AEC/DEC Damage Insurance CIP Qualifying Exam
SAMPLE QUESTIONS

1. Dean was electrocuted and died after he negligently installed a machine WITHOUT conducting a mandated testing procedure. Why must his spouse settle for a reduction in the amount of the claim?

   A) Dean was partially at fault for the accident.
   B) Dean was covered by workplace legislation.
   C) Dean's spouse did not claim within the prescribed limitation period.
   D) Dean's spouse could not unequivocally prove the product was defective.

2. Regarding an insurance application, which statement BEST defines **non-disclosure**?

   A) Silence where there exists an obligation for the applicant to speak
   B) Deliberate misstatement contained in the details of the application
   C) Breach of trust because the applicant refused to sign the application
   D) Statement made by the applicant that is correct to the best of his knowledge

3. What is **indemnity**?

   A) A principle that requires the insured to act with a high standard of honesty
   B) An interest that the insured must have in the subject matter of the insurance
   C) A contractual objective to return the insured to the financial position they enjoyed immediately prior to a loss
   D) An agreed specified amount that the insured must pay on a claim before the insurer will cover the rest of the claim

4. The Groupement des assurers automobiles (GAA) is responsible for which function?

   A) Registering vehicles
   B) Issuing driver's licences
   C) Administering the Fonds d'indemnisation
   D) Compiling statistics on automobile accidents

5. A commercial underwriter has received an application for insurance. The applicant requires coverage for collision and theft for their construction equipment products which will be transported across Canada by train. Which class of insurance does the applicant need?

   A) Marine insurance
   B) Automobile insurance
   C) Builders risk insurance
   D) Products liability insurance

Correct Answers:

1: A
2: A
3: C
4: D
5: A