

Examiner's Comments
CILA C1 Principles of Insurance - October 2015

Overview

The exam comprises five compulsory questions of equal marks.

The exam is primarily a test of the candidate's knowledge and understanding of the Principles of Insurance, case law, statutes, policy wordings and the insurance market place.

The exam, as a three and a half hour written paper, presents a particular challenge to candidates who have progressed through the on line test examination route. This is reflected in the pass rate for candidates.

From a review of the examination scripts the examiner recommends that candidates:

- Take account of the allocated marks and provide an appropriate level of detail and information in their answer.
- Avoid the tendency to evidence their knowledge and understanding of topics with which they are most familiar.
- Clearly identify the requirements of the question and ensure that the answer includes all of the requirements.
- It was encouraging to see that many candidates answered the questions in their preferred order. This suggests that candidates have reviewed the exam paper.

Comments on specific questions.

The comments below give an indication of the approach and topics that should be included in an answer to achieve a pass in the exam.

The comments in this report do **not** represent complete or model answers.

Q1 a	The examiner was looking for candidates to "detail" six elements. Candidates needed to identify each element and provide a brief explanation to achieve a pass. Many candidates only provided a list.
Q1 b	This is an example of a question where candidates did not explain the term Statutory Liability. Candidates should not assume the examiner has the knowledge.
Q1 c	The question, 15 marks, required candidates to demonstrate their knowledge of Nuisance and Negligence. To achieve a pass candidates were required to define both of topics and explain the key differences between the two. The inclusion of relevant case law examples are awarded additional marks.
Q2	This was a straight forward question related to 3 principles of insurance and the operation of the Financial Conduct Authority. In this question the examiner is requiring candidates to demonstrate a thorough understanding of the topics. To achieve a pass candidates were therefore required to include relevant case law and statutes. Further marks were awarded to candidates who showed an understanding of the recent or proposed statutory and market practice changes.
Q3	The question was a test of a candidate's ability in two areas: <ol style="list-style-type: none"> 1. Knowledge of the technical term 2. Ability to explain the technical in a straight forward manner/easy to understand manner.

	<p>Many candidates provided a technically correct answer, however they used technical terms that would not be understood by a policyholder with no insurance knowledge.</p> <p>The candidates who performed well provided a clear and concise explanation and used examples to illustrate the explanation.</p>
Q 4a	<p>This was an opportunity for candidates to gain marks. The examiner required candidates to list the perils and no further explanation was required.</p>
Q4 b	<p>Candidates were required to explain two perils.</p> <p>The examiner required candidates to explain the scope and limitations of the cover provided by the selected perils.</p>
Q4c	<p>Many candidates were unsure on this element of the question.</p> <p>Candidates were required to explain the general exclusions which include war risks, terrorism etc.</p> <p>The examiner required candidate to name the general exclusions and explain why they apply.</p>
Q5 a	<p>Many candidates were unable to correctly explain Independent Liability and when it may apply.</p> <p>Candidates must ensure that they have a thorough understanding of the Principles of Insurance and their relevance to the handling of claims.</p>
Q 5b	<p>This question was well answered requiring candidates to demonstrate a knowledge of the claims process related to an impact damage claim.</p>