**IRDA Agent Licensing Question paper**

1. Life insurance plans are combinations of two basic plans, viz.

a) Term Assurance, Pure Endowment

b) Term Assurance, Whole Life

c) Pure Endowment, Whole Life

d) Whole Life, Money Back

2. Insurance is normally bought for :

a) Tax Benefit

b) Death

c) Maturity Benefits

d) Death & Old Age

3. RBP stands for

a) Reserve Bank Policy

b) Retirement Benefit Plan

c) Regular Business Policy

d) Retirement Based Policy

4. A) The sum assured under group insurance is not fixed by the individual member.

B) A person whose proposal is declined under individual scheme can get insurance under group policy.

a) Statement A is correct

b) Statement B is correct

c) Both statements are correct

d) None of the above

5. Terminal Bonus is not paid in case of:

a) Surrendered Policies

b) Discounted policies

c) Paid-up policies

d) All of the above

6. A) Annuities are called the reverse of life insurance

B) In annuity contract insurer stops paying on the death of the annuitant

a) Statement A is correct

b) Statement B is correct

c) Both are correct

d) Both are incorrect

7. A) In Joint Life policies each life has to be underwritten separately.

B) A joint life declaration is not necessary to create a joint interest in the policy.

a) Statement A is incorrect

b) Statement B is correct

c) Statement A is correct but B is incorrect

d) None of the above

8. A) Medical examination of annuitants is necessary

B) Annuities cover the risk of living too long

a) Statement A is correct

b) Statement B is correct

c) Both the statements are correct

d) Both the statements are incorrect.

9. The lapse of selected period in case of Deferred annuities is called:

a) Vesting period

b) Free look period

c) Deferment period

d) Term

10. The annuity can be paid for:

a) 15, 20, 25 years

b) 5,10,15 years

c) 20,25, 30, 35, 40 years

d) 5,10,15,20,25 years

11. In case of immediate annuity annuitant can get annuity

a) Monthly

b) Quarterly

c) Half-Yearly

d) Yearly

e) All of the above

12. A) Women with unearned income can be insured

B) Women in purdah can be insured

a) Only statement A is correct

b) Only statement B is correct

c) Both statements are correct

d) Both statements are wrong

13. A) Physically handicapped persons are not insured

B) Partially handicapped persons are mostly accepted without extra Premium.

a) Statement A is correct

b) Statement B is correct

c) Both statements are correct

d) Both statements are wrong

14. Most of the children insurance plans are of the kind of:

a) Limited term

b) Participatory

c) Convertible

d) Deferred Insurance

15. A) Annuities can be immediate or deferred

B) Annuities can be offered as joint life annuity

a) Statement A is correct

b) Statement B is correct

c) Both statements are correct

d) None of the above

16. Which of the following statements are TRUE

a) A father can take a policy on the life of his son who is 12 years old.

b) One can take a policy on the life of a friend to whom he has lent money.

17. Which information, if not disclosed, can nullify the policy?

a) Valid

b) Material

c) Critical

d) Important

18. Which kind policies are not entitled bonuses?

a) Non participatory

b) Money back

c) Children’s

d) Whole life

19. Which of the following statements are True:

A. The premium paid by each policyholder is separately accumulated in his account

B. Underwriting ensures that the exposure to risk is properly assessed.

a) Statement A

b) Statement B

c) Both Statements

d) Neither of Statement

20. The bonus which attaches to the policy immediately on declaration is called \_\_\_\_\_\_\_\_\_\_\_ bonus

a) Immediate

b) Reversionary

c) Technical

d) Final

21. Which of the following statements are True:

A. Policy decision in an organization means decision relating to issue of insurance policy in a specific case.

B. Policy decision in an organization means decision relating to the kind of plans of insurance to be offered to the public

a) Statement A

b) Statement B

c) Both Statements

d) Neither of Statement

22. A policy which has run for 8 years can be called into question if there is a\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

a) Fraud

b) Misrepresentation

c) Mistake

d) (None of above)

23. The insurable interest of a mortgagor in the mortgage’s life is equal to the amount of

a) Original loan

b) Outstanding loan plus interest

c) Outstanding loan

d) Installment due to be repaid within the next one year

24. If the proponent has no insurable interest in the insured the underwriter will

a) Accept with reduce sum assured

b) Reject the proposal

c) Accept with lien

d) Accept with extra premium

25. Which are true

A. Insurance is necessary to cover risk of living too long

B. Insurance helps one to be less dependent on others

a) Statement A

b) Statement B

c) Both Statements

d) Neither of the Statement

26. \_\_\_\_\_\_\_\_\_\_ is the process of deciding on the proposal for insurance

a) Decision

b) Underwriting

c) Consideration

d) Acceptance

27. Reverse of L.I

a) Loan

b) S.V.

c) Annuity

d) None of above

28. Insured is 54 kg. wt is presented as 34 kg.

a) Misrepresentation

b) Fraud

c) Both

d) Neither of above

29. What is PLI?

State True or false

30. Brothers have insurable interest in each other.

31. Policy document is contract of insurance.

32. Insurance protects assets.

33. We insure only tangible assets.

34. Insurer invests money in speculative market.

35. Insurable interest need not be insisted upon after contract is completed.

36. Facts, which reduce the risk, must also be disclosed in insurable proposed.

37. Insurable interest is defined in the insurance Act.

38. Creditors have insurable interest in the Debtors.

39. Proposal forms in insurance are the basis of contract.

Give full form of

40. LALGI

41. PLI

42. IRDA

43. MWPA

44. D.O.B

45. HLV

46. FPR

47. SSS

48. LICI

49. The actuarial aspects, which are taken into account while fixing the premium.

I. Mortality

II. Interest Assumption

III. Office Expenses

• Only I

• Only II and I

• Only I , II and III

• Only II and III

50. Commercial Contracts are normally subject to principle of utmost good faith. (T/F)

51. The premium paid by each person is determined on the assumption that while it may not be possible beforehand to tell how many persons will suffer but it is possible to tell who will suffer. (T/F)