NAME_____ GRADE_____

Determine what Principle of insurance is being used below.

1. This aspect of insurance assumes that once an organization or individual receives compensation for an item from the insurer, such as a valuable piece of jewelry, they (insured) no longer has any ownership rights to the item._____
2. Insurance companies compensate the insured when he/she experiences a loss_____
3. Everyone involved in an insurance agreement must always be honest. _____
4. Jean, a coworker of Sean tries to take insurance out on him. However, the insurance company tells him he cannot do so because he does not have_____
5. Damages incurred that is not directly related to the terms of the policy but is still indemnified by the insurance company. _____
6. This category of indemnity states that the insured should receive some money in compensation, but not make a profit from it. _____
7. This category of indemnity prevents an organization or private individual from insuring against the same loss with more than one insurance company and claiming full compensation for this loss from each company. _____
8. A shoe shop owner cannot insure the butcher's shop next door for fire or theft_____
9. An office fire ruined the computers and printers in the office. However, the insurance company only compensated the company for the value of the equipment and no more. _____
10. This is insufficient insurance coverage that leaves the policyholder responsible for a large percentage of a total loss or expense. _____
11. A car is stolen. The insurance company pays out compensation to the insured for the value of the car but later the car is found and returned to the insured. The insured is now required to hand over the car to the insurance company, as it is now considered the property of the insurance company. _____
12. This is the root cause of an event taking place _____

LIVEWORKSHEETS