

Series OSS

Code No. 185

Candidates must write the Code on the title page of the answer-book.

Roll No.

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- Please check that this question paper contains **3** printed pages.
- Code number given on the right hand side of the question paper should be written on the title page of the answer-book by the candidate.
- Please check that this question paper contains **32** questions.
- **Please write down the Serial Number of the question before attempting it.**
- 15 minutes time has been allotted to read this question paper. The question paper will be distributed at 10.15 a.m. From 10.15 a.m. to 10.30 a.m., the student will read the question paper only and will not write any answer on the answer script during this period.

**PRINCIPLES AND PRACTICES OF
LIFE INSURANCE
(Theory) Paper I**

Time allowed : 3 hours

Maximum Marks : 80

Instructions : Attempt all questions.

1. Which type of hazard can be suspected where nominee is a stranger ? *1*
2. Name the basic form used to form the basis of selection in life insurance and which shall be the basis of contract. *1*
3. Which type of persons can avail Mortgage Redemption Assurance ? *1*
4. What is Immediate Annuity ? *1*
5. What is Mortality Table ? *1*

6. The opening paragraph introducing the policy is called _____ .
(Fill in the blank) 1
7. To whom can a Deferred Annuity be useful ? 1
8. What is the percentage of surplus required to be allocated to policyholders, as per LIC Act, 1956 ? 1
9. Pure Endowment is one of the two basic plans which goes into the formation of any life insurance plan. Name the other one. 1
10. Write a short note on 'Cancer'. 2
11. Distinguish between 'Surrender Value' and 'Guaranteed Surrender Value'. 2
12. Explain, briefly the 'Principle of Large Numbers' in context with computation of premiums. 2
13. What is 'Nomination' ? How is this effected ? Can nomination be changed during the currency of the policy ? 2
14. Write a short note on 'Lien Method of Rating'. 2
15. Explain what is 'Asthma'. 2
16. Are widows falling under Category III granted life insurance ? If so, in which cases and with what restrictions ? 2
17. Write a short note on 'Extended Claim Concession'. 2
18. Describe in brief the need for Retirement Annuity. 3
19. Mention in brief the three types of hazards in context with life insurance. 3
20. Mention the special cavities in which the important organs of the body are contained. 3
21. Differentiate between 'Preamble' and 'Proviso' in a Policy Document. 3

22. Describe important organs in the abdomen. 3
23. Explain the concept of Valuation. Mention the provisions of LIC Act, 1956 in this regard. Also state the present practice followed by LIC of India. 3
24. Mention the variations which influence the rate of mortality. 3
25. One of the types of bonuses is 'Tontine bonus' – write its features in brief. 3
26. Give salient features of Money Back plan for 20 years term. 3
27. Mention the steps in the process of underwriting (selection/classification of risks). 3
28. Explain the concept of 'Level Premium'. How would you co-relate the concept of charging level premium to generation of Life Fund ? Explain clearly the terms Life Fund and Reserve. 5
29. How are the data (information) for selection and classification of risks obtained ? 5
30. Mention the types of Age Proof generally accepted for life insurance. 5
31. Describe the salient features of a Limited Payment Life Policy. 5
32. Mention the types of Assignment under Insurance Act, 1938. Describe 'Notice of Assignment' clearly elaborating its effects and importance. 5