

CHAPTER- 12 DOCUMENTATION – POLICY STAGE

Question 1

Which of the following documents is an evidence of the contract between insurer and insured?

- I. Proposal form
- II. Policy document**
- III. Prospectus
- IV. Claim form

Question 2

If complex language is used to word a certain policy document and it has given rise to an ambiguity, how will it generally be construed?

- I. In favour of insured**
- II. In favour of insurer
- III. The policy will be declared as void and the insurer will be asked to return the premium with interest to the insured
- IV. The policy will be declared as void and the insurer will be asked to return the premium to the insured without any interest

Question 3

Select the option that best describes a policy document.

- I. It is evidence of the insurance contract**
- II. It is evidence of the interest expressed by the insured in buying an insurance policy from the company
- III. It is evidence of the policy (procedures) followed by an insurance company when dealing with channel partners like banks, brokers and other entities
- IV. It is an acknowledgement slip issued by the insurance company on payment of the first premium

Question 4

Which of the below statement is correct?

- I. The proposal form acceptance is the evidence that the policy contract has begun
- II. The acceptance of premium is evidence that the policy has begun
- III. The First Premium Receipt is the evidence that the policy contract has begun**
- IV. The premium quote is evidence that the policy contract has begun

Question 5

For the subsequent premiums received by the insurance company after the first premium, the company will issue _____.

- I. Revival premium receipt
- II. Restoration premium receipt
- III. Reinstatement premium receipt
- IV. Renewal premium receipt**

Question 6

What will happen if the insured person loses the original life insurance policy document?

- I. The insurance company will issue a duplicate policy without making any changes to the contract**
- II. The insurance contract will come to an end
- III. The insurance company will issue a duplicate policy with renewed terms and conditions based on the current health declarations of the life insured
- IV. The insurance company will issue a duplicate policy without making any changes to the contract, but only after a Court order.

Question 7

Which of the below statement is correct?

- I. The policy document has to be signed by a competent authority but need not be compulsorily stamped according to the Indian Stamp Act.
- II. The policy document has to be signed by a competent authority and should be stamped according to the Indian Stamp Act.**
- III. The policy document need not be signed by a competent authority but should be stamped according to the Indian Stamp Act.
- IV. The policy document neither needs to be signed by a competent authority nor it needs to be compulsorily stamped according to the Indian Stamp Act.

Question 8

Which of the below forms the first part of a standard insurance policy document?

- I. Policy schedule**
- II. Standard provisions
- III. Specific policy provisions
- IV. Claim procedure

Question 9

In a standard insurance policy document, the standard provisions section will have information on which of the below?

- I. Date of commencement, date of maturity and due date of last premium
- II. Name of nominee
- III. The rights and privileges and other conditions, which are applicable under the contract**
- IV. The signature of the authorised signatory and policy stamp

Question 10

“A clause precluding death due to pregnancy for a lady who is expecting at the time of writing the contract” will be included in which section of a standard policy document?

- I. Policy schedule
- II. General provisions
- III. Standard provisions
- IV. Specific policy provisions**

Question 11

What does a first premium receipt (FPR) signify? Choose the most appropriate option.

I. Free look period has ended

II. It is evidence that the policy contract has begun

III. Policy cannot be cancelled now

IV. Policy has acquired a certain cash value