IF3 LEARNING OUTCOME 3

10 QUESTIONS

POLICY STRUCTURE
- ✓ Heading
- ✓ Preamble
- ✓ Signature clause
- ✓ Operative clause
- ✓ Exceptions/Exclusions
- ✓ Conditions
- ✓ Policy Schedule

Excess: The first amount of each claim that is paid by the insured
Deductible: A large excess
Franchise: A fixed amount or period that acts as a threshold to determine whether claims are payable

LEARNING OUTCOME 3
Understand insurance policies in relation to the insurance underwriting process

WARRANTIES, CONDITIONS AND REPRESENTATIONS
- ✓ Breach of warranty
- ✓ Conditions precedent to the contract
- ✓ Conditions subsequent to the contract
- ✓ Conditions precedent to liability
- ✓ Representations

EXCLUSIONS
- ✓ General exclusions
- ✓ Specific exclusions

CONDITIONS
- ✓ Duties of the insured
- ✓ Alteration
- ✓ Action by the insured in the event of a claim
- ✓ Fraud
- ✓ Reasonable precautions
- ✓ Contribution
- ✓ Subrogation
- ✓ Average
- ✓ Arbitration
- ✓ Cancellation

MARKET EXCLUSIONS
- ✓ War and related perils
- ✓ Radioactive contamination
- ✓ Terrorism
- ✓ Pollution and/or contamination
- ✓ Cyber risks
- ✓ Marine policies
- ✓ Contractual liability
- ✓ Sonic bangs