

2013

RE-INSURANCE 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 the following : $10 \times 1 = 10$

i) is the liability for future payment on losses which have already occurred but have not yet been reported.

- a) Premium reserve b) Profit reserve
- c) IBNR claims d) none of these.

ii) Every re-insurance contract is

Statement I : A contract of indemnity.

Statement II : Not a contract of indemnity.

- a) Statement I is true b) Statement II is true
- c) Both are true d) Both are false.

iii) is an incremental commission paid on retrocession of a re-insurance.

- a) Profit commission b) Overriding commission
- c) Ceding commission d) None of these.

iv) Which of the following is an example of loss basis treaty ?

- a) Stop loss b) Surplus share
- c) Facultative d) Quota share.

v) Which of the following is very important information for

negotiation & placement of re-insurance ?

a) Country of origin

b) Quality of management

c) Financial strength

d) All of these.

vi) standard from USA is followed worldwide for re-insurance accounting.

a) ICA b) GAAP

c) IRDA d) none of these.

vii) is the current opinion of financial strength and security of an entity.

a) Bench marking b) Resource operability

c) Credit rating d) none of these.

viii) is minimum amount required to pay claim amount.

a) Pure premium b) Premium reserve

c) Margin of reserve d) None of these.

ix) Which of the following intermediaries is must in a reinsurance transaction with Lloyds ?

a) Agent b) TPA

c) TAC d) Broker.

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

a) Product b) Process

c) Price d) Place.

GROUP – B

(Short Answer Type Questions)

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

2. Analyse the nature of re-insurance contract.

3. What are the different types of statistics that are need to be

prepared by a re-insurance company ? Give example.

4. Write down the situations when facultative method of reinsurance is used.

5. State the various types of data required for rate-making.

6. Explain the concept of loss reserve. Give example.

GROUP – C

(Long Answer Type Questions)

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

7. a) State the functions of re-insurance.

b) Explain the factors that effect process of setting retention. $7 + 8$

8. Explain the various alternatives of re-insurance contract.

Mention the difficulties of it. $10 + 5$

9. Explain the factors of information considered for Negotiation and Placement of Re-insurance. Give example.

10. Explain the various proportional and non-proportional treaties. Discuss their advantages and disadvantages. $8 + 7$

11. a) Explain the various methods of rate-making.

b) Describe the principles of rate-making. $10 + 5$