

**TOP4SURE PRACTICE TEST NO. 1**

Test Duration: -

Time Left:

**Q 1.** The price paid by insured to the insurance company for bearing the risk, is called as \_\_\_\_\_.

- ☐ Dearness Allowance
- ☐ Salary
- ☐ Claim
- ☐ Bribe
- ☐ Premium

**UnAttempted****CORRECT ANSWER:****Premium****Explanation:****Premium is the price paid by the insured, (for purchasing an insurance product), to the insurance company for bearing the risk.**

## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 2. Identify from the following, the prime function of insurance repository.

- ☐ The objective of creating an insurance repository is to provide policy holders a facility to keep insurance policies in electronic form.
- ☐ Insurance Repository is broker wise business data of all insurance policies issued by the service provider
- ☐ An insurance repository is formed to keep data of all claims made, accepted, settles and rejected by insurance service provider
- ☐ An insurance repository is formed to keep data of all premiums collected and the provisions made for claims against such premiums at any point of time
- ☐ None of above

⊘ UnAttempted

**CORRECT ANSWER:**

The objective of creating an insurance repository is to provide policy holders a facility to keep insurance policies in electronic form.

**Explanation:**

The Authority has developed the new Integrated Grievance Management System (IGMS) which will not only facilitate the policyholder to register/track their complaint online with insurance companies but also facilitate IRDA for monitoring the grievance redressal procedure established in the insurance industry.

The system involves mirroring of the grievance database of insurers in a central repository created for the said purpose.



## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 3. Identify from the following, a major factoring crunch for insurers.

- ☐ High premiums
- ☐ Few shareholders
- ☐ Under-reserving
- ☐ Creating a very big customer base
- ☐ Investing in high liquidity, low return assets

❌ UnAttempted

**CORRECT ANSWER:**

Under-reserving

**Explanation:**

Under-reserving is where an insurer may take in an over-optimistic view of future claim payments. Initially it will boost profits and seem like the underwriting strategy and pricing is correct; however, over time there will be difficulty in paying claims and the insurer will have to call upon shareholders' funds (sometimes known as free reserves) reducing its solvency.



## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 4. Riddhi had received some goods which were faulty and she wants to make a complaint to the consumer forum. She wants to claim a compensation of Rs. 10 lakhs. Suggest the forum she can address her application to. 1. National Commission 2. District Forum 3. State Commission

- ☐ Only 1  
☐ Only 2  
☐ 2 and 3  
☐ 1 and 3  
☐ 1, 2 and 3

❌ UnAttempted

**CORRECT ANSWER:**

Only 2

**Explanation:**

A complaint can be made to the District Forum for value of services and compensation claimed does not exceed Rs 50 Lakh.



## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 5. Which of the following is not required by the 'Code of Conduct'?

- ☐ Periodical in-house trainings for agents
- ☐ Separate training for agents authorized to sell ULIP products
- ☐ Each insurer to separately decide its practice for rounding off unit price
- ☐ Educating policy holders regularly regarding features, risk factors, terminology, etc.
- ☐ All insurers to maintain records of persons who have undergone specific training

❌ UnAttempted

**CORRECT ANSWER:**

Each insurer to separately decide its practice for rounding off unit price

**Explanation:**

**The code of conduct related to Market conduct:**

1. Life insurance companies must provide periodical in-house trainings to all their Insurance agents / intermediaries before they start soliciting insurance business.
2. Separate training should be given to all agents / intermediaries who are authorised to sell the ULIP products.
3. The life insurance companies must maintain records of persons (agents / intermediaries) who have undergone the specific training.
4. Appropriate documentation in deciding a particular product should be maintained to demonstrate an informed decision.
5. Educating the policyholders is necessary on a continuous basis regarding the features, risk factors, terminology, definitions of





**TOP4SURE PRACTICE TEST NO. 1**

Test Duration: -

Time Left:

**Q 6. Which of the following statements is correct with regards to Insurance Repository?**

- ☐ It is an entity which holds monies payable on claims
- ☐ It is an entity which holds details of all insurance companies' key personnel
- ☐ It is an entity which maintains records of insurance companies' investments
- ☐ It is an entity which holds policies of policy holders in electronic form
- ☐ It is an entity which maintains records of insurance companies' financial data

**UnAttempted****CORRECT ANSWER:****It is an entity which holds policies of policy holders in electronic form****Explanation:**

**"Insurance Repository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration by Insurance Regulatory and Development Authority (IRDA) for maintaining data of insurance policies in electronic form on behalf of Insurers.**





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 7. Under Ayush, an insurer may provide coverage for \_\_\_\_\_ of alternate medicine.

- ☐ All systems
- ☐ Only one system
- ☐ One or more systems
- ☐ Allopathic treatment only
- ☐ Any combination of 2 systems

❌ UnAttempted

**CORRECT ANSWER:**

All systems

**Explanation:**

**AYUSH stands for Ayurveda, Yoga, Unani, Siddha and Homeopathy. Under the AYUSH the person can get cover for any of these treatments which are the alternates of allopathic sciences.**





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 8. In calculating large claim reserves, \_\_\_\_\_ is not part of 2nd step.

- ☐ Bringing the data together
- ☐ Review and refine the data
- ☐ Construct auditable reserves
- ☐ Break down the data into practical sub-classes
- ☐ Asking the insured to take preventive measures

UnAttempted

**CORRECT ANSWER:**

Asking the insured to take preventive measures

**Explanation:**

Larger and more complex claims will be controlled by a more experienced handler and by gauging the claims circumstances and using their own experience; they should be able to make a subjective judgement on the estimate.

The next step is for the claims professionals and actuaries to:

- bring the data together
- break it down into practical sub-classes





**TOP4SURE PRACTICE TEST NO. 1**

Test Duration: -

Time Left:

**Q 9.** The major objective of the RN Malhotra Committee established in 1993 is to \_\_\_\_\_.

- ☐ Plan the consolidation of life and general insurance
- ☐ Plan a road map to enable the central government to acquire 51% shareholding in all the insurance companies
- ☐ Lay down road map for opening up the insurance sector to private sector participation
- ☐ Plan the disinvestment of government holdings in the insurance companies to the private sector
- ☐ Plan a road map to enable the state governments to acquire 51% shareholding in all the insurance companies

⊘ UnAttempted

**CORRECT ANSWER:**

Lay down road map for opening up the insurance sector to private sector participation

**Explanation:**

In 1993, Govt of India appointed R. N. Malhotra Committee to lay down road map for opening up of the insurance sector to private sector participation.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 10. Dharmesh wants to appeal against the order of District Forum with regards to claim of Rs. 30,000 awarded to him. What is the amount of deposit required for him to appeal?

- ☐ Rs. 5,000  
☐ Rs. 15,000  
☐ Rs. 20,000  
☐ Rs. 25,000  
☐ Rs. 40,000

⊘ UnAttempted

**CORRECT ANSWER:**

Rs. 15,000

**Explanation:**

An appeal before the State Commission (Section 15) against the order of the District Commission can be made within a period of 45 days subject to deposit of 50% of the amount awarded.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 11. Asbestos is banned since many years; still the previous usage is resulting in claims as its affects can manifest upto \_\_\_\_\_.

- ☐ 25 Years
- ☐ 30 Years
- ☐ 40 Years
- ☐ 50 Years
- ☐ 100 Years

⊘ UnAttempted

**CORRECT ANSWER:**

**40 Years**

**Explanation:**

**Asbestos is a naturally occurring mineral with remarkable properties, which have led to it being used in a wide range of industries. It is fire and chemical resistant, an excellent insulator, a reinforcing additive for cement and motor vehicle brake linings, and it can be woven into textiles.**

**Its disadvantage, which eventually resulted in its abandonment, is that it forms extremely fine fibrous dust particles which may cause the degenerative lung disease, asbestosis or possibly the rare cancer, mesothelioma up to 40 years after the exposure.**





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 12. How the valuation of investments is done?

- ☐ At cost
- ☐ At market value
- ☐ As per the prescribed procedure
- ☐ At cost or market value, whichever is higher
- ☐ At cost or market value, whichever is lower

UnAttempted

**CORRECT ANSWER:**

As per the prescribed procedure

**Explanation:**

Valuation is the analytical process of determining the current (or projected) worth of an asset or a company. There are many techniques used for doing a valuation.

An analyst placing a value on a company looks at the business's management, the composition of its capital structure, the prospect of future earnings, and the market value of its assets, among other metrics.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 13. Dhiraj has an operation planned in next month for which he gets the pre-authorization issued as he has a cashless facility policy from insurer ABC. However, before the final settlement with the hospital it is proposed to be removed from the list of Network Providers of ABC. What is the role of insurer ABC in this case?

- ☐ It will ask the hospital to forgo the payment
- ☐ It will ask Dhiraj to bear the entire cost
- ☐ It will provide the cashless facility as if hospital is still a Network Provider
- ☐ It will ask Dhiraj to pay first and file a claim for reimbursement
- ☐ It will settle with the hospital the amount as incurred till the date it was proposed to be removed

❌ UnAttempted

**CORRECT ANSWER:**

It will provide the cashless facility as if hospital is still a Network Provider

Q 14. If the 1st meeting of the Executive Committee of the Life Insurance Council of IAI was held on 1st June 2018, the new committee will be formed on or after 1st June \_\_\_\_\_.







## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 14. If the 1st meeting of the Executive Committee of the Life Insurance Council of IAI was held on 1st June 2018, the new committee will be formed on or after 1st June \_\_\_\_\_.

- ☐ 2019  
☐ 2020  
☐ 2021  
☐ 2022  
☐ 2023

⊘ UnAttempted

**CORRECT ANSWER:**

2021

**Explanation:**

**The duration of the Executive Committee of the Life Insurance Council or the General Insurance Council shall be three years from the date of its first meeting on the expiry of which it shall stand dissolved and a new Executive Committee constituted.**



**TOP4SURE PRACTICE TEST NO. 1**

Test Duration: -

Time Left:

**Q 15.** ABC Ltd. is a health Insurer who is offering a 3 year tenure product. Choose the most appropriate answer from the following regarding the premium for this product.

- ☐ Premium can be waived for the 3rd year
- ☐ Premium can be changed every year
- ☐ Premium cannot be changed during policy tenure
- ☐ Premium can be collected for all 3 years at the time after the policy period
- ☐ Premium can be changed at any time and difference for the year of change to be collected within a specified time from date of change

❌ UnAttempted

**CORRECT ANSWER:**

Premium cannot be changed during policy tenure

**Explanation:**

The premium payments towards long-term insurance policies are usually lower than those of the traditional plans with the annual term. Thus, availing a long-term health insurance plan with 2-3 year tenure can help to lower your premium payment by a substantial amount. The premium in this case cannot be changed during policy tenure.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 16. Mr. Mohit has mentioned in his insurance proposal form that he is a social drinker. What will the insurance company do in this case?

- ☐ Suggest some modifications
- ☐ Accept the proposal as it stands
- ☐ Declare Mr. A uninsurable
- ☐ Charge a hefty premium
- ☐ Reject the proposal outright

❌ UnAttempted

**CORRECT ANSWER:**

Accept the proposal as it stands

**Explanation:**

If a person drinks a limited amount of alcohol only on some special occasions and it does not have any adverse effect on their health, then there is no problem for them to qualify for and receive a life insurance policy.

However, if a person drinks excessively and that too on a regular basis, then there are chances that the insurance company might reject your life insurance application. If you already have one, you will be levied a much higher premium than what a non-drinking person of your age pays.



**TOP4SURE PRACTICE TEST NO. 1**

Test Duration: -

Time Left:

**Q 17. Why under-reserving is not desirable?**

- ☐ Because it would be illegal
- ☐ Because the funds may be parked in junk bonds
- ☐ Because cash surplus would encourage extravagant spending
- ☐ Because employees can be given unrealistic salaries/benefits from the excess liquidity
- ☐ Because it will effect company's liquidity and consequently, credibility, in case of sudden surge in claims and/ or a huge claim at a time of low liquidity

**UnAttempted****CORRECT ANSWER:**

Because it will effect company's liquidity and consequently, credibility, in case of sudden surge in claims and/ or a huge claim at a time of low liquidity

**Explanation:**

Under-reserving is where an insurer may take in an over-optimistic view of future claim payments. Initially it will boost profits and seem like the underwriting strategy and pricing is correct; however, over time there will be difficulty in paying claims and the insurer will have to call upon shareholders' funds (sometimes known as free reserves) reducing its solvency.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 18. What can be done by an endorsement on the policy or by a separate duly stamped deed?

- ☐ Election
- ☐ Assignment
- ☐ Selection
- ☐ Nomination
- ☐ Justification

⊘ UnAttempted

**CORRECT ANSWER:**

Assignment

**Explanation:**

Assignment is transfer of property. It can be effected by an endorsement on the back of the policy or on a separate stamp deed.







## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 19. Which policy among the following is granted relaxation from the provisions of Sec 64VB(1)?

- ☐ Goods insurance
- ☐ Money back
- ☐ Mediclaim
- ☐ Marine covers other than hull
- ☐ Individual Accident Insurance

❌ UnAttempted

**CORRECT ANSWER:**

Marine covers other than hull

**Explanation:**

There is relaxation to the provisions of section 64 VB (I) in case of certain categories of insurance. Some of them are listed as follows:

- Policies issued to Government and Semi Government Bodies
- Fidelity Guarantee Insurance
- Declaration Policies





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 20. According to which section of Insurance Act, 1938, the functions of the Executive Committee of the Life Insurance Council of IAI are set out?

- ☐ Sect 1(a)
- ☐ Sec 64J
- ☐ Sec 63K
- ☐ Notes to Sec 64
- ☐ Appendices to the Act

UnAttempted

**CORRECT ANSWER:**

Sec 64J

**Explanation:**

The functions of the Executive Committee of the Life Insurance Council are set out according to Section 64J of the Insurance Act, 1938.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 21. How many person/s IRDAI shall appoint, connected with the insurance industry on each of the Executive Committees of the 2 Councils of IAI?

- ☐ 1
- ☐ 2
- ☐ 5
- ☐ 8
- ☐ 10

UnAttempted

**CORRECT ANSWER:**

8

**Explanation:**

According to 64F of the Insurance Act, 1938 IRDAI shall appoint 8 person/s connected with the insurance industry on each of the Executive Committees of the 2 Councils of IAI.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 22. Which regulation is needed to ensure policies are priced on proper technical and business factors?

- ☐ Strict
- ☐ Effective
- ☐ Inclusive
- ☐ Exclusive
- ☐ Stringent

⊘ UnAttempted

**CORRECT ANSWER:**

Effective

**Explanation:**

To ensure that insurance products are priced on proper technical and business factors, effective regulation is needed.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 23. Identify the correct statement with regards to Ombudsman. 1. It deals with both life and general insurance 2. Individuals and companies can both approach Ombudsman in case of any dispute 3. It addresses grievances of both insurer and insured

- ☐ Only 1  
☐ Only 2  
☐ Only 3  
☐ 1 and 3  
☐ 2 and 3

⊘ UnAttempted

**CORRECT ANSWER:**

Only 1

**Explanation:**

Insurance Ombudsman was created by the Government of India for quick disposal of grievances of the insured customers and to mitigate their problems involved in redressal of those grievances.

The governing body shall appoint one or more persons as ombudsman whose functions basically are redressal of grievances from the policyholders of both life insurance and general insurance business.

Firms and organizations cannot go to the Ombudsman.







## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 24. Mr. X who lives in Delhi City, approaches a bank in the district suburbs to open an account. He provides false information in the KYC form. What is this case called as?

- ☐ A business requirement
- ☐ A logical transaction
- ☐ A suspicious transaction
- ☐ A matter of personal choice
- ☐ A normal banking transaction

⊘ UnAttempted

**CORRECT ANSWER:**

**A suspicious transaction**

**Explanation:**

**A suspicious transaction is one where an act of money laundering has already occurred or where there is an inherent threat that one may occur.**

**Here, Mr. X has wants to open an account in an area where he does not reside and also provides false information, which is suspicious.**





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 25. What does 'intermediary or insurance intermediary' means, as per IRDAI Act?

- ☐ Insurance brokers and agents
- ☐ Insurance consultants and agents
- ☐ Corporate and insurance agents
- ☐ Insurance brokers, insurance consultants and agents
- ☐ Insurance brokers, re-insurance brokers, insurance consultants, surveyors and loss assessors

🚫 UnAttempted

**CORRECT ANSWER:**

Insurance brokers, re-insurance brokers, insurance consultants, surveyors and loss assessors

**Explanation:**

As per the Insurance Regulatory and Development Authority (IRDA) Act, 1999 "intermediary or insurance intermediary" includes insurance brokers, reinsurance brokers, insurance consultants, surveyors and loss assessors.

Although this definition of "intermediary or insurance intermediary" does not include insurance agents and corporate agents they also are intermediaries in the conventional sense.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 26. Identify from the following, one of the correct options for the various Laws, Acts that govern Marine Insurance contracts.

- ☐ GIBNA – 1972
- ☐ MVA 1988
- ☐ IRDAI Act 1999
- ☐ Indian Railways Act, 1989
- ☐ IRDAI General Insurance Reinsurance Regulations 2016

❌ UnAttempted

**CORRECT ANSWER:**

Indian Railways Act, 1989

**Explanation:**

The marine Insurance Act, 1963 codifies the law relating to Marine Insurance. With a few exceptions this Act closely follows the U.K Marine Insurance Act, 1906.

In addition to the Marine Insurance Act, 1963 the following laws govern the practice of marine insurance contracts.

1. The Carriage of Goods by Sea Act, 1925
2. The Bill of Lading Act, 1885



**TOP4SURE PRACTICE TEST NO. 1**

Test Duration: -

Time Left:

**CORRECT ANSWER:****Indian Railways Act, 1989****Explanation:**

The marine Insurance Act, 1963 codifies the law relating to Marine Insurance. With a few exceptions this Act closely follows the U.K Marine Insurance Act, 1906.

In addition to the Marine Insurance Act, 1963 the following laws govern the practice of marine insurance contracts.

1. The Carriage of Goods by Sea Act, 1925
2. The Bill of Lading Act, 1885
3. Indian Railways Act, 1989
4. The Carriers Act, 1865
5. Workmen's Compensation Act, 1923
6. Employee's State Insurance Act, 1948
7. Public Liability Insurance Act, 1991
8. The Indian Stamp Act, 1899



**TOP4SURE PRACTICE TEST NO. 1**

Test Duration: -

Time Left:

**Q 27. Which of the following is the correct composition of State Commission established under the COPA 1986?**

- ☐ President – District/High Court Judge and Members not less than 4 (including 1 lady member)
- ☐ President – Supreme Court Judge, Members not less than 4 (including 1 lady member)
- ☐ President – High Judge and Members not less than 4 (including 1 lady member)
- ☐ President – District Court Judge and Members not less than 2 (including 1 lady member)
- ☐ President – High Court Judge and Members not less than 2 (including 1 lady member)

⊘ UnAttempted

**CORRECT ANSWER:**

President – High Court Judge and Members not less than 2 (including 1 lady member)

**Explanation:**

**The COPA 1986 envisages three-tier quasi-judicial machinery at the National, State and District levels in the following manner:**

**State Commission Composition: President – High Court Judge, Members not less than 2 (1 lady member)**







## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 28. What is the process for insurance brokers to renew their licenses?

- ☐ The renewal process is not required and the license are valid for lifetime
- ☐ The renewal is only to comply with the KYC norms of the broker
- ☐ The renewal process is subject to the continues educational qualifications obtained by the insurance broker
- ☐ The renewal process is based on the customers feedback on the performance of the broker
- ☐ The renewal process is same as fresh application

UnAttempted

**CORRECT ANSWER:**

The renewal process is same as fresh application

**Explanation:**

As per Regulation 13, in case of insurance brokers the application for a renewal shall be dealt with in the same manner as per fresh application.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 29. Money laundering is not an ordinary problem but a \_\_\_\_\_ phenomenon.

- ☐ National
- ☐ Extinct
- ☐ Global
- ☐ Local
- ☐ 21st century

⊘ UnAttempted

**CORRECT ANSWER:**

Global

**Explanation:**

Money laundering is the act of changing the appearance of money that comes from illegitimate sources so that it appears to be legitimate money.

Money laundering is not an ordinary problem. It is global and the persons behind these transactions appear to be using different channels with ease for fund transmissions and for creating a 'legal front' for money raised through illegal methods.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 30. The Insurance Ombudsman can entertain complaints against the insurance company when the total amount of relief sought is less than \_\_\_\_\_ .

- ☐ Rs 1 crore
- ☐ Rs 50 lakhs
- ☐ Rs 30 lakhs
- ☐ Rs 10 lakhs
- ☐ Rs 1 lakh

UnAttempted

**CORRECT ANSWER:**

**Rs 30 lakhs**

**Explanation:**

**One of the pre-requisite of lodging complaint in front of the Insurance Ombudsman is that the amount of relief sought must be less than Rs. 30 lakhs.**





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 31. The President of State Commission should be a \_\_\_\_\_ .

- ☐ Retired IRDA Chairman
- ☐ Retired SEBI Chairman
- ☐ District Judge
- ☐ High Court Judge
- ☐ Supreme Court Judge

UnAttempted

**CORRECT ANSWER:**

High Court Judge

Q 32. What is money laundering ?

- ☐ Conversion of illegal money to legitimate money
- ☐ Conversion of illegal money into Stocks
- ☐ Conversion of illegal money into gold
- ☐ Conversion of illegal money into cash
- ☐ Bulk transfer of cash from one account to another

UnAttempted





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 32. What is money laundering ?

- ☐ Conversion of illegal money to legitimate money
- ☐ Conversion of illegal money into Stocks
- ☐ Conversion of illegal money into gold
- ☐ Conversion of illegal money into cash
- ☐ Bulk transfer of cash from one account to another

❌ UnAttempted

**CORRECT ANSWER:**

Conversion of illegal money to legitimate money

Q 33. Who will make rules to regulate the procedure for the investigation of misbehavior or incapacity of the President and Members of the GRA ?

- ☐ National Government
- ☐ Central Government
- ☐ State Government
- ☐ District Government
- ☐ Local Government







## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 33. Who will make rules to regulate the procedure for the investigation of misbehavior or incapacity of the President and Members of the GRA ?

- ☐ National Government
- ☐ Central Government
- ☐ State Government
- ☐ District Government
- ☐ Local Government

❌ UnAttempted

**CORRECT ANSWER:**

Central Government

Q 34. What is the lock in period for ULIPs during which period no partial withdrawals or surrenders are allowed ?

- ☐ 2 years
- ☐ 5 years
- ☐ 7 years
- ☐ 10 years





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 34. What is the lock in period for ULIPs during which period no partial withdrawals or surrenders are allowed ?

- ☐ 2 years
- ☐ 5 years
- ☐ 7 years
- ☐ 10 years
- ☐ 11 years

⊘ UnAttempted

**CORRECT ANSWER:**

5 years

**Explanation:**

As per IRDA September 2010 guidelines for ULIP's, all insurance companies are to comply these guidelines increasing the lock-in period from 3 years to 5 years during which no partial withdrawals or surrenders are allowed.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 35. Any person who buys goods for a consideration or avails any services for consideration is defined as a \_\_\_\_\_ .

- ☐ Buyer
- ☐ Consumer
- ☐ Seller
- ☐ Agent
- ☐ Proposer

⊘ UnAttempted

**CORRECT ANSWER:**

Consumer

**Explanation:**

The Consumer Protection Act, 1986 defines consumer as any person who buys goods for a consideration or avails any services for consideration.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 36. When there is a mis-statement or suppression of a material fact, the premiums collected on the policy till the date of repudiation of life policy will be liable to be returned to the \_\_\_\_\_ .

- ☐ Insurance Agent
- ☐ Nominee
- ☐ Legal representatives
- ☐ Insurer
- ☐ Policy holder

⊘ UnAttempted

**CORRECT ANSWER:**

Policy holder

**Explanation:**

In case the policy is called in question within 3 years from the date of issuance on the ground of misrepresentation or suppression of a material fact not amounting to fraud, the premiums collected under the policy upto the date of repudiation are to be refunded to the policyholder.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 37. What is the maximum amount of cover in case of Micro Insurance ?

- ☐ Rs. 20000
- ☐ Rs. 25000
- ☐ Rs. 50000
- ☐ Rs. 75000
- ☐ Rs. 100000

⊘ UnAttempted

**CORRECT ANSWER:**

Rs. 50000

**Explanation:**

Micro-insurance is for protection of low income group with minimum premium. Therefore the life insurance the maximum cover is kept at Rs. 50000.

Q 38. The Policy holder is also known as the







## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 38. The Policy holder is also known as the \_\_\_\_\_ .

- ☐ beneficiary
- ☐ payee
- ☐ claimer
- ☐ insurer
- ☐ insured

UnAttempted

**CORRECT ANSWER:**

insured

**Explanation:**

The policy holder is often called as an insured under General Insurance.

Under Life Insurance, the policy holder is often known as assured.

Q 39. The books of accounts of insurance companies have to be maintained as per the guidelines of



**TOP4SURE PRACTICE TEST NO. 1**

Test Duration: -

Time Left:

Q 39. The books of accounts of insurance companies have to be maintained as per the guidelines of \_\_\_\_ .

- ☐ RBI
- ☐ Insurance company's head office
- ☐ IRDAI
- ☐ Insurance regulating bodies
- ☐ Ministry of corporate affairs

⊘ UnAttempted

**CORRECT ANSWER:**

**IRDAI**

**Explanation:**

**Section 14 of the IRDA Act, 1999 lays down certain powers & functions of IRDA. It includes of specifying the form & manner in which books of accounts shall be maintained.**



**TOP4SURE PRACTICE TEST NO. 1**

Test Duration: -

Time Left:

Q 40. KYC means \_\_\_\_\_ .

- ☐ Know your country
- ☐ Know your customer
- ☐ Know your company
- ☐ Know your client
- ☐ Know your cash

 UnAttempted**CORRECT ANSWER:**

Know your customer

**Explanation:**

**KYC is the process of identifying the genuine & legitimate customer who does not have any fraudulent intentions. It is done by collecting certain vital documents of proof.**

Q 41. What is the minimum age of entry in case of health insurance ?

- ☐ 1 year



## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

**Q 41. What is the minimum age of entry in case of health insurance ?**

- ☐ 1 year
- ☐ 2 years
- ☐ 5 years
- ☐ 18 years
- ☐ At the discretion of the insurer

❌ UnAttempted

**CORRECT ANSWER:**

At the discretion of the insurer

**Q 42. During the free look period, if the customer is not satisfied, he will be required to send the original documents of the insurance policy along with \_\_\_\_\_ to the customer service department.**

- ☐ Affidavit
- ☐ Proposal form
- ☐ Covering letter
- ☐ Apology letter
- ☐ Application form for its cancellation



**TOP4SURE PRACTICE TEST NO. 1**

Test Duration: -

Time Left:

Q 42. During the free look period, if the customer is not satisfied, he will be required to send the original documents of the insurance policy along with \_\_\_\_\_ to the customer service department.

- ☐ Affidavit
- ☐ Proposal form
- ☐ Covering letter
- ☐ Apology letter
- ☐ Application form for its cancellation

❌ UnAttempted

**CORRECT ANSWER:**

Application form for its cancellation

**Explanation:**

Under protection of policy holders' interest, if the customer is not satisfied with the policy, he can return the policy within 15 days along with an application for its cancellation.





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 43. \_\_\_\_\_ section of IRDAI Act lays down its duties, powers and functions.

- ☐ Section 14
- ☐ Section 24
- ☐ Section 34
- ☐ Section 44
- ☐ Section 54

⊘ UnAttempted

**CORRECT ANSWER:**

Section 14

**Explanation:**

**Section 14 of IRDA Act, 1999 lays down the functions, powers & duties of IRDA.**

Q 44. An appeal before the National Commission can be made subjected to deposit of \_\_\_\_\_ the amount awarded.

- ☐ 15%
- ☐ 25%



## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 44. An appeal before the National Commission can be made subjected to deposit of \_\_\_\_\_ the amount awarded.

- ☐ 15%
- ☐ 25%
- ☐ 30%
- ☐ 40%
- ☐ 50%

 UnAttempted

**CORRECT ANSWER:**

50%

**Explanation:**

An appeal before the National Commission (Section 19) can be made against the order of the State Commission within a period of 30 days and subject to deposit of 50% of the amount awarded.

Q 45. When is the 'Statement of Downgraded Investments' submitted ?

- ☐ within 5 days, after end of each quarter
- ☐ within 7 days, after end of each quarter



## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 45. When is the 'Statement of Downgraded Investments' submitted ?

- ☐ within 5 days, after end of each quarter
- ☐ within 7 days, after end of each quarter
- ☐ within 10 days, after end of each quarter
- ☐ within 15 days, after end of each quarter
- ☐ within 30 days, after end of each quarter

❌ UnAttempted

**CORRECT ANSWER:**

within 30 days, after end of each quarter

Q 46. A person can deal with the policy in whatever way he may desire during his lifetime and the consent of the \_\_\_\_ is not required.

- ☐ Officers
- ☐ Agent
- ☐ Insurer
- ☐ Policy holder
- ☐ Nominee

❌ UnAttempted



## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 46. A person can deal with the policy in whatever way he may desire during his lifetime and the consent of the \_\_\_\_ is not required.

- ☐ Officers
- ☐ Agent
- ☐ Insurer
- ☐ Policy holder
- ☐ Nominee

❌ UnAttempted

**CORRECT ANSWER:**

Nominee

Q 47. Which of these products is not a viable as a standalone insurance product.

- ☐ Micro insurance
- ☐ Endowment
- ☐ Money back policy
- ☐ Group insurance
- ☐ Pension and Group schemes

❌ UnAttempted





## TOP4SURE PRACTICE TEST NO. 1

Test Duration: -

Time Left:

Q 47. Which of these products is not a viable as a standalone insurance product.

- ☐ Micro insurance
- ☐ Endowment
- ☐ Money back policy
- ☐ Group insurance
- ☐ Pension and Group schemes

UnAttempted

**CORRECT ANSWER:**

Micro insurance

**Explanation:**

Micro insurance cannot be a stand-alone insurance product as the micro agent is required to be associated with one life insurer & one general insurer.

Q 48. The cover premium charges in case of ULIPs is dependent on \_\_\_\_\_ .

- ☐ Policy plan agreement
- ☐ ...





**TOP4SURE PRACTICE TEST NO. 1**

Test Duration: -

Time Left:

**Q 48.** The cover premium charges in case of ULIPs is dependent on \_\_\_\_\_ .

- ☐ Policy plan agreement
- ☐ Unit
- ☐ Premium
- ☐ Age
- ☐ Discount in premium involved

 UnAttempted**CORRECT ANSWER:****Age****Explanation:**

**Age is vital determinant in life insurance. With the advancement of age the insurability recedes & the premium thereof is dependent upon the age of the proposer.**

**Q 49.** To whom can the Grievance Redressal Authority (GRA) refer the pending cases of disputes to?

Q 49. To whom can the Grievance Redressal Authority (GRA) refer the pending cases of disputes to ?

- ☐ APR
- ☐ AWW
- ☐ AZR
- ☐ ADR
- ☐ APT

❌ UnAttempted

**CORRECT ANSWER:**

ADR

**Explanation:**

The GRA may itself refer the pending disputes to Alternate Dispute Resolution (ADR) at any stage of the proceedings, with the consent of the parties.

Q 50. The minimum amount of cover in a Term Insurance is \_\_\_\_ .

- ☐ Rs. 3500
- ☐ Rs. 5000
- ☐ Rs. 6200
- ☐ Rs. 7500
- ☐ Rs. 10000

❌ UnAttempted



**CORRECT ANSWER:**

ADR

**Explanation:**

The GRA may itself refer the pending disputes to Alternate Dispute Resolution (ADR) at any stage of the proceedings, with the consent of the parties.

Q 50. The minimum amount of cover in a Term Insurance is \_\_\_\_\_ .

- ☐ Rs. 3500
- ☐ Rs. 5000
- ☐ Rs. 6200
- ☐ Rs. 7500
- ☐ Rs. 10000

UnAttempted

**CORRECT ANSWER:**

Rs. 5000

Out of 50 questions 50 are un attempted.

