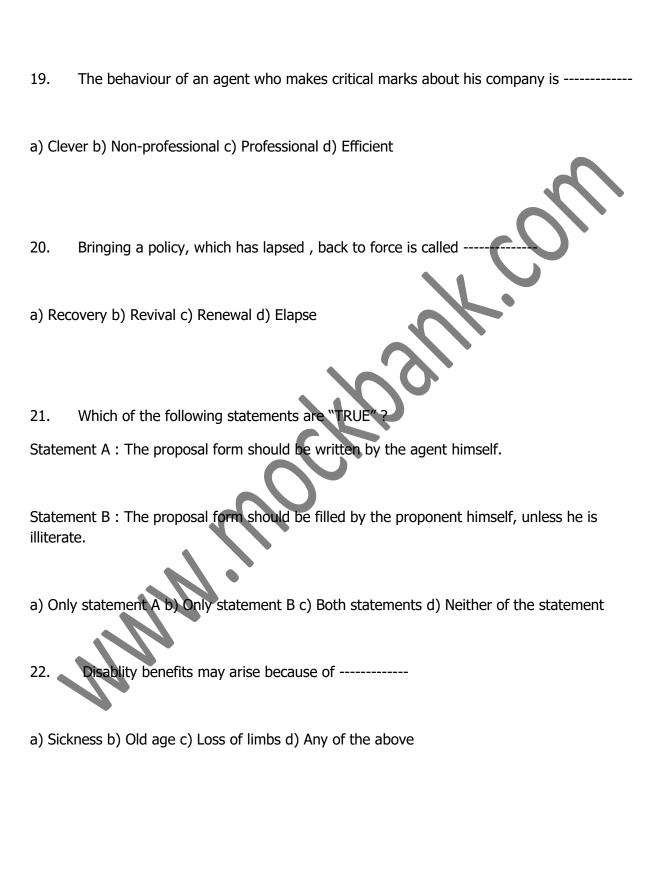
IRDA Agent Licensing Question paper

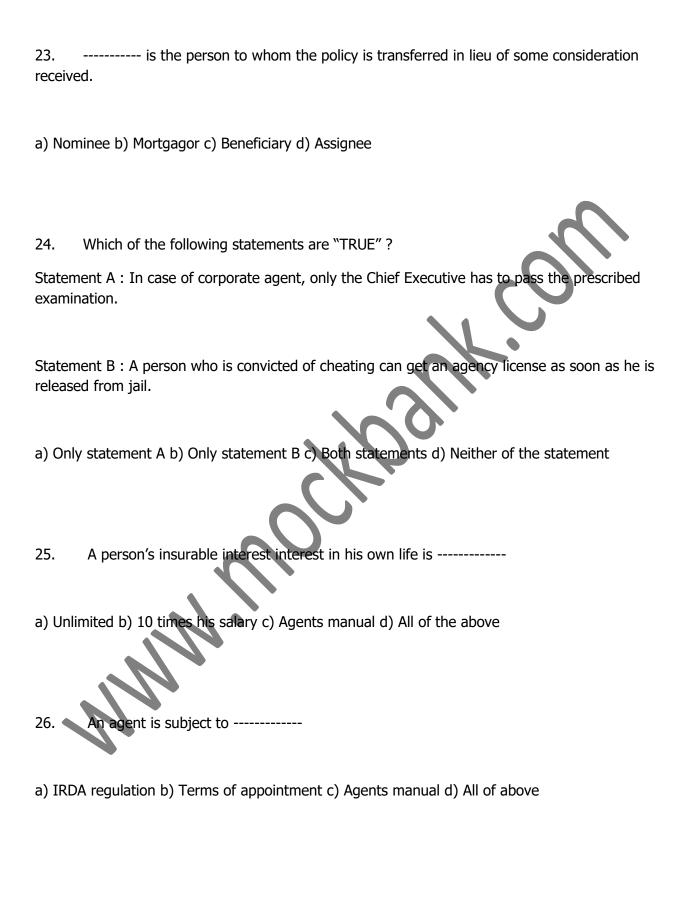
1.	The process of determining if the claim can be paid is called
a) adm	nission b) acceptance c) consideration d) decision
2.	What criteria are relevant to compare different savings plan?
a) Safe	ety b) Liquidity c) Yield d) All of the above
3.	The limits of doctors for medical examination are decided by
a) Insı	urer b) Medical Council c) Government d) IRDA
4.	The questions in the proposal form and personal statement are material and relevant
a) with	nout exception b) mostly c) only partly d) rarely
5.	Which of the following statements are "TRUE"?
Statem	nent A : A paid up policy can be revived.

Statement B : The insurer may refuse to issue a new policy if an earlier one is paid up.
a) Only statement A b) Only statement B c) Both statements d) Neither of the statement
6. To whom should license be paid ?
a) Controller of Insurance b) The insurer c) The IRDA d) Any of the above
7. A proposal is dated 10.11.2000. The premium was paid on the same day. The decision to accept with extra was made on 15.11.2000. The extra premium was paid on 17.11.2000. The letter of consent was received in the office on 21.11.2000. When does the risk on this policy commence ?
a) 10.11.2000 b) 17.11.2000 c) 20.11.2000 d) 15.11.2000
8. Which of the following statements are "TRUE"?
Statement A: The principle of utmost good faith is the same as the principle of Buyers beware
Statement B : The existence of high blood pressure need not be disclosed as the doctor can find this out during the medical examination.
a) Only statement A b) Only statement B c) Both statements d) Neither of the statement
9 are statements made by the prospect raising doubts about the usefulness of the insurance.

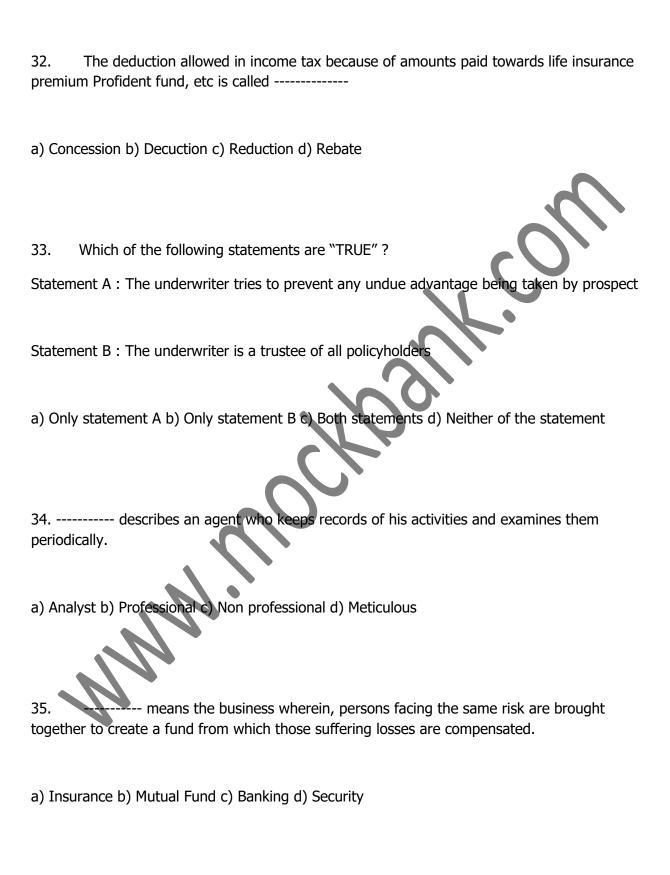
a) Objections b) Refusals c) Queries d) Disagreements
10. In what plan of insurance is medical examination never required, whatever be the amount of Sum assured?
a) Endowment b) Pure endowment c) Term assurance d) Group insurance
11. The limits of authority of an agent are laid down by the
a) Insurance Act b) Contract Act c) Appointment Letter d) None of the above
12. Which of the following statements are "TRUE"?
Statement A: The necessity for a medical examination depends only on the Sum assured.
Statement B: The nature of employment may be a factor to dispense with medical examination.
a) Only statement A b) Only statement B c) Both statements d) Neither of the statement
13 describes the behaviour of an agent who is willing to accept that a particular customer
may not need life insurance

a) Defeatist b) Timid c) Professional d) Non professional
14. Section 45 of the Insurance Act is relevant for policies which are at least years old.
a) Two b) Four c) Both statements d) Neither of the statements
15. Which of the following statements are "TRUE"?
Statement A: In a group policy, each person is free to choose the amount of insurance cover.
Statement B : A person, normally uninsurable, can be covered under a group insurance policy.
a) Only statement A b) Only statement B c) Both statements d) Neither of the statement
16. Infimities are caused by
a) Rs. 3 lakhs b) Rs. 10 lakhs c) Rs. 13 lakhs d) None of the above
17. If a person's annual income is Rs. 3 lakhs and he has assets (proper and share) worth 10 lakhs he can be given a maximum insurance cover of
a) Rs. 3 lakhs b) Rs. 10 lakhs c) Rs. 13 lakhs d) None of the above
18. Which of the following statements are "TRUE"? Statement A: When a policy matures, the claim proceeds are paid to the assured.
Statement B : In insurance, the principle of buyer beware applies.
a) Only statement A b) Only statement B c) Both statements d) Neither of the statement





27 describes the behaviour of an agent who is in the presence of outsiders, covers up the mistakes made by his collegues.
a) self confident b) protective c) arrogant d) professional
28. What is paid by the insurer when the policyholder decides to discontinue the policy?
a) Surrender value b) Intermediate claim c) Lapse d) Forfeiture
29. Which of the following skill is required to influence the other person to do something?
a) Salesmanship b) Communication c) Analytical d) Persuasiveness
30 is the professional who is the technical expert on life insurance matters.
a) Underwriter b) Accountant c) Evaluator d) Actuary
31. If the proponent has no insurable interest in the insured, the underwriter will
a) accept the lien b) accept with extra premium c) decline the proposal d) accept with reduced Sum assured



36. Term assurance is not suitable when the need is to provide for
a) old age b) repayment of outstanding loan c) mortgage redemption d) any of the above
37. Final or Terminal bonus is payable
a) On death b) On surrender c) On maturity d) All of the above
38. Which of the following statements are "TRUE"?
Statement A: An insurance agent may be sued under Consumer protection act
Statement B: The Consumer protection act does not apply to government companies.
a) Only statement A b) Only statement B c) Both statements d) Neither of the statement
39. What is called the reverse of 'Life Insurance'?
a) Loan b) Surrender value c) Annuity d) None of above
40. A policy in which the payment to the annuitant begins after one year and is payable thereafter annually]
is called annuity.

a) imme	diate b) annual c) deffered d) one-year
41. T	The process of recording the correct age of person insured is called
a) Age a	ndmission b) Verifications c) Proof of age d) Certification
42. <i>A</i>	A policy which has run for 8 years can be called into question if there is
a) Misre	presentation b) Fraud c) Mistake d) None of the above
43. V	What are the criteria of a good saving plan ?
a) Safety	y b) Liquidity c) Yield d) All of above
44. I death cla	n case of policy under the provision of Married Women's Property Act, who can make a aim ?
a) Benef	ficiaries b) Life Insured HEIRS c) Trustee d) Any of the above

45. The skill required to explain in a manner that the other person understands is
a) Persuasiveness b) Explanatory c) Convincing d) Communication
46. The reduction permitted in the tabular premium depending on the mode of premium or Sum assured is called
a) Reduction b) Rebate c) Incentive d) Concession
47. Loans under an insurance policy are repayable
a) In a lumpsum b) By adjustment with claim c) In installments d) any of the above 48. Which of the following statements are "TRUE"?
Statement A : Proof of age is necessary only for proposals for insurance, not for agency
applications.
Statement B: After the business is complete, the agent has no further role.
a) Only statement A b) Only statement B c) Both statements d) Neither of the statement
49. The maturity proceeds in case of a policy financed by HUF will be paid to

a) karta b) life assured c) nominee d) none of these	
50. When does foreclosure action begin ?	
a) When premium is not paid b) When policy is surrendered c) When loan and interest accumulate	
d) All of the above	
51. Which of the following statements are "TRUE"?	
Statement A: A paid up policy will be entitled to bonus.	
Statement B : The life to be insured must be in perfect health.	
a) Only statement A b) Only statement B c) Both statements d) Neither of the statement	
52. A duplicate policy may be issued, when original has been	
a) Burnt b) Stolen c) Mutiliated d) All of the above	
53. The attachment to a policy to indicate that the standard policy terms and conditions have been modified is called	

a) clau	se b) endorsement c) rider d) condition
54.	Which of the following statements is "TRUE"?
Statem	nent A: When a person dies, no expense is incurred on him.
Statem	nent B: Life insurance helps to ensure a decent burial or cremation on death
a) Only	y statement A b) Only statement B c) Both statements d) Neither of the statement
55.	If the claim in question is 23 lakhs, which consumer court will hear the application ?
a) Stat	e Level b) National Level c) District Level d) None of above
56.	Which information, if not disclosed, can nullify the policy?
a) Criti	cal b) Valid c) Material d) Important
57.	The agents report to the insurer should include facts.
a) Favo	orable b) Unfavorable c) Neither of the above d) Both of the above

58. Which of the following statements are "TRUE"?

Statement A: Insurance is relevant only if there is possible economic loss.

Statement B: An event, which will certainly happen cannot be insured against.

a) Only statement A b) Only statement B c) Both statements d) Neither of the statement

59. Which of the following statements are "TRUE"?

Statement A : A policy which has been in force for 10 years can be called into question for misrepresentation

Statement B : A policy which has been in force for 10 years can be called into question for fraud.

- a) Only statement A b) Only statement B c) Both statements d) Neither of the statement
- 60. Which of the following statements are "TRUE"?

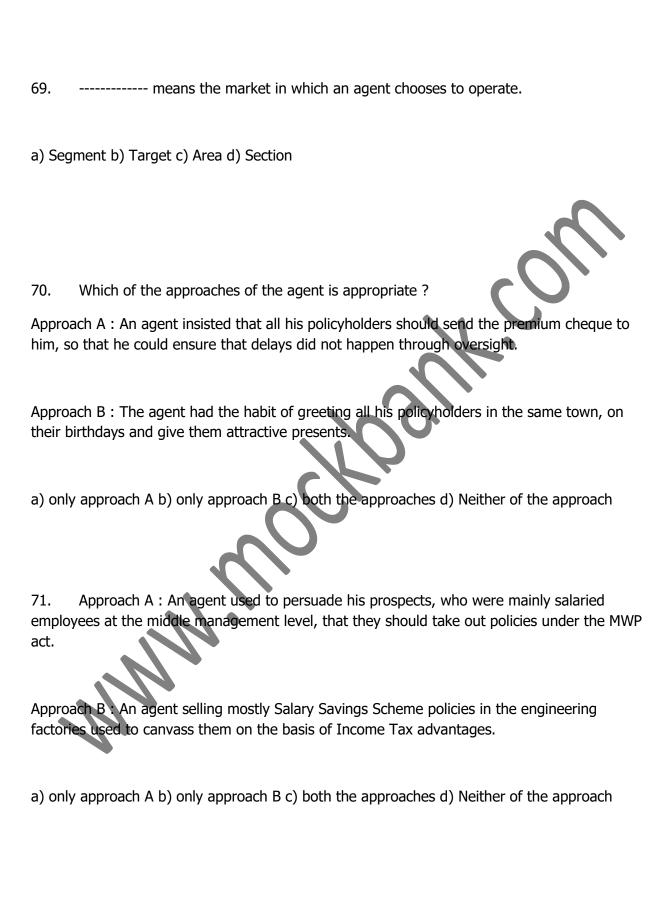
Statement A: Insurance companies come under the purview of the Consumer Protection Act.

Statement B: The jurisdiction of consumer forum depends on the value of claim.

- a) Only statement A b) Only statement B c) Both statements d) Neither of the statement
- 61. Which risk is covered by annuity?

a) Accident b) Living too long c) Sickness d) Death	
62. Which of the following statements are "TRUE"? Statement A: Insurance is possible only if the event concerned happens by random.	
Statement B: The cause of "loss" is called peril.	
a) Only statement A b) Only statement B c) Both statements d) Neither of the statement	
63. The authority of an agent is	
a) Specified in the appointment letter b) Inferred from his action c) Verbally communicated	
d) All of the above	
64. Which of the following statements is "TRUE"?	
Statement A: The fact of having been on sick leave must be disclosed, even if there were no sickness and certificate of sickness was false.	
Statement B: Most plans of insurance are a combination of two basic plans.	
a) Only statement A b) Only statement B c) Both statements d) Neither of the statement	

65. The bonus which attaches to the policy immediately on declaration is calledbonus
a) Final b) Immediate c) Terminal d) Reversionry
66. Which of the following statements is "TRUE"?
Statement A: The premium under a group insurance policy is constant for all time to come.
Statement B: Section 45 of the insurance act does not apply to a one year policy.
a) Only statement A b) Only statement B c) Both statements d) Neither of the statement
67. Which of the following statements are "TRUE"?
Statement A: Section 45 of the insurance act applies also to paid up policies.
Statement B: Section 45 of the insurance act does not apply to a one year policy.
a) Only statement A b) Only statement B c) Both statements d) Neither of the statement
68. In an insurance policy, the amount payable on death may be the amount payable on maturity
a) same as b) more than c) less than d) any of the above



72. Approach A: When a prospect wanted to know what the agent would get out of the sale of insurance, he just gave him a xerox copy of his appointment letter.

Approach B: When a prospect wanted to know what the agent would get out of the sale of insurance, he said that that was a confidential matter.

a) only approach A b) only approach B c) both the approaches d) Neither of the approach

73. Approach A: When the prospect said that he had taken sick leave for a few days because he wanted to go outstation for an interview, the agent suggested that he need not mention it.

Approach B: The agent suggested to the prospect not to mention the fact that the cause of death of one of his brother's who had died young, was cardiac arrest. It was mentioned as 'Accident'

a) only approach A b) only approach B c) both the approaches d) Neither of the approach

74. Calculate premium from following data

Date of commencement: 1.1.1992

Date of birth: 15.4.1961

Tabular premium for endowment plan with profit

For age 31 – Rs. 41.50

For age 32 – Rs. 41.65

For age 33 – Rs. 41.80

Sum assured – Rs. 1,00,000

Mode – Yearly

Proposal is accepted at ordinary rates without accident benefits

Rebate for sum assured is Rs. 2 per thousand perannum. Rebate for yearly mode is 3% and double accident benefit is available at Re.1 per thousand sum assured per annum

a) Rs. 4,165 b) Rs. 3,825 c) Rs. 3,965 d) Rs. 3,840

75. From the following particulars, calculate paid up value

Sum assured: Rs. 50,000

Plan: Endowment without profit

Term: 20 years

Date of commencement: 19.02.1994

LPP - yearly: 14.02.2000

a) Rs. 50,000 b) Rs. 15,000 c) Rs. 18,000 d) Rs. 17,500