

**CS/BIRM/SEM-6/BIRM-602/2012**

**2012**

**REINSURANCE AND INSURANCE MARKETING**

*Time Allotted : 3 Hours*

Full Marks : 70

*The figures in the margin indicate full marks.*

*Candidates are required to give their answers in their own words as far as practicable.*

**GROUP – A**

**( Multiple Choice Type Questions )**

1. Choose the correct alternatives for any *ten* of the following :

10 × 1 = 10

i) Which of the following is not a party to Reinsurance Contract ?

a) Reinsured b) Reinsurance Company

c) Insured d) All of these.

ii) Which of the following statements is correct ?

*Statement 1* : All reinsurance contracts are contract of Indemnity.

*Statement 2* : Few reinsurance contracts are contract of Indemnity

a) Statement I is correct

b) Statement 2 is correct

c) Both (a) and (b) are correct

d) Both (a) and (b) are wrong.

iii) Which of the following is not a characteristic of insurance as service?

a) Intangibility b) Inseparability

c) Heterogeneity d) Non-perish ability.

iv) Which of the following *P* is only applicable for service marketing ?

a) Product b) Process

c) Price d) Place.

v) Which of the following is true ?

- a) Legal principles of ordinary contract are not applicable to reinsurance
  - b) Legal principles of ordinary contract are applicable to reinsurance
  - c) Both of these
  - d) None of these.
- vi) Which of the following is very important information for negotiation & placement of reinsurance ?
- a) Country of origin b) Quality of management
  - c) Financial strength d) All of these.
- vii) ..... standard from USA followed worldwide for reinsurance accounting.
- a) ICA b) GAAP
  - c) IRDA d) none of these.
- viii) Every reinsurance contract is
- a) A contract of Indemnity
  - b) Not a contract of indemnity
  - c) Both (a) and (b) are correct
  - d) Both (a) and (b) are wrong.
- ix) How many P's are applicable for service marketing ?
- a) 8P b) 7P
  - c) 4P d) 3P.
- x) To day most favored reinsurance contract is
- a) Facultative reinsurance
  - b) Excess of loss cover
  - c) Both (a) and (b)
  - d) None of these.
- xi) A corporate agent can be a
- a) bank b) cooperative
  - c) finance company d) all of these.
- xii) Accounts sales records are example of

- a) Secondary data b) Primary data
- c) Auxiliary data d) Simple data.

**GROUP – B**

**( Short Answer Type Questions )**

Answer any *three* of the following.  $3 \times 5 = 15$

- 2. Discuss the principle of Rate making.
- 3. Narrate the steps involved in the processing of information for reinsurance.
- 4. Highlight the basics of a valid reinsurance contract.
- 5. a) Define concept and give examples of Inward Reinsurance Business.  
b) What is loss reserve ? 4 + 1
- 6. Discuss the objectives of Reinsurance Programme Design.

**GROUP – C**

**( Long Answer Type Questions )**

Answer any *three* of the following.  $3 \times 15 = 45$

- 7. a) Define reinsurance.
- b) Explain different types of reinsurance contract.
- c) What are the clauses in reinsurance contract ?

$3 + 6 + 6$

- 8. a) Explain various types of proportional and nonproportional treatise. Discuss their advantages.
- b) Write a note on the Insurance Market. 10 + 5
- 9. What are Catastrophe. Excess Loss treaties ? Write down the importance of such treaties. 5 + 10
- 10. a) Explain the process of Negotiation and placement of reinsurance.  
b) What are the factors considered for designing reinsurance program ?  
c) What is reinsurance accounting ? 6 + 6 + 3
- 11. Write notes on any *three* of the following :  $3 \times 5$ 
  - a) Insurance Model.
  - b) Data required for rate making.

- c) Functions of intermediaries in Insurance Marketing.
- d) Insurance Product Pricing.
- e) Methods of Promoting an Insurance Product.