proposal form, it shall be done in a certain manner is contained in Section ... of the Insurance Act 2003.
- (a) 54(1)
  - (b) 54(2)
  - (c) 64(1)
  - (d) 64(2)
17. Which of the following is an insurance policy that provides reimbursement of deposit and payments made for transport and accommodation booked for, but not used by the insured?
- (a) Reimbursement
  - (b) Cancellation
  - (c) Curtailment
  - (d) Travel delay
18. Baggage and personal effects section of travel insurance cover provides for all the following except ...
- (a) damage to personal baggage taken with the insured
  - (b) loss of Jewelry taken with the insured
  - (c) personal liability
  - (d) None of the above

19. ... provides cover in respect of delay of aircraft, ship or train on which the insured is booked to travel for at least 12 hours due to a stated cause.
- (a) Travel delay (b) Delayed baggage  
(c) Hospital cash (d) Travel interruption
20. A travel delay claim will only be admissible if it is due to the following except ...
- (a) strike or industrial action (b) insured own action  
(c) adverse weather condition  
(d) mechanical breakdown or structural defect
21. Which of the following is not part of the section of a caravan policy?
- (a) Loss of or damage to the caravan or equipment (b) Legal liability  
(c) Personal accident (d) Loss of or damage to the content
22. ... is not included in the basic section of a travel policy.
- (a) Personal accident benefit (b) Funeral benefit  
(c) Medical and associated benefit (d) Personal liability
23. Veterinary section of a cat or dog insurance policy excludes ...
- (a) vaccination (b) preventive treatment  
(c) spraying (d) All of the above
24. ... is not part of the basic cover under the specialist mobile phone insurance.
- (a) The cost of replacing the phone (b) Accidental damage  
(c) Theft of phone while unattended in public places  
(d) Unauthorised calls
25. One of the following covers may be included in a stand-alone business policy.
- (a) Baggage delay (b) Books debts  
(c) Travel delay (d) Travel interruption
26. ... is included as part of an additional cover provided by policy covering holiday home overseas.
- (a) Professional indemnity (b) Business money  
(c) Emergency travel (d) Business interruption
27. What type of cover is required for a block of flats where the building is damaged and uninhabitable?
- (a) Professional indemnity (b) Loss of rent  
(c) Fire (d) Business interruption
28. Which categories of the following tenants is considered as of higher risk by insurers?
- (a) Investment Bankers (b) Asylum Seekers  
(c) Insurance Agents (d) None of the above

29. Which of the following is not part of the applicable geographical limit to a caravan policy?
- (a) Cover applies while within the country of policy issuance
  - (b) Cover applies while temporarily on the same continent within a specified number of days, usually between 60 and 240 days
  - (c) Cover applies while temporarily on a different continent for a period of 2 years
  - (d) All of the above
30. ... is the name of the index used by insurers to index-link personal possession cover.
- (a) credit cards index
  - (b) consumer personal possession index
  - (c) consumer durables section of the retail prices index
  - (d) all the above
31. What best describe the credit cards cover under the money and credit cards extension?
- (a) Covers includes credit cards, debit cards, cheques cash and charge cards
  - (b) covers losses that insurers are not prepared to cover
  - (c) Covers perils covered under the personal possessions section of a policy
  - (d) All the above
32. ... is covered under legal expense extension if the defense is successful.
- (a) Fine
  - (b) Travel delay
  - (c) Public liability
  - (d) None of the above
33. Which of the following is not a section of a caravan policy?
- (a) Loss of or damage to the caravan or equipment
  - (b) Legal liability
  - (c) Professional liability
  - (d) Loss of or damage to the content
34. ... is excluded from the liability section of a caravan policy.
- (a) Liability for injury to employees
  - (b) Removal of debris after an accident
  - (c) Protection and removal to a specialist repairer
  - (d) Travel cost
35. ... is the cover provided by a delayed baggage section of a travel policy.
- (a) Cost of essential purchases of clothing
  - (b) Travel delay
  - (c) Public liability
  - (d) None of the above
36. A typical building in a household policy covers all of the following except ...
- (a) fixtures and fittings
  - (b) oil and gas tanks
  - (c) garages and outbuildings
  - (d) caravans
37. The act of 'dishonestly appropriating property belonging to another with the intension of permanently depriving that other of it' is best described as.....
- (a) Fraud Act 1978
  - (b) Theft Act 1968
  - (c) Theft Act 1972
  - (d) Fraud Act 1962

38. ... occurs where the ground rises after the moisture content of the soil increases.  
 (a) Landslip (b) Subsidence  
 (c) Ground Heave (d) Tremor
39. Which of the following is not an additional item of cover that are automatically included under the building section of household policy?  
 (a) Loss of rent (b) Tracing leaks  
 (c) Damage to fixtures and fittings (d) Damage to services
40. ... is not an exclusion under building insurance.  
 (a) Wear and tear (b) Insect or vermin  
 (c) Intentional destruction of a property (d) Storm damage
41. In the Nigerian Insurance Act 2003, sections ... provides for insurable interest.  
 (a) 56 and 57 (b) 57 and 58 (c) 50 and 51 (d) 68 and 69
42. Which of the following is an exclusion under the “pedal cycles” cover ...  
 (a) theft of pedal cycle while left unattended  
 (b) damage due to electrical or mechanical breakdown  
 (c) wear and tear (d) all of the above
43. All the following events are covered under the frozen foods’ extensions except ...  
 (a) change in temperature by freezing agent  
 (b) unauthorised consumption of frozen food  
 (c) cost of hiring temporary alternative freezer space  
 (d) contamination
44. Under which of the following extension would legal advice be provided?  
 (a) Flood extension  
 (b) assistance services/emergency helplines extension  
 (c) homeworking extension (d) caravan extension
45. Liability for the following are covered under the caravan cover ...  
 (a) liability for injury to employees (b) Cost of repair  
 (c) Legal liability for third party bodily injury  
 (d) Legal liability for injury sustained by the insured’s pet
46. The following are the types of travel insurance policies except ...  
 (a) one-way ticket trip (b) return ticket trip  
 (c) single and annual trip (d) All of the above
47. The following are extensions on the main travel insurance policy except ...  
 (a) hospital cash benefit (b) travel delay  
 (c) pet care (d) sport equipment cover

48. Which of the following is covered under the medical and associated benefit covers?  
(a) Emergency medical treatment  
(b) Additional cost of bringing the insured home  
(c) both (a) and (b) (d) (a) only
49. What does EDI stand for?  
(a) Emerging Direct Insurance (b) Electronic Data Interchange  
(c) Emergency Dental Insurance (d) Economic Data Index
50. The following may be classified under fraudulent claims except ...  
(a) deliberately causing the loss (b) inventing  
(c) theft (d) exaggerating

**SECTION B - ATTEMPT ALL QUESTIONS (Questions from 51 to 60)**  
**Answer True (T) or False (F)**

51. Homeowners insurance does not usually cover damages caused by explosions.
52. Travel delay covers the delay of aircraft, ship, or train on which the insured person is booked, for at least 12 hours, due to strike or adverse weather.
53. Nuisance may include interference by encroachment of tree roots damage caused by overflow of blocked drains.
54. Expressed duties are duties that are not specifically written into the contract.
55. Homeowners can purchase higher limits for both property and contents.
56. Breach of duty is usually measured by reasonableness.
57. Claims and loss history may not impact rating and underwriting terms.
58. Household insurance does not cover my possessions even when I go on vacation.
59. As in the property section of a homeowner's policy, there are limits and exclusions to personal liability.
60. In insurance, a person is not covered for injuries or damage deliberately caused by the person.

**SECTION C - ATTEMPT ALL QUESTIONS (Questions 61 - 75)**

**Read the cases below carefully and answer the questions which follow.**

Mr. and Mrs. Adeyinka are tenants in a block of flats, which they rent on a furnished basis. In addition to the building insurance, they have a contents insurance policy, which is arranged by a Broker. While the building was insured by Cloud Insurance Plc, the content policy was insured Power Insurance Company Limited. They have a 12-year-old beautiful daughter, called Bose, who is autistic and can be spontaneous at times. Mr. Adeyinka had just bought a plasma television for the sum of one million naira, which was added to one of the insurance policies. While having one of her episodes, Bose deliberately mashed and broke the plasma television.

61. Who is responsible for the payment of premiums on the block of flats?
- |                   |                                |
|-------------------|--------------------------------|
| (a) Mr. Adeyinka  | (c) The Landlord               |
| (b) Mrs. Adeyinka | (d) Both Mr. and Mrs. Adeyinka |
62. Under which of the household policies would the plasma TV be covered?
- |                                |                       |
|--------------------------------|-----------------------|
| (a) Building                   | (b) Contents          |
| (c) Both building and contents | (d) None of the above |
63. What type of insurance cover is most appropriate for the block of flats?
- |                                |                       |
|--------------------------------|-----------------------|
| (a) Building                   | (b) Contents          |
| (c) Both building and contents | (d) None of the above |
64. To what extent, if any, would any of the insurance companies be liable for the damaged plasma TV?
- |  |
|--|
| (a) Cloud insurance will be 100% liable for the damage |
| (b) Power insurance will be 100% liable for the damage |
| (c) Both insurers will be liable for the damage        |
| (d) None of the insurers will be liable for the damage |
65. Mr. and Mrs. Adeyinka have a claim under the contents policy, it is most appropriate for them to lodge the claim through?
- |                          |                      |
|--------------------------|----------------------|
| (a) The Landlord         | (b) The Broker       |
| (c) The Building Manager | (d) All of the above |



Obi and Tope aged 30 years and 55 years respectively, both live in a three-bedroomed house next to each other. They have a buildings and contents insurance policy which was arranged through a broker. Both policies commenced on 1 November 2019. Obi has indemnity insurance cover while Tope included full new for old cover and accidental damage cover, they both made certain that the sums insured were correct at the start of the policy. Tope has a gold wristwatch, which he originally bought for ₦150,000.00, but it is now worth ₦200,000.00. The wristwatch was not specifically mentioned in the policy.

66. Between Obi and Tope, who will pay a lower premium for their contents?
- (a) Obi's premium will always be lower
  - (b) It depends on the total value of the contents of each property
  - (c) Tope's premium will always be lower
  - (d) They will both pay the same premium
67. Tope's policy became due for renewal ...
- (a) at the end of the chosen term
  - (b) on 1 May 2020
  - (c) on 1 November 2020
  - (d) on 15 December 2020
68. Obi and Tope are concerned about the risk of underinsurance. Which of them, if either, is likely to become underinsured if they fail to contact their insurer to increase the sum insured at the next policy renewal?
- (a) Both Obi and Tope
  - (b) Tope only
  - (c) Neither Obi nor Tope
  - (d) Tope only
69. How much cover, if any, should Tope typically have, as the most appropriate amount, under his policy to cover the accidental damage to the wristwatch?
- (a) ₦100,000.00
  - (b) ₦150,000.00
  - (c) ₦200,000.00
  - (d) ₦250,000.00
70. While Tope was going to the gym, he was mugged and his wristwatch was stolen, how much would Tope claim for the stolen wristwatch under his policy?
- (a) ₦0.00
  - (b) ₦100,000.00
  - (c) ₦150,000.00
  - (d) ₦200,000.00

Wunmi and Yinka live in a five-bedroomed terraced house with their kids. They have a standard combined household insurance policy with a personal possessions extension. Wunmi is a seamstress, and her husband Yinka is a professional composer. Wunmi works at home, using one of the spare bedrooms and usually receives clients into the house for measurement. In the course of taking measurements, one of her clients was injured when a pair of scissors fell on her leg.

71. How will the insurer handle the claim in respect of injury sustained by clients inside the house?
- (a) The claim will be denied under a standard household policy
  - (b) The claim will be denied on the basis of no negligence as scissors is not deemed to be hazardous
  - (c) The claim will be settled, less the excess
  - (d) The claim will be settled, and the policy voided
72. Considering Wunmi's work-related activities, what additional insurance cover, if any, would be recommended?
- (a) None, as the household insurance would be sufficient for her needs
  - (b) A business extension to the current standard household policy
  - (c) Products liability and employers' liability insurance policies
  - (d) A separate business insurance policy
- 73.. Wunmi leaves one of sewing machines in the garden unattended overnight. By the time it was morning, the sewing machine had been stolen. How would the household insurer deal with the subsequent claim for the machine?
- (a) The household insurance contents section would cover the theft
  - (b) The theft would not be covered under this policy
  - (c) The household insurer would cover 50% of the value of the claim
  - (d) None of the above
74. Under which tort is Wunmi liable for the injury sustained by her client?
- (a) Nuisance
  - (b) Negligence
  - (c) Trespass
  - (d) Strict liability
75. If you are appointed by Wunmi and Yinka as the agent to manage their insurance, which cover would advise them to buy?
- (a) Household cover with business extension
  - (b) Employer's liability
  - (c) Building insurance
  - (d) Content only cover

**Chief Examiner's Comment**

The overall performance was poor as only 25% of the candidates passed the examination

**Comments on Overall Performance**

Overall performance was not satisfactory as 25% passed rate, while the remaining 75% failed the examination.

**Suggestion(s) on Improvements**

Candidates are advised to study their course book for improved performance.

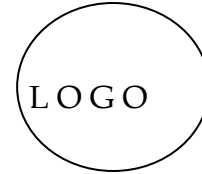
**F07 -HOUSEHOLD INSURANCE PRODUCTS**

<b>1</b>	B	<b>21</b>	C	<b>41</b>	A	<b>61</b>	D
<b>2</b>	C	<b>22</b>	B	<b>42</b>	D	<b>62</b>	B
<b>3</b>	C	<b>23</b>	D	<b>43</b>	B	<b>63</b>	B
<b>4</b>	C	<b>24</b>	C	<b>44</b>	B	<b>64</b>	D
<b>5</b>	D	<b>25</b>	B	<b>45</b>	C	<b>65</b>	B
<b>6</b>	B	<b>26</b>	C	<b>46</b>	C	<b>66</b>	A
<b>7</b>	B	<b>27</b>	B	<b>47</b>	D	<b>67</b>	C
<b>8</b>	C	<b>28</b>	B	<b>48</b>	C	<b>68</b>	A
<b>9</b>	C	<b>29</b>	C	<b>49</b>	B	<b>69</b>	C
<b>10</b>	A	<b>30</b>	C	<b>50</b>	C	<b>70</b>	A
<b>11</b>	A	<b>31</b>	A	<b>51</b>	F	<b>71</b>	A
<b>12</b>	C	<b>32</b>	C	<b>52</b>	T	<b>72</b>	B
<b>13</b>	C	<b>33</b>	C	<b>53</b>	T	<b>73</b>	B
<b>14</b>	B	<b>34</b>	A	<b>54</b>	F	<b>74</b>	B
<b>15</b>	C	<b>35</b>	A	<b>55</b>	T	<b>75</b>	A
<b>16</b>	A	<b>36</b>	D	<b>56</b>	T		
<b>17</b>	B	<b>37</b>	B	<b>57</b>	F		
<b>18</b>	C	<b>38</b>	C	<b>58</b>	F		
<b>19</b>	A	<b>39</b>	C	<b>59</b>	T		
<b>20</b>	B	<b>40</b>	D	<b>60</b>	T		

F08

CHARTERED INSURANCE INSTITUTE OF NIGERIA

FOUNDATION  
F08 - HEALTHCARE INSURANCE PRODUCTS  
APRIL 2023 DIET



**All answers should be shaded on the answer form in accordance with the following instructions:**

- Two hours are allowed for this paper.
- Fill in the information requested on the answer form and attendance form.
- Handle the answer form with care and do not write notes on it.
- No marks are deducted for incorrect answers, so do not leave any questions unanswered.
- The answer form should be handed over personally by you to the invigilator before you leave the Examination Hall.
- Insert your candidate's number as given on your admission permit and any other particulars required on the answer form.
- Ensure that you write the full and correct candidate's number.
- If you bring a calculator into the examination room, it must be silent battery or solar powered non-programmable calculator. The use of programmable calculator is prohibited.
- No name should be written on the answer form.

**FAILURE TO ADHERE TO INSTRUCTIONS (WRITTEN AND VERBAL)  
WILL ATTRACT STATED SANCTIONS AS STATED IN THE APRIL 2023  
DIET CANDIDATES' INSTRUCTIONS.**

**CHARTERED INSURANCE INSTITUTE OF NIGERIA**

**FOUNDATION**

**F08 - HEALTHCARE INSURANCE PRODUCTS**

**INSTRUCTIONS TO CANDIDATES**

**READ THE INSTRUCTIONS BELOW BEFORE ANSWERING ANY QUESTIONS**

**Section A**

The questions 1 – 60 in this paper are numbered and four options follow each question. The options are labeled a,b,c,d. Only one of these options is correct. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

**Example:**

A private healthcare provider that reinvests any profit made on better health and care services is known as a:

- |                         |                       |
|-------------------------|-----------------------|
| (a) friendly society    | (b) mutual society    |
| (c) proprietary insurer | (d) provident insurer |

The answer is option (d)

**Section B**

Questions 61 – 85 are to be answered as either True (T) or False (F). Select your chosen option and indicate it on the answer form by filling in the appropriate box.

**Example:**

A medical insurance cover will not pay for hospitalisation. (True or False).

The correct option is False (F).

**Section C**

Questions 86 – 100. This section contains three (3) case studies each followed by five questions. The case studies are not numbered and appear at the top of the page. Each of the five questions following a case study is numbered. Four options follow each question. The options are labelled, a, b, c, d. Only one of these options is correct or best. Select your answer for each question and indicate it on the answer form by filling in the appropriate box.

## SECTION A - ATTEMPT ALL QUESTIONS (Questions 1 – 60)

1. Before the NHS was established in 1948, the rich tended to ...  
(a) borrow to fund their health care      (b) contribute to fund their health  
(c) the state fund it for them      (d) fund it by themselves
2. Which of these evolved from a Provident Fund Scheme?  
(a) ECA      (b) NP      (c) NSITF      (d) NHS
3. At the outset, the NHS introduced the concept of healthcare that was free at the point of use for every citizen. This means all below except?  
(a) The NHS provides a comprehensive service available to all  
(b) Access to NHS service is based on clinical need  
(c) The NHS does not aspire to the highest standards of excellence and professionalism  
(d) The NHS is accountable to the public
4. ... includes therapies outside the 'traditional' medicine like acupuncture, homeopathy.  
(a) PMS      (b) Emergencies  
(c) Complimentary Medicine      (d) Cosmetic Surgery
5. Which of these is regarded as will occur as sudden or unexpected illness or injuries that would need immediate hospital attention?  
(a) PMS      (b) Emergencies  
(c) Complimentary Medicine      (d) Cosmetic Surgery
6. Which of these is covered by PMI?  
(a) Long-term physical disability      (b) Normal pregnancy and childbirth  
(c) Chronic illness      (d) Treatment of fever
7. Which of these is not a provident insurer?  
(a) AXA      (b) NHS      (c) BUPA      (d) HSA
8. The law regulating health insurance in Nigeria is the ...  
(a) National Health Insurance Act 1999  
(b) National Insurance Commission Act 1997  
(c) Insurance Act 2003      (d) Employee Compensation Act 2010
9. Which of could trace its ancestry as a movement back to the nineteenth century?  
(a) Third-Party Administrator      (b) Health and Dental Cash Plans  
(c) National Health Service      (d) Private Medical Insurance
10. The strengths of both TPAs and consultancies are all, except?  
(a) Independence      (b) Flexibility      (c) Finance      (d) Information
11. In Nigeria, primary healthcare is the responsibility of ...  
(a) Council Wards      (b) Local Governments

- (c) State Governments (d) Federal Government
12. In their annual survey of the health insurance market, Laing Buisson estimated that at the start of 2017, ... million subscribers had health insurance cover.  
 (a) one (b) two (c) four (d) six
13. Which of these is not an alternative way for employers to deliver private healthcare for employees?  
 (a) Self-funded schemes (b) Health Trusts  
 (c) Health and Dental Cash Plans (d) National Health Service
14. Health insurance is a form of ...  
 (a) social contract (b) social indemnity  
 (c) social security (d) social finance
15. Which of these have the highest percentage of public health expenditure?  
 (a) USA (b) Japan (c) Spain (d) Ireland
16. The most common categories of expatriate international medical insurance policies will not include ...  
 (a) a specific country or region (b) a local government area  
 (c) Europe only (d) the rest of the world
17. Some UK national health insurance schemes also cover treatment abroad in certain circumstances. These circumstances will not include ...  
 (a) where treatment abroad is no more expensive than it would be in the UK  
 (b) emergency treatment while abroad working or on holiday  
 (c) where the insurer gives specific permission for the insured to travel abroad for treatment  
 (d) where the insure has no arrangement with a hospital group in particular countries
18. The regulator of health insurance in Nigeria is ...  
 (a) NHIS (b) NHS (c) PMI (d) NSITF
19. The purpose of PMI is to pay for ...  
 (a) to pay cost of secondary acute cure received outside the national health insurance  
 (b) to pay cost of secondary acute cure received within the national health insurance  
 (c) to pay for disability benefit  
 (d) to pay for sickness benefit
20. Medical insurance will not enable people to ...  
 (a) receive information which can help on medical matters  
 (b) pay for disability benefit  
 (c) avoid to have wait for treatment (d) receive medical treatment



21. The provision that where an insurer requires an insured to complete a proposal form, it shall be done in a certain manner is contained in Section ... of the Insurance Act 2003.  
 (a) 54(1) (b) 54(2) (c) 64(1) (d) 64(2)
22. ... is a disease, illness or injury that is likely to respond quickly to treatment which aims to return an individual to the state of health the individual was in immediately before suffering the disease, illness or injury, or which leads to the individual's full recovery.  
 (a) Acute condition (b) Chronic condition  
 (c) Severe situation (d) Specialist situation
23. PMI pays for treatment ...  
 (a) as an in-patient (b) as a day patient  
 (c) as an out-patient (d) all of the above
24. The PMI policies cover ...  
 (a) private consultations with a GP (b) cosmetic surgery  
 (c) pre-existing conditions  
 (d) illness or injury which the customer has already suffered
25. Insurers commonly band the hospital accommodation to which their customers may have access according to ...  
 (a) the cost of services and the treatment provided  
 (b) number of doctors and nursing working for them  
 (c) government regulation (d) None of the above
26. Which of these is not a rough categories of Personal Medical Insurance (PMI)?  
 (a) Standard (b) Mid-Range (c) Basic (d) International
27. Hospital charges will apply to all, except ...  
 (a) operating theatre facilities (b) prosthesis  
 (c) recuperation (d) day case treatment
28. Herbalism, chiropractic e.t.c. are examples of ...  
 (a) orthodox medicine (b) physiotherapy  
 (c) complementary therapy (d) prosthesis
29. Specialist fees include ...  
 (a) nursing fees (b) accommodation fees  
 (c) anaesthetist fee (d) fees for day case treatment
30. Which of these is not a classification of surgical procedure?  
 (a) Major plus (b) Intermediate (c) Minor (d) Standard
31. The procedure for the removal of skin lesion for a surgeon is classified as?  
 (a) Major Plus (b) Intermediate (c) Minor (d) Standard

32. The procedure for the removal of wisdom teeth for a surgeon is classified as ... ?  
 (a) Major Plus (b) Intermediate (c) Minor (d) Standard
33. The procedure for heart-by-pass for a surgeon is classified as ...?  
 (a) Major Plus (b) Intermediate (c) Minor (d) Complex Major
34. The procedure for partial thyroidectomy for an Anesthetist is classified as ...?  
 (a) Major Plus (b) Intermediate (c) Major (d) Complex Major
35. What is the term for blood and urine test?  
 (a) Prosthesis (b) Pathology (c) Radiology (d) Physiotherapy
36. Which of these should not be included in PMI Comprehensive Policies for standard benefits?  
 (a) A cash payment for each night spent in hospital (b) Treatment overseas  
 (c) Home nursing facilities  
 (d) Use of private road ambulance to cover transfers between hospitals
37. The rate of increase in the cost of technology and surgical procedures has risen faster than ...  
 (a) medical cost inflation (b) RPI (c) billing  
 (d) accommodation fees
38. Another name for basic policies is ...  
 (a) mid-range policies (b) comprehensive policies  
 (c) international policies (d) budget policies
39. The Four-or Six-Week Policies are forms of ...  
 (a) mid-range policies (b) comprehensive policies  
 (c) international policies (d) budget policies
40. Medical Savings Plans combine some forms of savings with ...  
 (a) travel insurance (b) fidelity insurance  
 (c) medical insurance (d) money insurance
41. PMI means ...  
 (a) Public Medical Insurance (b) Private Medical Insurance  
 (c) Public Medical Institution (d) Private Medical Institution
42. Which of these is not a form of Group PMI?  
 (a) Small Group Schemes (b) Middle Group Schemes  
 (c) Large Group Schemes (d) Affinity Schemes
43. In the Nigerian Insurance Act 2003 sections ... provides for insurable interest.  
 (a) 56 and 57 (b) 57 and 58 (c) 50 and 51 (d) 68 and 69
44. Which of these is also usually paid for by the company and may cover pre-existing conditions?  
 (a) Small Group Schemes (b) Middle Group Schemes  
 (c) Large Group Schemes (d) Affinity Schemes

45. The group PMI schemes only cover ...  
 (a) accidental injuries (b) emergency treatment  
 (c) acute, non-emergency treatment (d) morbidity risk
46. There are various ways to fund a private medical scheme within the large corporate market, which will not include ...  
 (a) risk share (b) cost plus (c) self-insured (d) non-insured
47. In which of these is a premium determined at the commencement of the year, considering the expected level of claims for the company?  
 (a) Fully insured (b) Risk share (c) Cost plan (d) Self-insured
48. ... schemes run along similar lines to cost plus schemes.  
 (a) Fully insured (b) Risk share (c) Cost plan (d) Self-insured
49. Most PMI policies are supported by a ...  
 (a) table of benefits (b) chart of benefits  
 (c) link of benefits (d) list of benefits
50. Musa has an excess of ₦100.00 on his medical policy and he incurred a medical bill of ₦160.00 for a treatment, how much will the insurer pay for the treatment?  
 (a) ₦0.00 (b) ₦60.00 (c) ₦100.00 (d) ₦160.00
51. Which of these dates back to the late nineteenth century?  
 (a) NHS (b) Private Medical Insurance  
 (c) Health Cash Plans (d) Third Party Administrator
52. Which of these will a person a discount of 10% for being a member of a sports club or an employee of a particular organisation?  
 (a) Affinity discounts (b) Voluntary discounts  
 (c) Payment discounts (d) Earned discounts
53. The most used benefits of health cash plan are ...  
 (a) surgery cost and physiotherapy cost (b) nursing cost and pharmacy cost  
 (c) dental cost and optical cost (d) affinity cost and surgery cost
54. .... are in effect a way of spreading the cost of future treatment.  
 (a) Health Cash Plans (b) Third Party Administrators  
 (c) Private Medical Insurances (d) Capitation Plans
55. Vulnerable group social health insurance products will cover all these except??  
 (a) Physical Challenged Persons (b) Prisons Inmates  
 (c) Armed Forces Members (d) Pregnant Women

56. Which of these is part of the general insurance group in Nigeria?  
 (a) Personal Accident Insurance (b) Individual Life Insurance  
 (c) Group Life Insurance (d) Health Insurance
57. Which of these is referred to as an alternative to traditional PMI?  
 (a) Major Medical Expenses (b) Cancer Only  
 (c) Travel Insurance (d) Health Cash Plan
58. In critical illness (CI) the policy will pay  
 (a) Hospital bills for cancer treatment (b) Disability claim  
 (c) Travel allowance (d) lumps on diagnosis of cancer
59. The Personal accident policy will cover the insured per day for ... hours.  
 a) 6 (b) 12 (c) 24 (d) 48
60. Which of these policies is also referred to as mortgage payment protection insurance?  
 (a) Accident Sickness and Unemployment insurance  
 (b) Long term care (c) Payment protection insurance  
 (d) Pre-funded policy

**SECTION B - ATTEMPT ALL QUESTIONS (Questions from 61 to 85)**

**Answer True (T) or False (F).**

61. Medical history disregarded usually applies to large group schemes where pre-existing medical conditions are covered.
62. Lifestyle is not considered in medical underwriting.
63. Age is not a rating factor in health insurance.
64. Most traditional schemes simply exclude all pre-existing conditions.
65. Income protection is usually underwriting in the same way as a life insurance policy.
66. Electronic billing is a specialist software used by hospitals or specialists to record details of claim along with their costs or fee.
67. Medical inflation has not risen more rapidly than the Retail Price Index measure of inflation.
68. PMI insurers have not employed medical professionals to develop clinical guidelines sometimes known as protocols, or care pathway.
69. A session is defined as a notional half day.
70. NAICOM is the regulator of health insurance in Nigeria.

71. The Employee Compensation Scheme is to provide for an open and fair system of guaranteed and adequate compensation for all employees or their dependants for any death, e.t.c.
72. The main advantage to be gained by people buying private medical treatment is that they will have more waiting time for surgeries.
73. Provident associations were introduced during the 1920s and 1930s.
74. Examples of chronic conditions include asthma and diabetes.
75. The PMI policy will be cancelled if the insured is sick.
76. Few PMI policies cover private consultations with a GP or the costs of medical services that are used in the treatment of pre-existing conditions.
77. Basic Personal PMI products gives the widest scope of cover.
78. Limited benefit policies concentrate on providing cover for the more important or expensive types of treatment such as in-patient costs and day case treatment.
79. One of the disadvantages of flexible benefits schemes is that employees have control over the benefits they choose reflecting their lifestyle.
80. Ghana is practicing Universal Health Coverage.
81. An international medical insurance policy may cover drugs and dressing.
82. Healthcare insurance for UK expatriates often offers additional benefits compared to the standard UK health insurance policy.
83. PMI does not pay the cost of secondary acute care received outside the National Health Service.
84. Medical insurance is designed to pay for the treatment of acute medical conditions.
85. Some insurers provide an out-of-band scale, which deals exclusively with accommodation costs.

**SECTION C – ATTEMPT ALL QUESTIONS (Questions 86 – 100)**

**Read the cases below carefully and answer the questions which follow.**

Alhaji Musa lives in Kano and wants to travel to Dubai for both business and pleasure. He also wants an insurance to cover for the trip and also an accident cover within his metropolis for 24 hours.

86. What policy will cover the risks of his travelling to Dubai?  
(a) National Health Insurance (b) Medical Insurance  
(c) Travel Insurance (d) Personal Accident Insurance
87. Which of the policy will cover him for 24 hours on the risk of travelling his State in Nigeria?  
(a) National Health Insurance (b) Medical Insurance  
(c) Travel Insurance (d) Personal Accident Insurance
88. In which of these policies is there a benefit of 104 weeks?  
(a) National Health Insurance (b) Medical Insurance  
(c) Travel Insurance (d) Personal Accident Insurance
89. If Alhaji Musa has an accident while in Dubai, which of these policies will pay for the loss?  
(a) National Health Insurance (b) Medical Insurance  
(c) Travel Insurance (d) Personal Accident Insurance
90. In case Alhaji Musa had an accident while in Kano, which of these policies that will pay him benefit for the loss?  
(a) National Health Insurance (b) Medical Insurance  
(c) Travel Insurance (d) Personal Accident Insurance

Johnson Nigeria wants to insure the injuries to its employees in line with the provisions of law and also those that have to do with their health. The company has 40 staff and wants the insurance to be same for all staff irrespective of their salary.

91. The company can buy such insurance with the benefits being same amount for all employees.  
(a) True (b) False (c) None of the above  
(d) Both of the above
92. Which law makes it compulsory that such a company will buy such a cover?  
(a) Insurance Act 2003 (b) Pension Reform Act 2004  
(c) Employee Compensation Act 2010  
(d) National Insurance Commission Act 1997
93. Which of these is compulsory against injury and death of employees which must be taken by employers?  
(a) Employee Compensation Insurance (b) Pension  
(c) Group Life Insurance (d) Health Insurance
94. Which of these is the insurer in Nigeria for risks of injury or death to employees?  
(a) NHS (b) NSITF (c) PMI (d) NIA

95. Which of these is associated with the selling of health insurance in Nigeria?  
(a) HMO (b) MHS (c) NSITF (d) NIA

Chiendu Precious works with a bank in Marina and he wants to travel to India for treatment for his ill health. He also wants to buy individual policy for his family to top up the one from the state scheme.

96. Which policy will he buy for his travel risk?  
(a) Travel insurance (b) PMI  
(c) International Medical Insurance (d) NHS
97. What policy will cater for his treatment while in India?  
(a) Travel insurance (b) PMI  
(c) International Medical Insurance (d) NHS
98. Which of these is not an exclusion in the policy to cater for his treatment in India?  
(a) Pre-Existing Conditions (b) GP Costs  
(c) Regular Screenings (d) Surgery in India
99. Which of these is the individual policy that he will buy?  
(a) Travel insurance (b) PMI  
(c) International Medical Insurance (d) NHS
100. The individual policy will cover the payment for ...  
(a) Cancer Treatment (b) Lump Sum on Diagnosis of Cancer  
(c) Treatment of Malaria (d) Surgery in India

**Chief Examiner's Comment**

Candidates' performance this diet is below average. Candidates need to understand the roles of regulators and operators in Nigeria Healthcare sector. They are encouraged to understand and master case studies because it is an area of challenge to most of them.

**Comments on Overall Performance**

Overall performance on this subject this diet is 41%, which is below average.

**Suggestion(s) on Improvements**

Candidates are advised to attend tutorial classes if they cannot study on their own. More importantly, they need to study and understand the subject.



**F08 - HEALTHCARE INSURANCE PRODUCTS**

<b>1</b>	D	<b>21</b>	A	<b>41</b>	B	<b>61</b>	T	<b>81</b>	T
<b>2</b>	C	<b>22</b>	A	<b>42</b>	B	<b>62</b>	F	<b>82</b>	T
<b>3</b>	C	<b>23</b>	D	<b>43</b>	A	<b>63</b>	F	<b>83</b>	F
<b>4</b>	C	<b>24</b>	A	<b>44</b>	C	<b>64</b>	T	<b>84</b>	T
<b>5</b>	B	<b>25</b>	A	<b>45</b>	C	<b>65</b>	T	<b>85</b>	T
<b>6</b>	D	<b>26</b>	A	<b>46</b>	D	<b>66</b>	T	<b>86</b>	C
<b>7</b>	B	<b>27</b>	C	<b>47</b>	B	<b>67</b>	F	<b>87</b>	D
<b>8</b>	A	<b>28</b>	C	<b>48</b>	D	<b>68</b>	F	<b>88</b>	D
<b>9</b>	C	<b>29</b>	C	<b>49</b>	A	<b>69</b>	T	<b>89</b>	C
<b>10</b>	C	<b>30</b>	D	<b>50</b>	B	<b>70</b>	F	<b>90</b>	D
<b>11</b>	B	<b>31</b>	C	<b>51</b>	C	<b>71</b>	T	<b>91</b>	B
<b>12</b>	C	<b>32</b>	B	<b>52</b>	A	<b>72</b>	F	<b>92</b>	C
<b>13</b>	D	<b>33</b>	D	<b>53</b>	C	<b>73</b>	T	<b>93</b>	A
<b>14</b>	C	<b>34</b>	C	<b>54</b>	D	<b>74</b>	T	<b>94</b>	B
<b>15</b>	A	<b>35</b>	B	<b>55</b>	C	<b>75</b>	F	<b>95</b>	A
<b>16</b>	B	<b>36</b>	B	<b>56</b>	A	<b>76</b>	T	<b>96</b>	A
<b>17</b>	D	<b>37</b>	B	<b>57</b>	A	<b>77</b>	F	<b>97</b>	C
<b>18</b>	A	<b>38</b>	D	<b>58</b>	D	<b>78</b>	T	<b>98</b>	D
<b>19</b>	A	<b>39</b>	D	<b>59</b>	C	<b>79</b>	F	<b>99</b>	B
<b>20</b>	B	<b>40</b>	C	<b>60</b>	C	<b>80</b>	F	<b>100</b>	C