



Subject: Insurance

Chapter: Unit 1 & 2

Category: Assignment 1

1. Do you agree with the view that a bachelor without dependents needs no insurance? If you feel that he needs insurance, state the reasons in support of your view.
2. Describe the types of Insurance and state its sub types?
3. Jack won INR 100,000 at the casino. His winnings were taxed at 30% rate. However, the maturity benefits of INR 100,000 received from his life insurance policy is tax free. He is confused over the tax treatment of the same amounts received from different sources. You being his wealth advisor, explain to him the similarities and differences in an insurance and wager.
4. What is adverse selection & moral hazard with respect to life insurance?
5. Every company has insurance benefits for its employees. Set out the advantages and limitations of group insurance policies
6. Why is the principle of indemnity not applicable to life insurance contracts?
7. Explain the cost and benefit of insurance to the society
8. Amar, aged 30, is not married and working in a Multinational company. He is considering buying a whole life insurance policy. Describe the features of a whole life insurance Policy.
9. Explain the different types of riders for Life insurance policies.
10. How does group insurance help an employer to discharge his statutory responsibility while at the same time offering additional benefits to the employees? Discuss with two examples of group insurance where it happens.
11. What is reinsurance? Discuss the types of reinsurance with examples.
12. Calculate combined ratio using the following information: expenses amount to \$8500, commission is \$5700, net claims incurred in the period amount to \$150000. The net written premium is \$50000 and net premium earned is \$75000.