

Chapter 2 – The insurance market

1) A mutual company is owned by its:

- A. Shareholders
- B. Names
- C. Policyholders
- D. Intermediaries

2) A specialist insurer:

- A. Does not need to be authorised by the FCA
- B. Usually only issues policies for one class of business
- C. Offers many different types of policy
- D. Is a type of insurance intermediary

3) Which of the following appoints the underwriter to accept risks on behalf of the Lloyd's syndicate?

- A. Managing agent
- B. Aggregator
- C. Consolidator
- D. Member's agent

4) An insurance company, which accepts several different types of business, is called a:

- A. Specialist company
- B. Captive company
- C. Composite company
- D. A direct company

5) The body, which approves Lloyd's brokers, is known as:

- A. The Council of Lloyd's
- B. The Lloyd's Market Association
- C. The Financial Ombudsman Service
- D. The Financial Services Compensation Scheme

6) An individual, who investigates a claim on behalf of an insurer, is called:

- A. A loss assessor
- B. A loss adjuster
- C. An actuary
- D. A risk manager