

CHAPTER- 17-LIFE INSURANCE AGENCY AS A CAREER

Question 1

An insurance agent is typically a representative of _____.

- I. Customer
- II. Insurance company**
- III. Government
- IV. IRDA

Question 2

Direct marketing involves which of the below?

- I. Telemarketing
- II. Insurance agents
- III. Bancassurance
- IV. All of the above**

Question 3

“Hurt not others with that which pains yourself”. This golden rule of ethics is given in the teaching of which religion?

- I. Buddhism**
- II. Christianity
- III. Hinduism
- IV. Judaism

Question 4

When an applicant is seeking license for the first time, he / she is supposed to undergo _____of practical training (from an approved institution) in life insurance.

- I. 25 hours
- II. 50 hours**
- III. 75 hours
- IV. 100 hours

Question 5

The license issued to the agent is valid for _____.

- I. One year
- II. Two years
- III. Three years**
- IV. Five years

Question 6

As per Section 182 of the Indian Contract Act, _____ is a person employed to do any act for another or to represent another in dealing with a third person.

- I. Principal Officer
- II. Proxy
- III. Mediator
- IV. Agent**

Question 7

An insurance broker represents _____.

I. Insurance company

II. Insured

III. Association of insurance companies

IV. Community of people who have already taken insurance

Question 8

Which of the below reflects Principle 2 of the Insurance Marketplace Standards Association (IMSA) principles?

I. To provide competent and customer-focused sales and service.

II. To engage in active and fair competition.

III. To provide for fair and expeditious handling of customer complaints and disputes.

IV. To maintain a system of supervision and review that is reasonably designed to achieve compliance with these principles of ethical market conduct.

Question 9

Before the composite licence could be renewed, the applicant needs to undergo renewal training of _____ from an approved institution.

I. 25 hours

II. 50 hours

III. 35 hours

IV. 75 hours

Question 10

IRDA has decided to implement guidelines on persistency from _____.

I. 1st July 2011

II. 1st July 2012

III. 1st July 2013

IV. 1st July 2014

Question 11

Which of the below statements is incorrect?

I. An individual insurance agent is a representative of the insurance company and is governed by the agent-principal relationship.

II. An individual insurance agent's primary relationship and responsibility is to the insurance buyer and not the insurance company.

III. Insurance broker, who represents the insured, generally does not have any contractual agreement to exclusively serve any one insurance company

IV. Insurance broker is expected to represent the customer's interest when choosing the right product and company that would best fit the customer's particular needs.

Question 12

In 1964, Harvard Business Review published a study on “What makes a good salesman”. The authors came up with an interesting insight. They found that a good salesman should have two basic qualities. Which are those two qualities?

I. Affection and zeal to succeed

II. Patience and pro-activeness

III. Empathy and ego drive

IV. Hunger for growth and self-confidence

Question 13

Proportion of policies remaining in force at the end of the period out of the total policies in force at the beginning of the period is referred to as

_____.

I. Persistency

II. Consistency

III. Uniformity

IV. Reliability