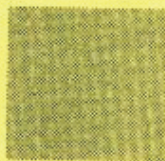


IC-104

Fellowship

EXAMINATION QUESTION PAPERS NOV. 2005



भारतीय बीमा संस्थान
INSURANCE INSTITUTE OF INDIA
Universal Insurance Building,
Sir P. M. Road, Fort,
Mumbai - 400 001.

FELLOWSHIP EXAMINATION REINSURANCE

Time: 3 Hours]

[Total Marks : 100

Answer any **FIVE** questions only.
All questions carry 20 marks each.

- | | Marks |
|---|---------------|
| 1. With advancement in science and technology, Insurers are faced with risks-complex in nature, high values at single locations, onerous liabilities, demanding special type of reinsurance covers. How does the Reinsurance market respond to the challenges ? | 20 |
| 2. Write short notes on any five of the following: | 4 each |
| a) Formation of Fire & Hull Reinsurance Pools in 1966 | |
| b) Market Reinsurance programme in India | |
| c) Reciprocal Exchange | |
| d) SWIFT | |
| e) Reinsurance programme after liberalisation of insurance in India | |
| f) Portfolio entry & withdrawal | |
| g) UBERRIMAE FIDEI | |
| 3. a) Which are the risks beyond the control of the contractual parties? | 15 |
| b) What is Working Excess of Loss Cover? | 5 |
| 4. Prepare 1st Quarter 2004 treaty Account from the following:- | 20 |
| Premium | - Rs 1,00,000 |
| Portfolio Entry : | |
| - Premium | - Rs 1,80,000 |
| - Loss | - Rs 80,000 |
| Commission | - @ 45% |
| Taxes & Charges | - @ 1% |
| XL Cost Common A/c | - @ 1% |
| Claims paid | - Rs 50,000 |
| Premium Reserve retained | - @ 40% |
| Credit for Cash loss paid | - Rs 10,000 |

5. a) How does Stop loss reinsurance cover operate? 10 each
 b) Calculate the loaded Burning Cost premium rate for an Excess Loss Cover on 3 years average, from the following :

Year	GNPI(Rs)	Incurred losses to the cover (Rs)
2001	8,00,000	10,000
2002	10,00,000	20,000
2003	12,00,000	15,000

Loading factor 100/75th

6. Explain fundamentals of contract Law as applicable to reinsurance. 20
7. a) What is the role of Inward Reinsurance business in the growing International Reinsurance Market? 10 each
 b) What is the need for an efficient system for statistics in transacting Reinsurance business?
8. "A reinsurance programme for insurance business manifests various interests which form part of corporate philosophy of an insurer". Elaborate. 20

----- **END** -----