Chartered Insurance Institute

IF6

Certificate in Insurance

Unit 6 – Household insurance products

Based on the 2026 syllabus
examined from 1 January 2026 until 31 December 2026

Unit 6 – Household insurance products

Based on the 2026 syllabus examined from 1 January 2026 until 31 December 2026

Contents

Introduction to Examination Guide	**3**
IF6 Syllabus	**7**
Specimen Examination	**10**
Specimen Examination Answers and Learning Outcomes Covered	**30**

This PDF document has been designed to be accessible with screen reader technology. If for accessibility reasons you require this document in an alternative format, please contact us at **online.exams@cii.co.uk** to discuss your needs.

The CII Qualifications accessibility and special circumstances policy and guidance document can be viewed on the CII Rules and Policies page **www.cii.co.uk/learning/qualifications/assessment-information/before-the-exam/rules-and-policies/**

Published in October 2025 by:
The Chartered Insurance Institute
Telephone: 020 8989 8464
Email: **customer.serv@cii.co.uk**

Copyright ©2025 The Chartered Insurance Institute. All rights reserved.

Unit 6 – Household insurance products

Based on the 2026 syllabus examined from 1 January 2026 until 31 December 2026

Introduction

This examination guide has been produced by the Qualifications and Assessment Department at the Chartered Insurance Institute to assist students in their preparation for the IF6 examination. It contains a specimen examination with answer key.

Ideally, students should have completed the majority of their studies before attempting the specimen examination. Students should allow themselves two hours to complete the examination. They should then review their performance to identify areas of weakness on which to concentrate the remainder of their study time.

Although the specimen examination in this guide is typical of an IF6 examination, it should be noted that it is not possible to test every single aspect of the syllabus in any one particular examination. To prepare properly for the examination, candidates should make full use of the tuition options available and read as widely as possible to ensure that the whole syllabus has been covered. They should also endeavour to keep as up-to-date as possible with developments in the industry by reading the periodicals listed in the IF6 reading list, which is located on the syllabus in this examination guide and on the CII website at **www.cii.co.uk.**

Background Information

CII examination questions undergo a rigorous writing and editing process before reaching an examination. The questions are written to strict guidelines by practitioners with relevant technical knowledge and experience. Questions are very carefully worded to ensure that all the information required to answer the question is provided in a clear and concise manner. They are then edited by an independent panel of experienced practitioners who have been specifically trained to ensure that questions are technically correct, clear and unambiguous. As a final check, each examination is scrutinised by the Senior Examiner and a CII assessment expert.

Occasionally a question will require amendment after the examination guide is first published. In such an event, the revised question will be published on the CII website:

1) Visit **www.cii.co.uk/learning/qualifications/unit-household-insurance-products-if6/**
2) Select 'exam guide update' on the right hand side of the page

Candidates should also refer here for the latest information on changes to law and practice and when they will be examined.

Syllabus

The IF6 syllabus is published on the CII website at **www.cii.co.uk. Candidates should note that the examination is based on the syllabus, rather than on any particular tuition material.** Of course, the CII tuition material will provide the vast majority of the information required to perform well in the examination, but the CII recommends that students consult other reference materials to supplement their studies.

Supporting information for the syllabus which contains a detailed overview of the areas covered can be found on the unit page. Select Supporting information for the 2026 syllabus on the right-hand side of the page.

Skill Specification

The skill level tested in each examination question is determined by the syllabus. Each learning outcome specifies the level of skill required of candidates and thus the level at which candidates may be tested. Learning outcomes for IF6 begin with *understand* or *apply.* Different skill levels lead to different types of question, examples of which follow.

Understand	To answer questions based on understanding, the candidate must be able to link pieces of information together in cause-and-effect relationships. Typically questions may ask 'Why'. Questions set on an *understand* learning outcome can test either knowledge or understanding or both.
Apply	To answer application questions, the candidate must be able to apply their knowledge and/or understanding to a given set of circumstances. Questions set on a *be able to apply* learning outcome can test knowledge and/or understanding as well as application.

Examination Information

The method of assessment for the IF6 examination is 50 multiple choice questions (MCQs) and 5 case studies, each comprising 5 MCQs. 2 hours are allowed for this examination.

The IF6 syllabus provided in this examination guide will be examined from 1 January 2026 until 31 December 2026.

Candidates will be examined on the basis of English law and practice unless otherwise stated.

The general rule is that legislative and industry changes will not be examined earlier than 3 months after they come into effect.

Section A consists of 50 multiple choice questions. A multiple choice question consists of a problem followed by **four** options, labelled A, B, C and D, from which the candidate is asked to choose the correct response. Each question will contain only **one** correct or best response to the problem posed. One mark is awarded for each correct response identified by the candidate. No mark is awarded if the candidate either chooses an incorrect response, chooses more than one response or fails to choose any response. No marks are deducted for candidates choosing an incorrect response.

Section B contains five case studies each followed by five questions. **Four** options follow each question. The options are labelled A, B, C and D. Only **one** of these options will be correct or best. One mark is awarded for each correct response identified by the candidate. No mark is awarded if the candidate either chooses an incorrect response, chooses more than one response or fails to choose any response. No marks are deducted for candidates choosing an incorrect response.

While no questions involve complex calculations, candidates are permitted to use calculators during the examination. If you bring a calculator into the examination room, it must be a silent battery or solar-powered non-programmable calculator. The use of electronic equipment capable of being programmed to hold alphabetic or numerical data and/or formulae is prohibited. You may use a financial or scientific calculator, provided it meets these requirements.

Candidates are permitted to make rough notes. Candidates are **not** permitted, in any circumstances, to remove any papers relating to the examination from the examination room.

Examination Technique: Multiple Choice Questions

The best approach to multiple choice examinations is to work methodically through the questions.

The questions are worded very carefully to ensure that all the information required is presented in a concise and clear manner. It cannot be emphasised too strongly that understanding the precise meaning of the question is vital. If candidates miss a crucial point when reading the question it could result in choosing the wrong option. Candidates should read carefully through the question and all the options before attempting to answer.

Candidates should pay particular attention to any words in the question which are emphasised in bold type, for example, **maximum**, **minimum**, **main**, **most**, **normally** and **usually**. Negative wording is further emphasised by the use of capital letters, for example **NOT**, **CANNOT**.

Candidates should not spend too much time on any one question. If they cannot make up their mind, they should leave the question and come back to it later.

When all of the questions have been answered, it is prudent to use any remaining time to go through each question again, carefully, to double-check that nothing has been missed. Altering just one incorrect response to a correct response could make the difference between passing and failing.

Before the Examination

Before sitting the examination, please visit the preparation page on the CII website to familiarise yourself with the different requirements for sittings via remote invigilation and at an exam centre **www.cii.co.uk/learning/qualifications/assessment-information/before-the-exam/.**

After the Examination

Rigorous checks are made to ensure the correctness of the results issued. A pre-defined quota of passes to be awarded does not exist. If all candidates achieve a score of at least the pass mark, then all candidates will be awarded a pass grade. Individual feedback on the candidate's examination performance is automatically provided and will indicate the result achieved and, for each syllabus learning outcome, the percentage of questions in the examination that were answered correctly.

Household insurance products

Objective

To provide knowledge and understanding of the practices and procedures of household insurances and associated forms of cover and to develop in candidates an ability to apply product knowledge and understanding on straightforward cases where unaccompanied but supervised advice is given.

Summary of learning outcomes		Number of questions in the examination*
1.	Understand the scope of cover provided by household insurance products.	12
2.	Know how to apply knowledge of the cover provided by household insurance products to a given set of circumstances.	6
3.	Understand the legal and regulatory considerations for household insurance products.	11
4.	Know how to apply knowledge of legal and regulatory considerations for household insurance products to a given set of circumstances.	6
5.	Understand risk assessment, rating and underwriting of household insurance products.	19
6.	Know how to apply knowledge of risk assessment, rating and underwriting of household insurance products to a given set of circumstances.	9
7.	Understand claims procedures within the context of household insurance products.	8
8.	Know how to apply knowledge of claims procedures within the context of household insurance products to a given set of circumstances.	4

* The test specification has an in-built element of flexibility. It is designed to be used as a guide for study and is not a statement of actual number of questions that will appear in every exam. However, the number of questions testing each learning outcome will generally be within the range plus or minus 2 of the number indicated.

Important notes

- Method of assessment: 50 multiple choice questions (MCQs) and 5 case studies, each comprising 5 MCQs. 2 hours are allowed for this examination.
- This syllabus will be examined from 1 January 2026 to 31 December 2026.
- Candidates will be examined on the basis of English law and practice unless otherwise stated.
- This PDF document has been designed to be accessible with screen reader technology. If for accessibility reasons you require this document in an alternative format, please contact us on online.exams@cii.co.uk to discuss your needs.

Published October 2025
©2025 The Chartered Insurance Institute. All rights reserved.

1. Understand the scope of cover provided by household insurance products.

1.1 Describe the core cover provided under different household insurance products, including policy wordings, exclusions and extensions.

1.2 Describe the optional extensions available under household insurance policies and the scope of this cover.

1.3 Explain the key issues relating to special risks.

2. Know how to apply knowledge of the cover provided by household insurance products to a given set of circumstances.

2.1 Apply the cover provided by household insurance products to a given set of circumstances.

3. Understand the legal and regulatory considerations for household insurance products.

3.1 Explain in broad outline the scope and general effect of insurance regulations and legislation.

3.2 Describe the causes of legal liability for individuals.

3.3 Describe how torts can arise.

3.4 Describe the key features of The Limitation Act 1980.

3.5 Explain the principal issues of occupiers' liability acts and their differences.

3.6 Describe the main aspects of the Defective Premises Act 1972, the Buildings Safety Act 2022 and their effect on the law.

4. Know how to apply knowledge of legal and regulatory considerations for household insurance products to a given set of circumstances.

4.1 Apply legal and regulatory considerations for household insurance products to a given set of circumstances.

5. Understand risk assessment, rating and underwriting of household insurance products.

5.1 Explain the general principles of premium rating and underwriting individual risks.

5.2 Describe the rating and underwriting considerations of different household insurance products.

5.3 Describe the basis of cover and how sums insured are calculated.

5.4 Describe the renewal process specific to household insurance products.

5.5 Describe the key features of relevant legislation which affects the underwriting of household insurance products.

6. Know how to apply knowledge of risk assessment, rating and underwriting of household insurance products to a given set of circumstances.

6.1 Apply risk assessment, rating and underwriting of household insurance products to a given set of circumstances.

7. Understand claims procedures within the context of household insurance products.

7.1 Describe the principles for establishing the validity of a claim.

7.2 Describe the claims-handling procedures specific to household insurance products.

7.3 Explain fraud prevention and detection measures and their operation.

7.4 Describe how regulatory and legislative rules apply to the claims process.

7.5 Explain complaints-handling procedures and dispute resolution.

8. Know how to apply knowledge of claims procedures within the context of household insurance products to a given set of circumstances.

8.1 Apply claims-handling procedures within the context of household insurance products to a given set of circumstances.

Published October 2025
©2025 The Chartered Insurance Institute. All rights reserved.

Additional resources

The following resources may assist you with your studies.

Note: The examination will test the syllabus alone.

Supporting information for the syllabus can be found on the unit page via the CII website. The resources found here: *www.cii.co.uk/learning* will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

Additional reading material can also be found referenced in an appendix within the study text.

Learning support

Household insurance products. London: CII. Study text IF6.

E-Learn, Key Facts Booklet and Knowledge Checker are included with Enrolment plus (excluding Video Revision), or available at an additional cost (delivered via RevisionMate)

Assessment information

Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:

1. Visit *www.cii.co.uk/qualifications*
2. Select the appropriate qualification
3. Select your unit from the list provided
4. Select qualification update on the right hand side of the page

Examination guide

The examination guide is available on the unit page via the CII website.

If you have a current study text enrolment, the current examination guide is included and is accessible via **RevisionMate** (*ciigroup.org/login*). Details of how to access RevisionMate are on the first page of your study text.

It is recommended that you study from the most recent versions of the examination guide.

Exam preparation

Exam preparation guidance and supporting exam documentation are available via the CII website: *www.cii.co.uk/learning/qualifications/assessment-information*

Published October 2025
©2025 The Chartered Insurance Institute. All rights reserved.

SECTION A

1. The liability section of a contents policy **mainly** insures the policyholder as the
A. landlord.
B. occupier.
C. owner.
D. tenant.

2. When a homeowner rents out his house, who is **normally** responsible for obtaining buildings insurance?
A. The homeowner.
B. The letting agency.
C. The mortgage provider.
D. The tenant.

3. The legal expenses extension of a household insurance policy **usually** provides cover for costs arising from
A. the defence of prosecutions only.
B. legal action as a result of an alteration to the construction of a building only.
C. legal action taken to enforce the rights of the insured against a third party.
D. a legal appeal hearing only.

4. The **main** function of a household insurance helpline is to provide
A. advice on the sum insured.
B. an emergency assistance service.
C. a quotation service.
D. a renewal facility.

5. With regard to workers who regularly visit a house, the owners' liability section of a buildings insurance policy will **NOT normally** pay out for death or bodily injury to a
A. domestic cleaner.
B. dustman.
C. milkman.
D. window cleaner.

6. The definition of contents under a household insurance policy would **normally** include
A. a bath.
B. a built-in cooker.
C. fitted wall lights.
D. a satellite dish.

7. The leaseholders of a block of flats decide to purchase the freehold leases and form their own limited company to manage the flats. It would be advisable for them to effect an insurance policy to cover
A. directors' and officers' liability.
B. income protection.
C. legal expenses.
D. professional indemnity.

8. Insurers will **only** insure pedal cycles that are kept in a locked building, or secured in another way when unattended, because
A. the excess payable when an unsecured pedal cycle is stolen is often greater than the cycle's value.
B. pedal cycles can be very expensive and are a target for thieves.
C. the high level of premium for unsecured pedal cycles makes the policy unattractive to policyholders.
D. pedal cycle insurance is gradually being removed from the market place as it is not profitable.

9. The level of cover provided under a student's possessions insurance policy when sharing rented accommodation is **normally**
A. higher than under a standard household contents policy.
B. lower than under a standard household contents policy.
C. the same as under a standard household buildings policy.
D. the same as under a standard household contents policy.

10. Under a basic travel insurance policy, what is the personal liability limit, if any, for business trips abroad?
A. Nil.
B. £1,000,000
C. £2,000,000
D. £5,000,000

11. The insured sustained personal injuries and claimed against the third party under the legal expenses extension of her household policy. The insured lost her case at trial but she now wishes to appeal the decision but her chance of success is low. How will her insurer usually respond to this request?
A. It will be agreed and covered in full.
B. It will be declined as there is not a reasonable chance of success.
C. The insurer will advise her to contact her local MP.
D. The insurer will pay 50% of her claim.

12. What exclusion, if any, will apply if the insured extends her household cover to include her UK holiday home which is left unoccupied for significant periods?
A. Liability cover for visitors.
B. Theft of valuable items.
C. Employers' liability cover.
D. No exclusions are applicable.

13. What is **usually** taken into account when considering if a parent may be held liable for the actions of a child?
A. The age of the parent.
B. The location of the incident.
C. The parent's instructions to the child.
D. Whether other children are involved.

14. Which breed of dog is specifically named under the Dangerous Dogs Act 1991?
A. An Alsatian.
B. A Bulldog.
C. A Japanese Tosa.
D. A Rottweiler.

15. Hiroshi's house has sustained structural damage due to the gradual encroachment of trees from his neighbour's property. This is an example of which tort in law?
A. Negligence.
B. Nuisance.
C. Strict liability.
D. Trespass.

16. What is **normally** the **maximum** period of limitation for actions being brought against a third party for loss or damage to a property?
A. Three years.
B. Four years.
C. Five years.
D. Six years.

17. Under the Defective Premises Act 1972, to whom does a housing developer owe a duty to carry out the development in a workmanlike manner with proper materials so that the dwellings are fit for habitation?
A. The financial backers of the development.
B. The first and subsequent owners of the houses.
C. The local authority which permitted the development.
D. The mortgagees of each purchaser of the houses.

18. Legal liability that can arise even when there is no fault or negligence is known as
A. absolute liability.
B. full liability.
C. partial liability.
D. strict liability.

19. Khalid started a small fire to burn some rubbish whilst at his allotment. The fire set his neighbour's shed alight and the shed was badly damaged. What is Khalid's likely position with regard to a claim for damages from his neighbour?
A. Khalid is not legally liable as he acted reasonably.
B. Khalid is only legally liable in negligence.
C. Khalid is legally liable due to nuisance.
D. Khalid is legally liable as negligence and strict liability apply.

20. Whilst in a property, a gas meter reader breaks his ankle when he falls through a rotten floorboard. Within what **maximum** length of time can he claim from the householder's insurance policy for his injury?
A. Six months.
B. One year.
C. Three years.
D. Six years.

21. The Insurance: Conduct of Business sourcebook (ICOBS) defines a consumer as a policyholder who is
A. acting outside their trade or profession.
B. purchasing cover directly from an insurer.
C. purchasing cover via an intermediary.
D. requiring motor or household insurance.

22. A proposer has asked an insurer for a quote for household insurance. Under the Insurance: Conduct of Business sourcebook (ICOBS) rules regarding product information, the insurer **must** provide the product information to the proposer
A. in good time.
B. within 7 days.
C. within 14 days.
D. within 30 days.

23. In relation to claims handling procedures, the Financial Conduct Authority rules state that insurers **must**
A. acknowledge the initial notification of a claim within 5 working days.
B. provide reasonable guidance to help a policyholder make a claim.
C. return any salvage to the policyholder once a claim is settled in full.
D. settle a claim within 10 days of receiving the documentary evidence.

24. What specific category of people does the Occupiers' Liability Act 1957 give rights to?
A. Employees.
B. Lawful visitors.
C. Owners.
D. Trespassers.

25. Under the buildings section of a household insurance policy, the sum insured **must** be based on the
A. market value.
B. mortgage amount.
C. purchase price.
D. rebuilding cost.

26. Erynn's two-year-old smart television has been stolen. If her contents insurance policy is on a new for old basis, the insurer will indemnify her for the
A. price of an equivalent model, less an amount for two years' depreciation.
B. current purchase price of an equivalent model.
C. original purchase price of the smart television, less an amount for two years' depreciation.
D. original purchase price of the smart television when new.

27. What is the **most likely** reason that an insurer would request a survey of a property?
A. To obtain additional information regarding the risk.
B. To calculate the premium.
C. To check claims experience.
D. To check for adverse moral hazard.

28. Which insurance principle does new for old overrule?
A. Average.
B. Contribution.
C. Indemnity.
D. Subrogation.

29. An underwriter would **usually** ask a proposer if he owns more than one property when arranging contents insurance on his main residence to
A. determine the level of occupancy.
B. help spread the risk.
C. obtain further business.
D. try to cover two risks under one policy.

30. What published annual statistics will an insurer use to index-link the sum insured at the renewal of a buildings insurance policy?
A. The Government inflation rate.
B. The House Price Index.
C. The House Rebuilding Cost Index.
D. The Retail Prices Index.

31. A household insurance policy defines an insured event as the
A. location of the property insured under the policy.
B. loss which occurs and is covered by the policy.
C. period of insurance during which the policy is in force.
D. property that is insured under the policy.

32. The **main** reason for underwriting household insurance is to
A. assess the risk and ensure the appropriate premium is charged.
B. maximise the profits of the insurance company.
C. minimise the risk factors within the insureds' premises.
D. spread the risk equally between the insured risks.

33. Under a household insurance policy, cover for business use is **most likely** to be extended under a household policy when the work
A. does not involve any employees.
B. is of a clerical nature.
C. is of a manual nature.
D. is undertaken from an outbuilding.

34. What are the two **main** factors affecting the premium charged to a young couple for travel insurance?
A. The countries visited and the length of the trip.
B. The countries visited and the nationality of the couple.
C. The countries visited and the type of transport used.
D. The length of the trip and the type of transport used.

35. Insurers wish to obtain a correct sum insured for a high net worth property. What method would they **most likely** use?
A. Check other similar properties on their policies.
B. Request a loss assessor to calculate the sum insured.
C. Request a surveyor to visit the property.
D. View current house prices for this area.

36. Which act enables an insurer to reject a claim if a deliberate misrepresentation has been made by an insured?
A. Arbitration Act 1996.
B. Consumer Insurance (Disclosure and Representations) Act 2012.
C. Consumer Rights Act 2015.
D. Enterprise Act 2016.

37. At what stage(s) does the duty of disclosure exist during the life cycle of a policy?
A. At inception of the policy only.
B. At the time of submitting the claim only.
C. At renewal of the policy only.
D. Throughout the whole policy year.

38. Who is **always** responsible for providing accurate information about a risk, when asked questions during initial discussions prior to arranging household insurance cover?
A. The underwriter.
B. The proposer.
C. The surveyor.
D. The previous insurer.

39. When an insurer always offers index linking to prospective policyholders, what **must** occur for the overall sum insured to remain correct?
A. The index linking must be done every six months.
B. The index linking must be rated competitively.
C. The initial sum insured must reflect the rebuilding costs.
D. The sum insured must be accurate for properties in the area.

40. An incident which gives rise to a loss under an insurance policy is defined as
A. an insured event.
B. a moral hazard.
C. a physical hazard.
D. proximate cause.

41. What requirement was introduced by the Financial Conduct Authority to ensure longstanding customers are **NOT** taken advantage of at renewal?
A. The insured must be provided with the contact details for other insurers in order for them to shop around.
B. The insured must be given a reduced excess on their policy once they have been a customer for four years.
C. The insurer must encourage the insured to check their cover and consider shopping around.
D. The insurer must no longer renew the policy after four years if it has been on the same terms.

42. What is **usually** the **maximum** number of consecutive days that a home can be unoccupied before an unoccupancy clause comes into operation?
A. 45 days.
B. 60 days.
C. 75 days.
D. 90 days.

43. Abeona has purchased a standard household policy. What items are **usually** insured under the terms of the policy?
A. Items owned by the insured only.
B. Items owned by the insured or any member of the family normally living with the insured.
C. Items owned by the insured or any member of the family who regularly visits.
D. Items owned by the insured, members of the family or any of their friends who visits.

44. In the event of a valid claim for fire damage to a one-year-old carpet, a policy of indemnity will provide a settlement that will be an amount equal to the
A. cost of a new replacement item with a deduction for wear and tear.
B. full cost of a new replacement item.
C. full original purchase price.
D. original purchase price with a deduction for wear and tear.

45. When a potential claim arises under a household insurance policy, the onus of proof that an insured peril occurred falls on the
A. broker.
B. insured.
C. insurer.
D. loss adjuster.

46. What is the **main** objective of the Insurance Fraud Bureau?
A. To analyse fraud data.
B. To detect fraudulent claims.
C. To notify relevant authorities.
D. To share relevant information.

47. The arbitration clause deals with disagreements when the dispute is regarding the
A. interpretation of a policy wording.
B. time taken to settle a claim.
C. value of an insurance claim.
D. way in which a complaint has been handled.

48. When an insured disputes the handling of a claim by an insurer, whom should he approach if he is **NOT** satisfied with the insurer's final response?
A. An arbitrator.
B. The Association of British Insurers.
C. The Financial Ombudsman Service.
D. A loss assessor.

49. For a theft claim to be paid under a household insurance policy, what **must** the insured **always** do?
A. Complete a claim form.
B. Obtain written estimates.
C. Report the theft to the police.
D. Supply original receipts.

50. When **must** insurance companies comply with the Insurance: Conduct of Business sourcebook (ICOBS) rules?
A. Alterations and renewals only.
B. Alterations, renewals and new business.
C. New business only.
D. New business and renewals only.

Section B begins on the next page

SECTION B

Peter is married to Noella and they have two children, Darill and Joli. They live in a detached house with a separate garage, which they recently purchased for £220,000. Peter works from home as a self-employed contractor and Noella has a part-time job at the local florist.

They have a combined buildings and contents insurance policy arranged through a local broker. The policy covers the buildings for the recommended sum insured of £200,000. The excesses are £1,000 for any claim involving subsidence, heave or landslip and £300 for any other claim. The contents section of the policy has a sum insured of £50,000, which Peter and Noella believe provides adequate cover, and an excess of £150. They received a discount on the policy when they installed a burglar alarm, although the insurer will apply an **additional** excess of £200 if a theft-related loss occurs whilst the alarm is **NOT** in full operation.

The policy includes £500 cover for frozen foods, money in the home and contents in the garden. The policy provides cover on a new for old basis and is also subject to average. Peter and Noella have **NOT** included any cover for accidental damage to the buildings or contents and have **NOT** included a personal possessions extension or any other optional extras. Peter and Noella bought the children new pedal cycles for Christmas and they want to ensure that the cycles are covered against theft.

Noella was in the garden one day when someone broke into the house and, despite setting off the burglar alarm, managed to steal £1,000 which included £600 of takings from the florist. On Darill's 18th birthday he had a party at home, during which some of his friends damaged the carpets by spilling alcohol. A fire was also started, which caused serious damage to the house and £15,000 worth of contents were destroyed.

51. Noella has just purchased an additional chest freezer which will be kept in the garage. She should be aware that the contents will
A. not be covered in any circumstances.
B. only be covered if she selects the all risks option.
C. be covered, subject to a maximum of £1,000 in each freezer.
D. be covered, subject to a total combined limit for both freezers of £1,000.

52. What is the **maximum** amount that Peter and Noella are **likely** to be paid under their insurance policy for the theft of the money?
A. £250
B. £400
C. £850
D. £1,000

53. In what circumstances, if any, will Peter be covered under his insurance policy for the damage to the carpet?
A. He will be covered if he can identify which of Darill's friends caused the damage.
B. He will be covered if the damage was caused by accident.
C. He will be covered if the damage was caused by someone aged 18 or over.
D. He will not be covered in any circumstances.

54. Peter queries why the recommended sum insured on buildings was **NOT** £220,000. What response would he receive?

A. The cover should be at the same level as the original purchase price.

B. The level of cover is the current rebuilding cost of the property.

C. The policy is index-linked, so the level of cover will eventually increase to the property purchase price.

D. The purchase price for the property is more than the current market value.

55. Darill and Joli are out cycling and stop at the park to play football. When they return to their cycles they find that their helmets and the LED lights have been taken. How would the insurers deal with the subsequent claim?

A. Only the LED lights are covered.

B. New helmets and LED lights will be provided.

C. Insurers will cover the full cost of new helmets only.

D. There is no cover for this type of incident.

Atique and Emily are tenants in a ground floor flat, which they rent on a furnished basis. They have a contents insurance policy, which is arranged via a bank. They have a 14-year-old son called Lewis and a pit-bull terrier called Rex. Rex is normally very docile, but always wears a muzzle and a lead when he is taken for a walk. Recently Rex escaped and went into a neighbour's garden and bit Lola, causing a serious injury to her hand.

18 months ago, Atique and Emily's landlord, George, had the gas fire repaired when it developed a gas leak. It has now started to smell again, so they have gone to stay with Atique's parents for a couple of weeks and intend to return once George has arranged the latest repair. Whilst they are away, the windows of their flat have been left open for ventilation. George has the electric, ventilation, central heating and gas appliances checked on a regular basis.

Last year Atique badly twisted his knee when the dining chair he was sitting on, which was part of the flat's furnishings, collapsed under him. George had been told on numerous occasions that it needed replacing and Atique lost several days' work due to the injury.

Six months ago Adam, an independent contractor, replaced the electric plugs after George had asked Atique to find someone from the local phone book to do the job. Atique has checked the plugs, but George has **NOT** yet checked them himself.

Whilst Atique and Emily were on holiday last month, the kitchen was flooded due to a burst pipe which caused damage to the kitchen units. It was subsequently discovered that the pipe burst because of a neighbour's actions. Although the kitchen floor in the flat is very slippery when wet and George offered to replace it, Emily declined the offer and promised to be careful. She subsequently slipped and broke her leg whilst washing the floor.

56. Why is there no cover available to Atique and Emily under their contents insurance policy for the damage to the kitchen units?
A. Kitchen units are not covered under their policy.
B. Their neighbours caused the damage.
C. The type of property they live in is not covered for this particular risk.
D. They were on holiday when it happened.

57. Lewis deliberately breaks the window of a local shop and Atique and Emily are concerned as to whether they are legally liable for the damage. They should be aware that they will
A. be liable for the damage, irrespective of when it took place.
B. only be liable if it occurred during school hours.
C. only be liable if it occurred outside school hours.
D. not be legally liable for the damage, irrespective of when it took place.

58. Atique lets Lewis take Rex for his daily walk on his own. How, if at all, is Atique breaking the Dangerous Dogs Act 1991?
A. He is not breaking the law.
B. Insufficient equipment is used to restrain Rex whilst in public.
C. Lewis is too young to take him for a walk.
D. This type of dog is banned from public places.

59. Whilst staying with Atique's parents, thieves entered the open window and personal property is stolen. Who would cover a subsequent claim for theft of cash?

A. Atique and Emily's contents insurer.
B. George's contents insurer.
C. George's buildings insurer.
D. The claim would be rejected.

60. Who would be legally responsible for the damage caused to the flooded kitchen?

A. Atique and Emily's legal expenses insurer.
B. George's legal liability insurers.
C. The neighbours' contents insurer.
D. The neighbours' building insurer.

Damian, aged 30, lives alone in a three-bedroomed house next to a river. The house is built with stone walls and a thatched roof. He has a buildings and contents insurance policy which was arranged through a local broker. The policy commenced on 1 November 2025 and includes index-linking of the sums insured. Damian has indemnity insurance cover and made certain that the sums insured were correct at the start of the policy. He changed his job last month and is now a self-employed car mechanic, running his own business from home. He intends to go on holiday for 21 days to visit his brother in Australia.

Paul, aged 65, lives next door to Damian and his four-bedroomed house is built with brick walls and a slate roof. When his household insurance policy was due for renewal on 15 December 2025, he changed it to the same insurer as Damian. He decided **NOT** to include index-linking of the sum insured, but has included full new for old cover and accidental damage cover. He made certain that the sums insured were correct at the start of the policy.

Paul and Damian both have stereo systems that they purchased four years ago for £1,000.

Paul has a pedigree dog called Zelda. He originally paid £400 for her, but she is now worth £600. There is no specific mention of her under his policy.

Paul and Damian's insurer calculates the contents premium on a sum insured basis. On 18 January 2025 the insurer changed its household insurance policy cover by increasing the compulsory excess for contents from £150 to £300.

Steve, aged 21, is a neighbour of Damian and Paul and holds a similar household insurance policy to them.

61. Why is it **most likely** that the premium for Damian's household insurance is higher than Paul's?
- **A.** Damian has included index-linking of the sum insured.
- **B.** Damian's property has a higher risk of flooding.
- **C.** Damian's property is not of standard construction.
- **D.** Damian's property will be left unoccupied whilst he is on holiday.

62. The insurer's change to the excess on Paul's insurance policy will take effect from
- **A.** 15 December 2025.
- **B.** 18 January 2026.
- **C.** 15 December 2026.
- **D.** 18 January 2027.

63. When, if at all, should Damian inform his insurer of the changes to his personal circumstances?
- **A.** Immediately.
- **B.** When he receives his first customers at home.
- **C.** At the next policy renewal date.
- **D.** The insurer does not need to be notified.

64. Whilst Damian is away on holiday Zelda chews through the hallway carpet. Under which policy(s), if any, will Damian be covered for the damage?

A. Buildings only.
B. Contents only.
C. Both buildings and contents.
D. Neither buildings nor contents.

65. What element of contents insurance cover will have exactly the same outcome on both Damian and Paul's insurance arrangements despite the cover arranged being different?

A. Replacement of furniture.
B. Damage to kitchen appliances.
C. Damage to clothing.
D. Replacement of carpets.

Kevin and his wife Sarah own a three-bedroomed house. Their household insurance is arranged with an insurer on a new for old basis. They have recently claimed for storm damage to their small garden shed, garage and fence. A loss adjuster, Mike, was appointed to investigate the claim. The shed was completely destroyed and Kevin wants to replace it with a more expensive larger shed.

Kevin and Sarah have a son, David, who lives alone in a flat which he owns. He arranges his contents insurance with a local broker and receives a discount because the windows in his flat have additional security locks. The policy includes cover for property held by the insured in trust. The sum insured has been set at the correct amount and he has an excess of £150.

David was burgled in April 2025 and £2,000 worth of property was stolen. The burglar entered through a locked window by forcing the window open. However, the additional security lock was **NOT** locked. In December 2025 David's flat was broken into again but the only item stolen was a laptop purchased for £800 with a current replacement value of £600. The police came to investigate the incident and gave David a crime reference number.

The house next door to Kevin has recently been sold to Charlie, who arranged his buildings and contents insurance with a local broker. The broker is regulated by the Financial Conduct Authority (FCA) and is a member of the British Brokers Association (BIBA). The policy has an excess of £200 and includes cover for accidental damage. Just after moving in Charlie suffered a fire in the house due to faulty wiring, which had been worked on by Bob, a local electrician, on behalf of the previous owner, Eric. Whilst repainting his lounge, a paint pot was knocked off the table onto the carpet, causing £350 worth of damage. Charlie intends to submit a claim and has warned his insurer that, if he is unhappy with the outcome, he will complain to the Financial Ombudsman Service (FOS).

66. How will the insurer settle Kevin's claim, if at all, for the larger shed he wants following the storm damage to his original shed?
A. There is no cover so they are unable to make a payment to Kevin.
B. They will pay the replacement cost of a similar sized shed and deduct the excess.
C. They will pay the replacement cost of a similar sized shed and make a deduction for wear and tear and the excess.
D. They will pay the replacement cost of the larger shed and deduct the excess.

67. To what extent, if at all, will the damage to Charlie's carpet **typically** be covered under his insurance policy?
A. It will not be covered.
B. The cleaning costs will be covered.
C. 50% will be covered as it was accidental damage.
D. The full replacement value will be covered.

68. The contents sum insured under Kevin and Sarah's insurance policy should **NOT** be less than the
A. full cost of replacing their contents as new.
B. cost of replacing their contents as new, with a reduction for wear and tear.
C. full current market value of their contents.
D. current market value of their contents, with a reduction for wear and tear.

69. When investigating the storm damage, on whose behalf will Mike work?
A. The Financial Ombudsman Service.
B. The insurer.
C. Kevin and Sarah.
D. The shed manufacturer.

70. As a result of the fire in Charlie's house, whose policy, if any, **typically** provides cover which could enable him to make a claim on the grounds of faulty workmanship?
A. Bob's business policy.
B. Charlie's own policy.
C. Eric's household policy.
D. No cover would be provided.

Jarek lives alone in his own bungalow. His buildings are insured with a bank and his contents are insured on a new for old basis for the correct amount with a building society. His contents policy includes an accidental damage extension and has an excess of £200. It also includes additional cover for sports equipment and his caravan and provides a **maximum** of £800 money cover. His buildings policy does **NOT** include accidental damage and has an excess of £300.

In the last year, Jarek spilt paint on his home carpet causing £500 worth of damage. He also suffered the theft of sports equipment valued at £300 from his locker at the gym he was visiting. Additionally, while visiting his parents in France for 12 weeks, he was mugged and robbed of £100 of travellers' cheques and £300 cash. Finally, one week before he returned from France, his home was burgled and property valued at £2,000 stolen.

Jarek's neighbour, Aissha, arranged her household insurance with a local broker. The buildings are insured for £350,000 and the contents for £100,000. Neither policy includes the accidental damage extension. Aissha's valuables include a family heirloom worth £5,000, which has **NOT** been specifically included under her policy. Whilst cleaning, Aissha knocked her television from its wall bracket and also damaged her computer. Her television was damaged beyond repair. Around the same time, a storm caused a large tree in her garden to fall and damage her roof, fence, shed and garage.

Following a fire at her house Aissha moved into Jarek's caravan temporarily, which she often uses for holidays. During her stay, the caravan was broken into and suffered £400 worth of damage. Whilst she was away from home, a local contractor, Dave, was repainting the outside of her house and whilst doing so accidentally slipped and fell from his ladder, breaking his leg.

71. Of the damage caused by the storm, what would **NOT** be insured under Aissha's insurance policy?
- **A.** The damage to the fence.
- **B.** The damage to the garage.
- **C.** The damage to the roof.
- **D.** The damage to the shed.

72. Jarek asks whether he is covered for his recent paint accident, ignoring any excess. Which policy, if any, is this covered under?
- **A.** He will be covered under both his household-related policies.
- **B.** He will not be covered for the damage under any circumstances.
- **C.** The insurance policy with his bank is the only one which will cover the damage.
- **D.** The insurance policy with his building society is the only one which will cover the damage.

73. Which items, if any, will be covered as a result of Aissha's cleaning accident?
- **A.** Both the television and computer.
- **B.** Computer only.
- **C.** Neither the television nor computer.
- **D.** Television only.

74. Aissha and Jarek ask whether they can successfully claim for the damage to the caravan. What is the correct position?

A. Neither are covered for the damage.
B. Jarek is covered under his policy, subject to any excess.
C. Aissha is covered under her policy, subject to any excess.
D. The full cost of the damage is covered under both of their policies.

75. Aissha is concerned that Dave may sue her following his accident. What is the correct position?

A. She is likely to be liable and her policy covers her up to a maximum of £1,000,000.
B. She is likely to be liable and her policy covers her up to a maximum of £2,000,000.
C. She is likely to be liable and her policy covers her up to a maximum of £5,000,000.
D. There is no apparent legal liability and therefore any action is likely to be unsuccessful.

Specimen Examination Answers and Learning Outcomes Covered

Question	Answer	Learning Outcome	Question	Answer	Learning Outcome	Question	Answer	Learning Outcome
Learning Outcome 1			**Learning Outcome 5**			**SCENARIO FORMAT**		
1	B	1.1	25	D	5.3	51	D	8.1
2	A	1.3	26	B	5.3	52	A	2.1
3	C	1.2	27	A	5.1	53	D	8.1
4	B	1.2	28	C	5.3	54	B	6.1
5	A	1.1	29	A	5.1	55	D	2.1
6	D	1.1	30	C	5.3	56	A	2.1
7	A	1.3	31	B	5.1	57	D	4.1
8	B	1.2	32	A	5.1	58	C	4.1
9	B	1.3	33	B	5.2	59	D	2.1
10	A	1.1	34	A	5.2	60	C	4.1
11	B	1.2	35	C	5.1	61	C	6.1
12	B	1.3	36	B	5.5	62	C	6.1
12 Questions			37	D	5.4	63	A	6.1
			38	B	5.1	64	D	6.1
Learning Outcome 3			39	C	5.3	65	C	6.1
13	C	3.2	40	A	5.1	66	B	8.1
14	C	3.2	41	C	5.4	67	C	8.1
15	B	3.3	**17 Questions**			68	A	6.1
16	D	3.4				69	B	8.1
17	B	3.6	**Learning Outcome 7**			70	C	8.1
18	D	3.3	42	B	7.2	71	A	2.1
19	D	3.3	43	B	7.1	72	D	2.1
20	C	3.4	44	A	7.1	73	C	2.1
21	A	3.1	45	B	7.1	74	B	2.1
22	A	3.1	46	D	7.3	75	D	4.1
23	B	3.1	47	C	7.5	**25 Questions**		
24	B	3.5	48	C	7.5			
12 Questions			49	C	7.1			
			50	B	7.4			
			9 Questions					