

MAY 2015

P/ID 77728/MBN4A

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Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions

1. Discuss the importance of life insurance.
2. Explain the procedure of issuing a life insurance policy.
3. What is mortality table? Explain how it is used in Calculation of premium.
4. Describe the trade-off and conflict in underwriting business.
5. Briefly the procedure of rating.
6. Distinguish between insurance pricing and warranties.
7. Outline the issues and challenges in Indian Re-insurance.
8. State the nature of Re-insurance risks.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

9. Classify life insurance policies based on the mode of payment of premium.
10. Explain the Revivals of insurance and its types.
11. Discuss the various document required for underwriting.
12. Explain the different variables of premium calculating.
13. State the general guidelines for settlement of claims.
14. Trace the importance of insurance pricing.
15. Explain the process of rate making in insurance.
16. Outline the global reinsurance market.

PART C — (1 × 20 = 20 marks)

Compulsory.

17. 'A' made a Proposal to an insurance company for an insurance policy on his life for ₹80000. He truthfully answered all questions on the proposal form and disclosed all relevant facts. A few days later but before the proposal was accepted, 'A' was taken ill with pneumonia. The proposal was accepted by the company on the next day. Two days after 'A' died of pneumonia and the company learnt for the first time of his illness. Is the insurance company liable to make the payment?
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