

Heres a glossary of key

Here's a glossary of key action words and terms, compiled from the provided documents:

****Key Action Words (From Source 1):****

- * ****Describe:**** Tell or depict in writing.
- * ****List:**** Items or facts – no explanations required.
- * ****Compare:**** Indicate the characteristics of 2 or more items and point out their differences and similarities.
- * ****Contrast:**** Point out the differences.
- * ****Define:**** State the meaning – be clear and concise!
- * ****Explain:**** Give an explanation, DO NOT simply define the terms.
- * ****Identify:**** State items or facts and GIVE EXAMPLES.
- * ****Illustrate:**** Give examples that make the concept clear to the examiner.
- * ****Justify:**** Give a good reason for your decisions/conclusions.

****Terms & Definitions (Compiled from all Sources):****

- * ****Actual Cash Value (ACV):**** Amount equal to replacement cost minus depreciation of the property at the time of loss.
- * ****Additional Living Expenses:**** Costs over and above what it would have normally cost for the insured(s) to live had the loss not occurred.
- * ****Agency Agreement:**** Agreement between the brokerage and the insurer outlining the broker's binding authority.
- * ****Agent:**** Person authorized to represent the insurer when dealing with 3rd parties (insurance matters only).
- * ****Bailee for Hire:**** Someone who has temporary possession of property of others for purpose other than sale & is compensated.
- * ****Binder or Insurance Binder:**** An agreement giving the insured temporary insurance protection pending the issuance of the actual policy.
- * ****Blanket Coverage:**** Insuring all property within a specific class under 1 limit.
- * ****Bodily Injury:**** Bodily injury, sickness or disease (including death resulting from the above 3).
- * ****Domestic Water Container:**** Apparatus for personal use for holding, heating, cooling or dispensing water.
- * ****Dwelling:**** Building occupied as a private residence.
- * ****Endorsement:**** Changes terms of the contract.
- * ****Ethics:**** Related to moral character and whether the person conforms to professional standards of conduct.
- * ****Exclusions:**** Occurrences or persons not covered by the policy.
- * ****Fiduciary:**** One who manages money, property, or affairs for another.
- * ****Fire:**** Ignition resulting in destructive burning.
- * ****Floater:**** Insurance meant to cover mobile property.
- * ****Forthwith:**** Immediately (no delay).
- * ****Fraud:**** A deliberate deception with the intent to secure a benefit.
- * ****Friendly Fire:**** Fire that is contained (i.e. camp fire).
- * ****Ground Water:**** Water in underground soil (i.e. well water, underground stream, etc.).
- * ****Hazard:**** A condition that might cause a peril to occur.
- * ****Neglect to secure insurance:**** Failure to obtain insurance coverage.
- * ****Policy is VOID/materially deficient:**** Policy is invalid or lacks essential coverage.
- * ****Policy doesn't provide the coverage they asked for:**** Policy doesn't meet the client's needs.

- * ****Agency agreement violations:**** Breaching the terms of the agreement between the broker and insurer (e.g., exceeding underwriting guidelines).
 - * ****Inadequate coverage:**** Insufficient coverage limits or terms.
 - * ****Misrepresentation & errors in description:**** Providing false or misleading information.
 - * ****Cancellation/renewal errors:**** Mistakes related to policy renewals or cancellations.
 - * ****Policy change errors:**** Mistakes when modifying a policy.
- **Important Note:**** These terms are frequently emphasized as potential areas of risk for insurance professionals. It's crucial to understand and avoid these errors.