

10. The part of the insurance policy that forms the basis of the contract between the insured and the insurer is the _____
- a. exclusions
 - b. conditions
 - c. insuring agreement
 - d. declarations
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TEAMWORK

Discuss in pairs or small groups and then write your conclusions below.

11. Discuss with team members how you would make the decision whether to accept a higher deductible to an insurance policy in return for a lower annual premium. How does the decision provide an example of risk management?