

IC-74

LIABILITY INSURANCE

Original Text in book

Chapter.7, Page no. 196

Test Yourself 3

Which of the following conditions must be met in order to prove professional negligence?

- I. The services provided were of poor standard
- II. The services provided were overcharged
- III. There was a breach of duty of care
- IV. There was a breach of duty of care resulting in loss or damage

Test yourself 1

The important decision that 'the professional would be liable to persons other than his clients in appropriate circumstances' was held in which of the following court cases?

- I. Candler v. Crane Christmas & Co
 - II. Hedley Byrne & Co Ltd. vs. Hellers & Partners Ltd.
 - III. Dodds & Dodds v. Millmann
 - IV. Yianni v. Edwin Evands & Sons
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Revised text as below

Chapter.7, page no. 196

Test Yourself 1

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- IV There was a breach of duty of care resulting in loss or damage

Test Yourself 2

The important decision that 'the professional would be liable to persons other than his clients in appropriate circumstances' was held in which of the following court cases?

- I Candler v. Crane Christmas & Co
- II Hedley Byrne & Co Ltd. vs. Hellers & Partners Ltd.
- III Dodds & Dodds v. Millmann
- IV Yianni v. Edwin Evands & Sons

Original Text in book

Chapter.7, Page no. 202

Test Yourself 2

What is the 'excess' clause in a professional liability policy?

- I. The insured has to bear a compulsory excess for each and every claim.
- II. The insured will have to pay from his pocket the amount of claims which exceeds the indemnity limit.
- III. The insured may opt for excess indemnity limit during the period of insurance.
- IV. The excess limit will cover the cost of defending the claims.

Test Yourself 3

Which of the following statements about the claims series clause in a professional liability policy is incorrect?

- I. It is a series of claims of losses and/or bodily injuries and/or deaths arising from same cause or error or omission.
- II. All claims in the claims series are added together and treated as one claim.
- III. The claim is deemed to have been made on the date when the first claim was made in writing.
- IV. No coverage is available for the claims which are made more than two years after the first claim of the series.

Revised text as below

Chapter.7, page no. 202

Test Yourself 3

What is the 'excess' clause in a professional liability policy?

- I The insured has to bear a compulsory excess for each and every claim.
- II The insured will have to pay from his pocket the amount of claims which exceeds the indemnity limit.
- III The insured may opt for excess indemnity limit during the period of insurance.
- IV The excess limit will cover the cost of defending the claims.

Test Yourself 4

Which of the following statements about the claims series clause in a professional liability policy is incorrect?

- I It is a series of claims of losses and/or bodily injuries and/or deaths arising from same cause or error or omission.
- II All claims in the claims series are added together and treated as one claim.
- III The claim is deemed to have been made on the date when the first claim was made in writing.
- IV No coverage is available for the claims which are made more than two years after the first claim of the series.

Original Text in book

Chapter.10, Page no. 256

Test Yourself 2

Liquor Liability Policy is designed for manufacturers distributors etc. of alcoholic beverages. The Policy covers:

- I. Liability excluded under CGL Policy
- II. Liability included under CGL Policy
- III. Liability excluded in Public Liability policy
- IV. Liability included in Public Liability policy

Revised text as below

Chapter.10, page no. 256

Test Yourself 1

Liquor Liability Policy is designed for manufacturers distributors etc. of alcoholic beverages. The Policy covers:

- I Liability excluded under CGL Policy
- II Liability included under CGL Policy
- III Liability excluded in Public Liability policy
- IV Liability included in Public Liability policy

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Answers to Test Yourself

Answer 2

The correct option is I.

The policy is subject to a deductible that may be a specified percentage of the limit of indemnity.

Answer 3

The correct option is I.

Liquor Liability Policy covers liability excluded under CGL Policy.

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Chapter.10, page no. 258

Answer 1

The correct option is I.

Liquor Liability Policy covers liability excluded under CGL Policy.