I. Select the appropriate answer to complete the sentence (Checking learning - Direct)
   i. As per structured formula under the Motor Vehicle Act, victims of fatal injuries are paid compensation on the basis of:
      a. Age and sex
      b. Age and number of dependents
      c. Income and size of family
      d. Age and income
      e. Income and number of dependents
      Ans: d. Age and income.
   ii. As per the Insurance Act, every insurer has to prepare at the end of financial year
      a. Balance Sheet
      b. Profit and Loss Account
      c. Revenue Account for each class of Insurance business
      d. Accounts of receipts and payments in respect of share-holders’ funds
      e. All of the above
      Ans: e. All of the above

II. State which of the statements is/are correct (Checking learning - Direct)
   i. The Third Party Administrator’s role mainly involves
      a. Canvassing business for the insurer.
      b. Issuing documents on behalf of the insurer
      c. Arranging for reinsurance
      d. Sending renewal notices
      e. Checking and paying insurance claims
      Ans: e. Checking and paying insurance claims
   ii. Time Policies relate to:
      a. Fire insurance
      b. Hull insurance
      c. Personal Accident insurance
      d. Workmen’s Compensation insurance
      e. Motor vehicles insurance
      Ans: b. Hull insurance

III. Answer the questions below by selecting the correct answer: (Checking learning - Direct)
   i. Which clause specifies the perils insured in a scheduled form of policy?
      a. Preamble Clause
      b. Recital Clause
      c. Operative Clause
      d. Consideration Clause
      e. Attestation Clause
      Ans: c. Operative Clause
   ii. Which of the following types of insurances is mandatory?
      a. Motor Own Damage
      b. Motor Third Party Legal Liability
      c. Personal Accident Insurance
      d. Product Liability
      e. Professional Liability
      Ans: b. Motor Third Party Legal Liability
IV. Fill in the Blanks using the appropriate word(s) (Checking understanding - Indirect)
   i. The minimum paid up capital required for a General Insurance Company is Rs. ____
      a. 25 crores  
      b. 50 crores  
      c. 75 crores  
      d. 100 crores  
      e. 200 crores  
      Ans: d. 100 Crores
   ii. In ‘Hit and Run’ cases, claims are settled from ______
      a. Solatium Fund  
      b. IRDA’s contingency Fund  
      c. Insuring Company’s reserves  
      d. Motor Third Party Pool  
      e. State Government’s funds.  
      Ans: a. Solatium Fund

V. Select the expanded form of the abbreviation given (Checking understanding - Indirect)
   i. Select the expanded form of FPA as used in insurance
      a. Freight Payable Assured  
      b. Free of Particular Average  
      c. Fire Perils Added  
      d. Fixed Peripherals Added  
      e. Free Passengers Avoided  
      Ans: b. Free of Particular Average
   ii. Select the expanded form of ALOP used in insurance
      a. Advance Loss of Profits insurance  
      b. Agreed Loss of Profits insurance  
      c. Additional Loss of Profits insurance  
      d. Associated Loss of Profits insurance  
      e. Authorised Loss of Profits insurance  
      Ans: a. Advance Loss of Profits insurance

VI. Select the word(s) that most closely matches the given term. (Checking understanding - Indirect)
   i. Which of the following terms matches closest with ‘Professional indemnity cover’?
      a. Hospitals Nursing homes  
      b. Insurance Companies  
      c. Commercial Banks  
      d. Fast Moving Consumer Goods  
      e. Practicing Surgeons  
      Ans: e. Practicing Surgeons
ii. Which of the following terms matches closest with ‘Composite Policy’?
   a. Shopkeepers’ insurance
   b. Janatha Personal Accident insurance
   c. Critical Care Health insurance
   d. Marine Cargo insurance
   e. Electronic Equipment insurance

   Ans: a Shopkeepers’ insurance

VII. Find out which of the given statements is/are incorrect (Checking application of learning)
   i. Members of the Insurance Advisory Committee are drawn to represent the interests of different groups like:
      a. Surveyors, agents, advocates
      b. Commerce, transport,
      c. Consumer fora, industry, intermediaries,
      d. Research bodies, organisations engaged in safety and loss prevention
      e. Employees’ association in the insurance sector, agriculture,

   Ans: a. Surveyors, agents, advocates

   ii. A Surveyor’s role includes:
      a. Checking the admissibility of the loss
      b. Quantification of the loss
      c. Giving comments on the loss
      d. Suggesting risk management measures
      e. Reporting major losses to IRDA.

   Ans: e. Reporting major losses to IRDA.

VIII. Which of the following terms is dissimilar to the other four options? (Find the odd-man out?)
      (Checking application of learning)
      i. Which of the following covers is dissimilar to the other four options?
         a. Loss of Passport
         b. Loss of Profits
         c. Loss of checked in baggage
         d. Delay in receiving checked in baggage
         e. Cancellation/ Re-routing of scheduled flight

   Ans: b. Loss of Profits

      ii. Which of the following types of insurances is dissimilar to the other four options?
         a. Builders’ Risks insurance
         b. Hut insurance
         c. Crop insurance
         d. Livestock insurance
         e. Health insurance

   Ans: a. Builders’ Risks insurance