



# *Diploma Exams – Sample Questions*

By Malcolm Hyde Bsc (Hons) Dip (Fr) FCII FCILA FUEDI-ELAE

CILA Examinations Committee

October 2019

## Introduction

The purpose of this paper is to provide prospective examination candidates with an indication of the nature of the questions within the examination. They can also be used as a practice material. Please note that the technical library includes further material including indicative questions and answer guidance which candidates will find highly beneficial.

## Sample question for exam DP1 – The Principles of Insurance 1

- 1a. Explain, with appropriate case law, the principle of Contributory Negligence.
- 1b. Provide with an explanation of each, two examples of defences to negligence.
  
2. Provide two examples of typical perils covered by a typical modern Commercial Buildings Policy. For each of the Perils explain the legal or typical market definition of the Peril.
  
3. Detail what the requirements are for a legally enforceable contract.

### Notice of Copyright

This document and any information contained therein remains the confidential and copyright property of the CILA. Without infringement neither the whole, nor any extract, may be disclosed, loaned, copied or used for manufacturing, the provision of services or any other purpose whatsoever without the express permission and written consent of the CILA. No liability is accepted for any loss or damages from any cause whatsoever arising out of the use of this document or its contents.

COPYRIGHT © CILA 2019





4. Provide an explanation of the principle of onus of proof in relation to Policy liability, your answer should reflect the FCA's requirements of Treating the Customer Fairly.
5. Explain, with examples, the principle of Indemnity.
- 6a. The Theft Act 1968 explains when a person is guilty of Theft, provide the definition and an explanation of this. (You do not need to quote it exactly, a paraphrased version will suffice.)
- 6b. The Theft Act refers to “dishonestly” explain with case law what might amount to being “dishonest”.

### Sample question for exam DP2 – The Principles of Insurance 2

1. Detail the role of each of the following:
  - a) Loss Adjuster acting on behalf of an Insurer
  - b) Loss Adjuster acting on behalf of a Policyholder
2. Explain the role and remedies available to the Financial Ombudsman Service
3. Detail the meaning of the principle of Subrogation and explain how a policy typically amends the common law position.
4. Explain the principle of Contribution when handling a claim and provide one example method of apportionment- showing the formula that should be used.
5. Using statute law to support your response, explain when a person might be guilty of Fraud.

### Sample question for exam DP3 – Customer Service & Ethics

1. There are six outcomes of Treating the Customer Fairly as required by the Financial Conduct Authority. Provide an explanation of three of these.





2. Provide an outline of Karl Albrecht's steps to undertake an internal customer service audit. Explain what is meant by "seeing the bigger picture".
3. Detail the steps in RATER and explain the purpose of undertaking this.
4. Explain what is meant by CSR and discuss whether global standards might mean different things across the world.
5. Provide and explain three examples of "drivers of unethical behaviour in companies". Provide three examples of "reasons for ethical behaviour in business".

This publication has been made available by the Chartered Institute of Loss Adjusters (CIL A) solely for the use and convenience of the reader. The content, views and representations made in this publication are the sole product and responsibility of the writer/s who has produced it. By making this publication available the CIL A does not offer any endorsement or recommendation of the views and opinions expressed therein. For a full explanation of the terms and conditions upon which the CIL A provides this publication please see our full disclaimer which available on the Institute website.

