DATE: / /

1) C

2) D

3) A

4) B

5) A

6) When an insurer transfers a part of risk on a particular insurance by insuring it with another insurer, ~~ex~~ it is called reinsurance
The types of reinsurance are :-

(i) Propotional reinsurance :- The reinsurer recieves premium in proportion to the part of all claims that he is liable for
- Quota share Reinsurance
- Surplus loss reinsurance

(ii) Non-Propotional reinsurance :- The reinsurer recieves a fixed amount of premium.
- ~~Ex~~ Individual Excess of loss
- Stop loss

7) Excess of loss ~~Kick in~~ focuses on individual policies whereas Stop loss focuses on total ~~loss~~ liability over the year.

8(i) Net commision Ratio = $\frac{\text{Commision}}{\text{NWP}}$:- Used to determine the percentage of comission paid on the ~~total~~ ~~net~~ total premium.
Net expense Ratio = $\frac{\text{expenses}}{\text{NWP}}$:- Expenses made to earn the premium.
Net combined = Net expense + Net commission.

9) 107 insurers were amalgamated and grouped into four companies namely – National Insurance Company, New India Assurance Co., Oriental Insurance Co. and the United Insurance Co. The general Insurance Co of india was Incorporated as a company in 1971 and it commenced business on January 1^{st} 1973.

10) $$\text{Combined ratio} = \frac{\text{claims} + \text{commission} + \text{claims}}{NWP}$$

$$= \frac{8500 + 5760 + 150000}{50000}$$

$$= 3.284$$