

**PERILOSCOPE CHALLENGE PRESENTED TO  
YOU BY:**



**IN ASSOCIATION WITH**



## **1. What is the function of IRDA?**

- A.** Plan for Financial Inclusion
- B.** Provide relief packages to the Farmers
- C.** Regulate insurance business in India
- D.** Hiring & Purchasing assets

**2. Limit of FDI in Insurance sector:**

**A.** 47%

**B.** 50%

**C.** 49%

**D.** 26%

**3. Largest Life Insurance Company in India is:**

- A.** The New India Assurance Company Limited
- B.** Life Insurance Corporation of India (LIC)
- C.** United India Insurance Company Limited
- D.** National Insurance Company Limited

**4. The written insurance contract that may include all clauses, riders and endorsements. It is called?**

A. Instalment

B. Premium

C. Policy

D. Assets

5. \_\_\_\_\_, who represents the interests of the insured in searching for insurance coverage at the lowest cost and highest benefit to the insured.

A. Customer

B. Cashier

C. Broker

D. Banker

**6. An environment where insurance is plentiful and sold at a lower cost, also known as a Buyer's market is called \_\_\_\_\_**

- A. Hard Market
- B. Soft Market
- C. Alternative Market
- D. None of the Above

**7. Which is a fixed amount for a covered service in the health sector?**

- A. Coinsurance
- B. Deductible
- C. Copay
- D. Health Insurance



**8. Insurance companies' ability to pay the claims of policyholders is termed as \_\_\_\_\_**

A. Schedule

B. Solvency

C. Credit life

D. Retrospective Rating

**9. A person who identifies, examines & classifies the degree of risk represented by a proposed insured in order to determine whether or not coverage should be provided and, if so, at what rate is called**

A. Underwriter

B. Underwriting Risk

C. Universal Life Insurance

D. Unauthorized Reinsurance

**10. Which of the following insurance has the highest penetration in India?**

- A. Life Insurance
- B. Health Insurance
- C. Vehicle Insurance
- D. Company Insurance

**11. Insurance is legislated by:**

- A. Insurance Company
- B. State Government
- C. Central Government
- D. Government of India

**12. A single Insurance company offers both life and non-life policies is known as \_\_\_\_\_**

- A. Service Provider
- B. Composite Insurer
- C. Mutual Insurance Company
- D. None of the Above

**13. Risks that affect simultaneously a great number of policyholders is called \_\_\_\_\_**

- A. Partial Risk
- B. Static Risk
- C. Covariant Risk
- D. Pure Risk

**14. The conversion of the account balance of a deferred annuity contract to income payments is termed as \_\_\_\_\_**

- A. Affinity sales
- B. Pure Risk
- C. Annuitization
- D. Proximate Clause

**15. A written form attached to an insurance policy that alters the policy's coverage, terms, or conditions is termed as**

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- A. Endorsement
  - B. Exclusion
  - C. Escrow Account
  - D. Earned Premium



**16. National Insurance Academy located in \_\_\_\_\_**

- A. Chennai
- B. Calcutta
- C. Pune
- D. Hyderabad

**17. The one who will get the insured amount if you die, is referred to as \_\_\_\_\_**

- A. Insured or Policyholder
- B. Nominee or Beneficiary
- C. Insurer
- D. Agent

**18. Which of the following stakeholders are eligible for coverage under the Professional Indemnity policy?**

- A. Contractors
- B. Financiers
- C. Design Consultants
- D. Vendors

**19. Which stakeholder in a construction value chain will be held responsible for structural failures due to faulty design?**

- A. Architect / Design Consultant
- B. Construction Incharge
- C. Supplier
- D. Project Owner (Head)

**20. A document given to an applicant for life insurance stating that the company's acceptance is contingent upon determination of the applicant's insurability is known as**

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- A. Conditional Contract
- B. Conditional Receipt
- C. Conditional Renewable
- D. Consequential loss

**21. The party to whom the rights of the insured under a policy are transferred is known as \_\_\_\_\_**

- A. Policyholder
- B. Appointee
- C. Assignee
- D. Agent

**22. An endorsement added to an insurance policy, or clause within a policy, that provides additional coverage for risks other than those in a basic policy is termed as \_\_\_\_\_**

- A. Expected Loss Ratio
- B. Expense Ratio
- C. Extended Coverage
- D. Extra Expense Insurance

**23. What is subrogation?**

- A. An additional paid-up feature to widen up the scope of the base insurance policy
- B. When an insurance company which pays its insured customer for injuries and losses then legally pursues a third party which caused the damages
- C. An interest rate that changes based on changes in a published market-rate index
- D. It is a time frame during which one may choose to return the purchased policy



## **Comprehension:**

### **The Engagement**

A service provider was engaged by a local Freight Forwarding and Customs Broking company to provide them with a review of their current insurance program. This company has locations in Sydney, Brisbane & Melbourne. In addition to the forwarding and clearance work, they also offered warehousing facilities and local transport services, utilising their small truck fleet. The service provider arranged for a discovery meeting, and during that meeting, they learned that the company's program was a jumble differing policies, with multiple expiry dates during year.

They admitted that their insurance program had been cobbled together over many years since they commenced business operations and hadn't really put too much thought into it. They expressed their concerns about not having high visibility of their program and were worried that it might not be suitable for their current needs. These concerns were exacerbated because they believed current service providers had insufficient experience or expertise dealing with the exposures and risks within their industry.

The service provider conducted a complete program review, assessed their cover in line with their business risks, documented their risks in a document that is owned by the Chief Risk Officer and highlighted the exposures. They then contacted and sought quotations from specialist insurers and put together various options based on their current requirements. They compiled a report and presented their findings to the Directors in person, and discussed the unique exposures that were not currently covered. We also assisted with risk management strategies, particularly observations regarding the company's Standard Terms and Conditions and Bill of Lading which required updating and charged a fee for that

In addition, we commonly due-dated all policies to achieve a more streamlined approach – saving time and administration costs incurred managing separate policies expiring throughout the year. This also achieved greater leverage with the insurers by being able to market all the policies within the insurance program simultaneously. The service provider earned 10% of premium paid.

### **24. The service provider that is being referred to is what?**

- A. Insurance Agent
- B. Insurer
- C. Claims Adjuster
- D. Insurance Broker

**25.The said company in case will require insurers that specialize in which industry**

- A. Pharmaceuticals
- B. Logistics
- C. Energy & Power
- D. Financial Lines

**26.The document that lists all of potential business risks is called...**

- A. Risk Itemizer
- B. Risk List
- C. Risk Register
- D. Risk Summary

**27. The service provided of assisting with risk management strategies, reviewing terms and conditions, etc. is what?**

- A. Relationship building
- B. Up Selling
- C. Cross Selling
- D. Customer Analytics

**28.The service provider earned revenue in what?**

- A. Fees only
- B. Commission only
- C. Share from claims settlement payout
- D. Fees and Commission