

Q 1. To protect the interest of _____, the Law commission has recommended that after the expiry of five years, no policy of life insurance can be repudiated on any ground.

- Agent who sold the policy
- Collector
- Nominee
- Policy holder
- Insurer

☐ UnAttempted

CORRECT ANSWER:

Policy holder

Explanation:

Section 45 of the Insurance Act has made this provision for the protection of policy holder's interest.

Q 2. Any refund of premium which may become due will be paid directly to the _____.

- Insurer
- Insured
- Policy Holder
- Company
- Institution

☐ UnAttempted

CORRECT ANSWER:

Insured

Explanation:

In case of any refund of premium, the insurer would refund the same directly to the insured by way of crossed cheque, order cheque or by postal money order.

Q 3. A micro insurance agent shall:

- Have at least worked for 10 years in insurance
- Employ specified persons with the prior approval of the insurer
- Be males only
- Not be bound by the rules and regulations of IRDAI
- All of the above

☐ UnAttempted

CORRECT ANSWER:

Employ specified persons with the prior approval of the insurer

Explanation:

As per IRDA Micro-Insurance Regulations 2005, a micro insurance agent shall employ specified persons with the prior approval of the insurer.

Q 4. The value of services and compensation claimed under National Commission is _____.

- Up to Rs. 20 lakhs
- More than Rs. 20 lakhs but less than Rs. 1 crore
- More than Rs. 1 crore but less than Rs. 2 crores
- More than Rs. 1 crore
- All of the above

☐ UnAttempted

CORRECT ANSWER:

More than Rs. 1 crore

Explanation:

Different forums/ commissions have their own financial jurisdictions. Under National Commission, it is more than 1 crore.

Q 5. In India, the foreign exchange regulations apply only if the _____ and the _____ are non-resident.

Life insurer, Life insured
Applicant, Life insurer
Life insured, Claimant
Life insured, Bank
Applicant, Claimant

☐ UnAttempted

CORRECT ANSWER:

Life insured, Claimant

Q 6. The switching charge is _____ .

0.5% of annualized premium
1% of annualized premium
A flat amount per movement
Percentage of money moved
None of above

☐ UnAttempted

CORRECT ANSWER:

A flat amount per movement

Explanation:

Switching is transfer of money from one fund to another. A flat amount per switch is levied at the time of effecting such switching. For example: Rs. 100 per switch.

Q 7. Who shall have no jurisdiction in cases relating to third party motor vehicle insurance and marine Insurance ?

Consumer authority

Grievance Redressal Authority
Consumer commission
Consumer councils
Consumer group

☐ UnAttempted

CORRECT ANSWER:

Grievance Redressal Authority

Explanation:

The CPA & Ombudsmen were not effective for dealing certain complaints of the policy holder. The GRA was substituted to deal for such complaints. However the GRA has no jurisdiction to deal with motor TP cases.

Q 8. The 'Prudential Investment Norms- Compliance Report' is to be submitted on a _____ basis.

As as when demanded
Half yearly
Yearly
Quarterly
Monthly

☐ UnAttempted

CORRECT ANSWER:

Quarterly

Q 9. What does the Consumer Protection (amendment) Act cover ?

Covers all goods and services
Covers all services but no goods
Covers all goods but no services
Covers only goods and services made in India
None of the above

☐ UnAttempted

CORRECT ANSWER:

Covers all goods and services

Explanation:

The most pragmatic feature of the Act is the recognition of consumers' right to be informed about the quality, purity, standard and price of goods and services.

Q 10. _____ 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 11. Returns on ULIPs are tax free in France, if duration of policy is at least ____ years.

- 3
- 5
- 8
- 10
- 12

☐ UnAttempted

CORRECT ANSWER:

8

Explanation:

In France, the duration of the unit linked policy must be at least 8 years to qualify for tax relief. In Germany its 12 years.

Q 12. Which caption should be prominently seen on all micro insurance products ?

- General insurance product
- Property insurance product
- Micro insurance product
- Non Life insurance product
- Life insurance product

☐ UnAttempted

CORRECT ANSWER:

Micro insurance product

Explanation:

As per IRDA Micro-Insurance Regulations 2005, under "File & Use", every micro-insurance product shall prominently carry the caption "Micro-Insurance Product".

Q 13. On what grounds is the repudiation of the policy not permitted ?

- Mis-statement
- Disloyalty
- Distrust
- Suppression of material fact
- Fraud

☐ UnAttempted

CORRECT ANSWER:

Disloyalty

Explanation:

Disloyalty cannot be reason of repudiation of life policy. The other actions of the life assured may prejudice the claim if the cause arises within 2 years of the issue of the policy.

- Q 14. Those nominees who are alive on the date of the death of the life assured only will get the _____.
Gross money
Policy money
Whole money
Net money
Lump sum money

UnAttempted

CORRECT ANSWER:

Policy money

Explanation:

The amount secured by the policy would be payable i. e. policy money, where the nominee is alive on the death of the life assured.

- Q 15. Its the duty of every insurer to inform and keep informed periodically the insured on the requirements to be fulfilled by the insured regarding lodging of a _____ arising in terms of the policy and the procedures to be followed by him/her to enable the insurer to settle a claim easily.
question
query
claim
complaint
feedback

UnAttempted

CORRECT ANSWER:

claim

- Q 16. 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 17. Who can complaint under the pre-requisite conditions ?
The Insurer
An aggrieved individual who has taken an insurance policy
Proposer
The Policy holders collector

UnAttempted

CORRECT ANSWER:

An aggrieved individual who has taken an insurance policy

Explanation:

An aggrieved individual who has taken an insurance policy on a personal line of insurance, can complaint to an Insurance Ombudsman.

Q 18. As per the 'Protection of Policy holders interests' guidelines the 'Maximum Turn Around Time' specified for 'Post policy issue service requests concerning mistakes / refund of proposal deposit is ____ .

- 2 days
- 5 days
- 7 days
- 10 days
- 15 days

☐ UnAttempted

CORRECT ANSWER:

10 days

Explanation:

For any post policy issue service related requests, the time limit given the policy holder's protection is 10 days.

Q 19. _____ does not come under the preview of IRDAI.

- Adequate information about products and services
- Setting minimum and maximum service charges
- Funding long term growth of the insurance industry
- Enforcing transparency and efficiency in working
- Speedy settlement of claims

☐ UnAttempted

CORRECT ANSWER:

Speedy settlement of claims

Explanation:

Speedy settlement of the claims is one of the primary functions of any insurer. For any deficiency in services including delay in settlement, the policy holder can go to CPA or Ombudsman for redressal of such deficiency in service.

Q 20. The full form of ACR is ____ .

- Annual CA's Reports
- Annually Collected Revenue
- Alternate Conflict Resolution
- Association for Consumer Relations
- Annual Confidential Reports

☐ UnAttempted

CORRECT ANSWER:

Annual Confidential Reports

Q 21. _____ is a pre-requisite condition for lodging a complaint.

- The total relief sought must be within an amount of Rs 20 lakh
- Subject matter of the complaint should not currently be or have earlier been before a Court / consumer forum
- The complaint must be by an individual on a 'personal lines' insurance and within the terms of reference of the Insurance Ombudsman
- All of the above
- None of the above

☐ UnAttempted

CORRECT ANSWER:

All of the above

Explanation:

The Central Govt. has made Public Grievances Rules, 1998. These rules apply to life & general insurance for redressal of complaints where all above three conditions apply.

Q 22. _____ deals with the disputes between insurer and insured.

Consumer commission
Grievance Cell
Grievance Redressal Authority
Consumer councils
Consumer groups

☐ UnAttempted

CORRECT ANSWER:

Grievance Redressal Authority

Explanation:

Since the Ombudsman & CPA were not effective in dealing with the complaints, Law Commission recommended formation of Grievance Redressal Authority (GRA) to deal with the complaints.

Q 23. 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.

Q 24. ULIPs may provide some protection against the ultimate benefits that are being _____ .

Eroded by inflation
Depleted by recession
Added by deductions
Incremented by appreciation
Reduced by taxation

☐ UnAttempted

CORRECT ANSWER:

Eroded by inflation

Explanation:

The NAV of an ULIP depends on the performance of the fund which is mostly invested in stock market. Although losses may occur chances are that returns will beat inflation in the long run.

Q 25. As per Sec 45 of Insurance Act, a life insurance policy commenced before the Act was regulated, shall automatically expire after _____ from the date of its commencement.

1 year
2 years
3 years
5 years
7 years

☐ UnAttempted

CORRECT ANSWER:

2 years

Q 26. The full form of GIBN is _____ .

General Insurance Buy-out Notifications
General Insurance Bonus Nationalization
General Insurance Business Notification

General Insurance Budget Notifications
General Insurance Business Nationalization

 UnAttempted

CORRECT ANSWER:

General Insurance Business Nationalization

Explanation:

It is popularly known as GIBNA (Amendment) Act, 2002. It states that GIC shall cease to control, superintend & carry on the business of general insurance & shall carry on reinsurance business only.

- Q 27. As per IRDA guidelines for ULIP's, all ULIPs have uniform /level paying premiums whereby additional payments will be treated as -
- premium top-up
 - extended premium
 - new premium
 - single premium
 - lock-in premium

 UnAttempted

CORRECT ANSWER:

single premium

Explanation:

As per IRDA September 2010 guidelines for ULIP's, all insurance companies are to comply these guidelines which states that all ULIPs have uniform /level paying premiums whereby any additional payments will be treated as single premium.

- Q 28. The maximum reduction in yield (Difference between Gross and Net yield % p. a.) for 15 years and thereafter – elapsed since inception is _____.
4%

3.75%
3.30%
2.50%
2.25%

 UnAttempted

CORRECT ANSWER:

2.25%

Explanation:

As per IRDA September 2010 guidelines for ULIP's, for 15 years or more elapsed since inception, maximum reduction in yield (Difference between Gross and Net yield (% p.a.) is 2.25%

- Q 29. 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.

Q 30. 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 31. An appeal can be made in Supreme court against the order of National Commission within _____ .

5 days
15 days
30 days
45 days
60 days

☐ UnAttempted

CORRECT ANSWER:

30 days

Q 32. _____ is not mandatory to be submitted under KYC norms.

Purpose of contract
Verifiable address
Copy of sale deed
Bank statements
Recent photographs

☐ UnAttempted

CORRECT ANSWER:

Copy of sale deed

Explanation:

Copy of sale deed doesn't come under KYC norms as it does not fulfill any of the KYC norms. Its merely an agreement of sale between 2 persons.

Q 33. What determines the sum assured?

The lock-in period of the policy
The income of the insured
The policy term
The age of the insured
The premium payment frequency ie. Yearly, half yearly etc.

☐ UnAttempted

CORRECT ANSWER:

The age of the insured

Explanation:

Age is important factor for insuring the life of a person. For example, under whole life insurance, the lower the age at entry higher would be the Sum Assured & vice versa.

Q 34. The functions of the Executive Committee of the Life Insurance Council is to intimate the IRDAI if any insurer shows prejudice to a _____ .

Intermediary
Employee of the insurance company
Nominee
Policy holder
None of above

⊘ UnAttempted

CORRECT ANSWER:

Policy holder

Explanation:

The functions of the Executive Committee of the Life Insurance Council includes - to bring to the notice of the IRDA the case of any insurer acting in a manner prejudicial to the interests of the holders of life insurance policies.

Q 35. Under section _____ of the Insurance Act, life insurance policies are repudiated.

- Section 44
- Section 45
- Section 46
- Section 47
- Section 48

⊘ UnAttempted

CORRECT ANSWER:

Section 45

Q 36. What is the minimum term of cover in health insurance?

- 1 year
- 2 years
- 3 years
- 5 years
- 7.5 years

⊘ UnAttempted

CORRECT ANSWER:

1 year

Q 37. When a nomination made specifically under Sec 39 of the Insurance Act, the Provision of Section 6 of M W P Act 1874 is not applicable to nomination in favour of _____ .

- Spouse
- Grandparents
- Wife and / or children
- Children
- Wife

⊘ UnAttempted

CORRECT ANSWER:

Wife and / or children

Q 38. 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 39. If death happens during the contestable period, any claim based on the policy can be challenged on the grounds of _____ .

- Legal statement
- Mis-statement
- Fraudulent statement
- Incorrect statement
- False statement

⊘ UnAttempted

CORRECT ANSWER:

Legal statement

Q 40. 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

Q 41. 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.

Q 42. What is the minimum fine in case of a complaint filed against a person accused of deficiency of service by Consumer forums and not following their order?

- Rs 2000
- Rs 3000
- Rs 5000
- Rs 7500
- Rs 10000

⊘ UnAttempted

CORRECT ANSWER:

Rs 2000

Explanation:

The minimum fine is Rs 2000 and the maximum fine is Rs. 10,000 or the person can be imprisoned also for minimum 1 month & maximum 3 yrs.

Q 43. No relaxation in premium issues is allowed for

- Aircraft hulls and other aviation risks
- National agriculture insurance scheme
- Issued to students availing Govt. scholarship
- Govt. and Semi Govt. bodies
- Issued to personnel of armed forces

⊘ UnAttempted

CORRECT ANSWER:

Aircraft hulls and other aviation risks

Explanation:

Aircraft hulls and other aviation risks are the risks associated with very high sum insured & premium. It belongs to affluent section of the society. Therefore no relaxation in premium is allowed.

Q 44. 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 45. Which of the undermentioned statement(s) is/are false ?

Unorganized sector is not included in social sector
An agents trustworthiness is not affected even if a claim is repudiated
The insurance agent works according to the schedule of the insurance company
The social sector is only in the urban areas
All of the above

☐ UnAttempted

CORRECT ANSWER:

All of the above

Explanation:

The Social sector also includes unorganized sector in rural areas. An agent gives the confidential report of the proposer & the repudiation of claim therefore effects his reputation.

Q 46. What is the core aspect to determine the extent of required insurance coverage called?

Net asset life element
Human asset value element
Net asset value element
Human life value element
Human net asset element

☐ UnAttempted

CORRECT ANSWER:

Human life value element

Explanation:

Fundamental core element of life insurance is human life value. It is vital factor to determine the required life insurance coverage.

The human life value concept deals with human capital, which is a person's income potential. It goes beyond just the numbers, and considers the overall impact of losing someone, especially the breadwinner.

Human Life Value' is a methodology used to calculate the amount of funds an individual should set aside for his dependants' future financial security (in case of his sudden demise or physical incapability to earn).

Q 47. _____ risks are covered under annual insurances connected with aircraft hulls, aviation risks and marine hulls.

Legal liability to passengers
Aviation risks
Aircraft hulls
All of the above
None of the above

☐ UnAttempted

CORRECT ANSWER:

All of the above

Explanation:

Under annual insurance cover connected with aircraft hull, marine hull & aviation risk, covers legal liability to passengers along with aviation hull liability, the premium may be collected in maximum four installments.

Q 48. A life assured can appoint an appointee to receive policy moneys on behalf of the _____ .

- Shareholders
- Sub agent
- Company officers
- Minor
- Major

☒ UnAttempted

CORRECT ANSWER:

Minor

Explanation:

An appointee has to be appointed to receive the policy money on behalf of a minor.

Q 49. 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.

Q 50. As per IRDAI, a policy shall not be voided only because of any _____ .

- False statement
- Fraudulent statement
- Legal statement
- Mis-statement
- Incorrect statement

☒ UnAttempted

CORRECT ANSWER:

Incorrect statement

Explanation:

The incorrect statement is done inadvertently but not intentionally. It may not be intentional/ fraudulent statement. The policy therefore cannot be voided.

Q 51. In relation to money laundering, APG stands for _____ .

- Anti Peso Group
- Asia Profiteering Group
- Asia Pacific Group
- Advanced Pentagon Group
- Anti-Pacifist Group

☒ UnAttempted

CORRECT ANSWER:

Asia Pacific Group

Explanation:

Apart from Financial Action Task Force (FATF), AGP makes concerted efforts towards Anti Money Laundering.

Q 52. Insurance of _____ is provided by the Inland Steam Vessels Act.

Passenger Ships like cruises
Cargo ships
Inland vessels
All Inland water transport
Submarines

☐ UnAttempted

CORRECT ANSWER:

Inland vessels

Explanation:

The Inland Steam Vessels Act 1907 amended in 2007 was enacted to facilitate the extension and usage of inland waterways by vessels. The Act came into force from 21 February 2008

Q 53. The Free Look option has to be exercised in ____ days.

5
10
12
15
25

☐ UnAttempted

CORRECT ANSWER:

15

Q 54. With respect to membership of life insurance council, which of the following statements is NOT true ?

The Chairman has to be nominated by IRDAI
Five person connected with life insurance business
One non official not connected with insurance business
Eight members of the Insurance Association of India
A Supreme court judge has to be a member

☐ UnAttempted

CORRECT ANSWER:

A Supreme court judge has to be a member

Explanation:

All the other options are true except that a Supreme Court judge has to be a member.

Q 55. A Unit Linked Insurance Policy holder can safeguard the _____ .

Value of the fund in good times
Value of the fund in bad times
Value of equity shares in bad times
Value of the premium in bad times
Value of the asset in good times

☐ UnAttempted

CORRECT ANSWER:

Value of the fund in bad times

Explanation:

In ULIPs, the policy holder has the option to switch from one fund to another, which would help in safeguarding the value of their funds in difficult times.

Q 56. Under which of the below mentioned insurance contracts, the policy document will contain a schedule showing the details of individuals covered under the group ?

Pension schemes
Group policy
Health insurance
Group micro insurance contracts
Marine insurance

☐ UnAttempted

CORRECT ANSWER:

Group micro insurance contracts

Explanation:

As per IRDA Micro-Insurance Regulations 2005, in case of group micro insurance contracts, the policy document shall contain a schedule showing the details of individuals covered under the group.

Q 57. If the premiums have been paid for 11 and 12 years since inception, the maximum reduction in yield (difference between Gross and Net yield % pa) is _____ %.

2%
2.25%
2.50%
2.75%
3%

☐ UnAttempted

CORRECT ANSWER:

2.75%

Explanation:

As per IRDA September 2010 guidelines for ULIP's, for 11 and 12 years elapsed since inception, maximum reduction in yield (Difference between Gross and Net yield (% p.a.) is 2.75%

Q 58. In a unit linked contract, what can be valued as per need ?

Premium
Nomination
Term
Assignment
Lock up period

☐ UnAttempted

CORRECT ANSWER:

Premium

Explanation:

Under ULIP, premium is first determined & the sum insured is worked out according to the premium as an independent determinant.

Q 59. In the case of ULIPs, the policy administration charges are usually expressed as a fixed amount or a percentage of _____ .

Sum assured
Premium
Growth in NAV per year
Both premium or sum assured
Either premium or sum assured

☐ UnAttempted

CORRECT ANSWER:

Premium

Explanation:

Under ULIP, the insurance company, after deducting charges for life cover & few other charges, invest the remaining amount of premium in a fund chosen by a policy holder.

Q 60. For creating a nominee, which of the following action is required ?

- Making ledger entries in the proposal to the policy
- Making suitable entries in the proposal to the policy
- Making changes in the policy register
- All of the above
- None of the above

☐ UnAttempted

CORRECT ANSWER:

All of the above

Explanation:

The nomination would only be effectual when all of the above steps are taken by the insurance company.

Q 61. In the activity of Money Laundering, criminals try to conceal the true _____ and _____ of the profits from crime.

- Quantity and quality
- Ownership and objects
- Origin and ownership
- Obsessions and ownership
- Origin and obscenities

☐ UnAttempted

CORRECT ANSWER:

Origin and ownership

Explanation:

Money laundering is a process through which the origin & ownership of profit is concealed.

It is done in various stages to avoid tracing the funds & profit therefrom.

Q 62. An appeal will lie from the decision of the _____ .

- Grievance Redressal Authorities (GRA)
- State Government
- Consumer commission
- Consumer authority
- Consumer group

☐ UnAttempted

CORRECT ANSWER:

Grievance Redressal Authorities (GRA)

Explanation:

An appeal will lie from the decision of GRA to an Insurance Appellate (IAT) whose jurisdiction will extend to various matters.

Q 63. _____ forum consist of President – Judge of Supreme Court, members not less than four - one lady member.

- National Commission
- State Commission
- District Forum
- All of the above
- None of the above

☐ UnAttempted

CORRECT ANSWER:

National Commission

Explanation:

Under the structure of Consumer Protection Act, there are District Forum, State Commission and National Commission.

The composition of National Commission : President - Supreme Court judge, Members not less than 4 - 1 lady member.

Q 64. There should be an adjudication fee levied in respect of a claim before the ____ .

- Consumer group
- Grievance Redressal Authorities
- Consumer authority
- Consumer commission
- Consumer councils

☐ UnAttempted

CORRECT ANSWER:

Grievance Redressal Authorities

Explanation:

However, the fees may be waived for an individual policy holder showing sufficient cause.

Q 65. Which of these is NOT true about IRDAI ?

- Eliminates competition in the industry
- Amends various laws related to insurance
- Ensures competence in the industry
- Protects the interests of policy holders
- Enforces fair practices in the industry

☐ UnAttempted

CORRECT ANSWER:

Eliminates competition in the industry

Explanation:

It is desirable to encourage competition in order to make their services more efficient. In fact it was intended to have competition amongst the four subsidiaries of GIC i.e. PSU's.

Q 66. Complaints against insurers are usually for which of the point(s) mentioned below ?

- Policy lapse claims
- Policy servicing
- Claims
- Premiums
- All of the above

☐ UnAttempted

CORRECT ANSWER:

All of the above

Explanation:

The policy holder typical complaints against the insurers lies under 2 stages i.e. pre & post sale stages. The above complaints refer to post sale complaints.

Q 67. Within how many days has the appeal against order of IAT to be filed ?

- 10 days
- 30 days
- 45 days
- 60 days
- 90 days

☐ UnAttempted

CORRECT ANSWER:

60 days

Q 68. The acts which regulate insurance are amended _____ .

- Quarterly
- Yearly
- When new schemes enter the market
- When RBI and IRDAI decides
- As and when needed

☐ UnAttempted

CORRECT ANSWER:

As and when needed

Explanation:

Insurance is a dynamic industry where changes are happening very fast. The regulator has to act according to prevailing circumstances & they need to amend the regulations as and when needed.

Q 69. When has the 'Statement of Investment of Controlled Fund (life) , Compliance Report' to be submitted ?

- Within 15 days, after every quarter
- Within one month, after every quarter
- Within one week, after every quarter
- Within two months, after every quarter
- Within 45 days, after every quarter

☐ UnAttempted

CORRECT ANSWER:

Within one month, after every quarter

Q 70. Who shall furnish to the policy holder a written acknowledgement of having registered a nomination ?

- Assignee

- Assignor
- IRDAI
- Insurer
- Policy holder

☐ UnAttempted

CORRECT ANSWER:

Insurer

Explanation:

Nomination or cancellation is registered by the insurers. It is the duty of the insurer to acknowledge its registration or cancellation.

Q 71. As per IRDAI act, who carries out the functions, for a remuneration, as specified under regulation 3 in either fields of life or general insurance, or both, on behalf of the clients ?

- Re-insurance agent
- Direct broker
- Insurance broker
- Re-insurance broker
- Composite broker

☐ UnAttempted

CORRECT ANSWER:

Direct broker

Explanation:

Under code of conduct applicable to intermediaries, a Direct Broker can solicit both Life and General insurance.

Q 72. What is the 'Prudential Investment Norms- Compliance Report' also called as ?
Form 1

Form 2
Form 3
Form 4
Form 5

 UnAttempted

CORRECT ANSWER:

Form 4

Q 73. Which of the below mentioned function is included in the functions of the Executive Committee of the General Insurance Council ?

To advise and assist general insurance companies
To audit all general insurance companies
To settle all complicated general insurance claims
To underwrite general insurance business
To advise and assist the life insurance companies

 UnAttempted

CORRECT ANSWER:

To advise and assist general insurance companies

Explanation:

The Executive Committee of the General Insurance Council has the function of "To advise and assist general insurance companies". Other functions are performed by other council or authorities.

Q 74. The full form of IBAI is _____ .

India Bangladesh Accreditation Institute
Investment Bankers Association of India
Insurance Bankers Association of India
Insurance Brokers Association of India
Indian Business Accounting Institute

 UnAttempted

CORRECT ANSWER:

Insurance Brokers Association of India

Explanation:

IBAI has a Memorandum of Association as well as an Articles of Association, as required under the Companies Act, 1956. IBAI is run by a Board of Directors who are elected by the members.

Q 75. In case the exact premium for a risk cannot be ascertained without reference to the specified authorities, the risk may be assumed if there is a deposit made by or on behalf of the insured with the insurer at suitable rate not less than _____ per mile.

1.5
2.5
3.5
4.5
5.5

 UnAttempted

CORRECT ANSWER:

2.5

Q 76. The acronym MHR means _____ .

Machine and Human Resources
Medical and Health Research
Modern Human Rights
Maximum Heart Rate
Medical History Review

 UnAttempted

CORRECT ANSWER:

Modern Human Rights

Q 77. What amount has to be deposited if an appeal has to be made in the district forum ?

- 50% of the amount awarded or Rs 25000 - which ever is less
- 40% of the amount awarded or Rs 25000 - which ever is less
- 50% of the amount awarded or Rs 50000 - which ever is less
- 40% of the amount awarded or Rs 50000 - which ever is less
- 30% of the amount awarded or Rs 25000 - which ever is less

 UnAttempted

CORRECT ANSWER:

50% of the amount awarded or Rs 25000 - which ever is less

Q 78. With respect to money laundering, FIU stands for -

- Fraud Investigating Unit
- Financial intelligence unit
- Fiscal incorporation unit
- Funding integrity unit
- Financial indemnity unit

 UnAttempted

CORRECT ANSWER:

Financial intelligence unit

Explanation:

FIU is abbreviation of: Financial Intelligence Unit. It is set up to fight money laundering in Delhi & is called FIU-IND.

Q 79. 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 80. The number of non-official members allowed in the executive committee for General Insurance council is / are _____. .

- NIL
- 1
- 2
- 3
- 4

 UnAttempted

CORRECT ANSWER:

1

Explanation:

According to section 64F of the Insurance Act, one non-official member is allowed in the executive committee for General Insurance council.

Q 81. 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 82. The Policy holder is also known as the _____ .
- beneficiary
 - payee
 - claimant
 - 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 83. Who aids, assists and advises the life insurers in general functioning matters ?
- RBI
 - Advisory committee of IRDAI
 - Life insurance committee of IRDAI
 - Chairman of Life insurance council
 - Exec Committee of Life Insurance Council

 UnAttempted

CORRECT ANSWER:

Exec Committee of Life Insurance Council

Explanation:

Life Insurance Council through its Executive Committee conducts the general functioning of the company by adding, advising & assisting on various matters.

- Q 84. An appeal before the National Commission can be made subjected to deposit of _____ the amount awarded or _____ whichever is less.
- 50%, Rs 25000
 - 50%, Rs 35000
 - 50%, Rs 50000
 - 50%, Rs 75000
 - 50%, Rs 100000

 UnAttempted

CORRECT ANSWER:

50%, Rs 35000

- Q 85. 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.

Q 86. According to the Consumer Protection (Amendment) Act , Service includes:

- Banking and Insurance
- Thoughts and ideas
- Services rendered free of cost
- All of the above
- None of the above

☐ UnAttempted

CORRECT ANSWER:

Banking and Insurance

Explanation:

The CPA (Amendment) Act provides the protection right of the consumers for goods sold or services rendered. Banking & Insurance falls under the jurisdiction of CPA for the services rendered.

Q 87. Which is the main reason why nominations are created ?

- Damage caution
- To secure an immediate payment of the policy's SA by the insurer
- Risk avoidance
- Protection of interest of policy holders
- All of the above

☐ UnAttempted

CORRECT ANSWER:

To secure an immediate payment of the policy's SA by the insurer

Explanation:

Nomination is an instrument, the insurance law created, to secure an immediate payment of the policy moneys by the insurer, without prejudice to the decision on the question as to who are entitled to succeed the estate of the deceased life assured.

Q 88. 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 89. With respect to minimum mortality cover calculations, PT means ____ .

- Payment Tenure
- Policy Term
- Policy terminology
- Policy termination
- Profit terminology

☐ UnAttempted

CORRECT ANSWER:

Policy Term

Explanation:

As per IRDA September 2010 guidelines for ULIP's, in minimum mortality cover calculations, PT stands for Policy Term.

Q 90. 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 91. The existing system of the Ombudsman under the Redressal of Public Grievances Rules 1998, was perceived by -

Insurance Ombudsman
Complainant
Collector
Insured person
Policy holder

☐ UnAttempted

CORRECT ANSWER:

Policy holder

Explanation:

The existing system of the Ombudsman under the Redressal of Public Grievances Rules 1998 was perceived by policy holders were not effective enough to deal with the complaints of policy holders. Law Commission therefore recommended formation of GRA.

Q 92. 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 93. A policy holder can take legal recourse if he /she has been aggrieved by the _____ .

Insurer
Agents
Shareholders
Bonus holders
All of the above

☐ UnAttempted

CORRECT ANSWER:

Insurer

Explanation:

In a dispute redressal mechanism, a policy holder can take legal recourse against the insurance companies who had issued the policy.

Q 94. The District Forum, the State Commission or the National Commission will not admit a complaint unless it is filed within two years from the date of _____ .

Cause of action has arisen
Cause of Appeal has arisen
Cause of clauses has arisen
Cause of contract has arisen
Cause of legality has arisen

☐ UnAttempted

CORRECT ANSWER:

Cause of action has arisen

Explanation:

A complaint can be made to the appropriate Forum in writing within two years from the date on which the cause of action arose.

Q 95. _____ member of GRA should be the President.

Chairman
Investigating officers
Judicial member
Director
Subordinate member

☐ UnAttempted

CORRECT ANSWER:

Judicial member

Explanation:

Apart from two technical members for GRA, there shall be a judicial member who will be the President.

Q 96. The duty of disclosure of material fact by the applicant continues till the date of acceptance of the proposal by the _____. .

IRDAI
Finance company
Insurance company
Marketing company
TPA

☐ UnAttempted

CORRECT ANSWER:

Insurance company

Explanation:

The insurers have to charge premium based upon the material fact. This duty continues till the proposal is accepted by the insurance company.

Q 97. What can be displayed in advertisements with respect to past performance of ULIPs ?

Results of investments and premium figures
Results of investments and projected figures
Results of funds and supporting figures
Results of allocation and past figures
Results of units and interest rates

☐ UnAttempted

CORRECT ANSWER:

Results of funds and supporting figures

Explanation:

As per IRDA - Care must be taken whilst reporting the past performance in advertisement or any promotional material. It should only contain the results which can be supported by the related figures.

Q 98. The net reduction in yield for policies with term less than or equal to 10 years should not be _____. .

Equal to 3% at annuity
More than 5.00% at expiry
Less than 3.00% at maturity
More than 3.00% at maturity
Less than 5.00% at expiry

☐ UnAttempted

CORRECT ANSWER:

More than 3.00% at maturity

Explanation:

As per IRDA September 2010 guidelines for ULIP's, the net reduction in yield for policies with term less than or equal to 10 years should not be more than 3.00% at maturity.

Q 99. Functions of IRDAI includes _____ .

- Regulating rates and TOC for insurers
- Supervising functioning of TAC
- Recruitments of intermediaries and agents
- Both 1 and 2
- Both 2 and 3

UnAttempted

CORRECT ANSWER:

Both 1 and 2

Explanation:

Section 14 of the IRDA Act, 1999 lays down certain powers & functions of IRDA. It includes supervising functioning of TAC (Tariff Advisory Committee) & regulating rates and TOC (Table of Contents) for insurers.

However recruitments of intermediaries and agents are not a function of IRDA. It may specify the requisite qualifications & practical training for intermediaries and agents.

Q 100. Till what age can the president and members of IAT hold office ?

- 50 years
- 55 years
- 58 years
- 60 years
- 68 years

UnAttempted

CORRECT ANSWER:

68 years

Explanation:

The President and Members of Insurance Appellate Tribunal (IAT) can hold office till the age of 68 years.

Out of 100 questions 100 are un attempted.