**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BENGALURU -27**

Registration Number:

Date & Session

**B.Com–V SEMESTER**

**SEMESTER EXAMINATION: OCTOBER 2023**

**(Examination conducted in November /December 2023)**

**BC 5323 Principles and Practices of Insurance**

**(For current batch students only)**

**Time: 2 Hours Max Marks: 60**

**This paper contains TWO printed pages and Four parts**

**PART-A**

**Answer any five of the following questions. Each carries 3 marks 5\*3=15**

1. Differentiate between Risk and uncertainty.

2) Define the following terms

1. Conditions
2. warranties

3) What are the roles of actuaries?

4) Define Reciprocal duty and material facts.

5) Define the term Insure-tech and banc assurance.

6) What are the ethics in marketing insurance products?

**PART-B**

**Answer any two of the following questions. Each carries 5 marks 2\*5=10**

7) Explain the Functions of Insurance.

8) Briefly explain Void and voidable contract.

9) Discuss Unit linked Insurance plan.

**PART-C**

**Answer any two of the following questions. Each carries 10 marks 2\*10=20**

10) With regards to Insurance ombudsman; explain the following

1. Powers and functions of Insurance ombudsman
2. Grounds for complaints before insurance ombudsman

11) Explain the principles of Insurance.

12) Explain the legal aspects of Insurance in regards to breach of duty of utmost good faith, misrepresentation, non-disclosure and indisputability of policy.

**PART – D**

**Answer the following question. 15\*1=15**

**13)** Sarah, a 35-year-old professional, is married with two young children. She has recently started thinking about securing her family's financial future in case something unfortunate was to happen to her. Sarah is uncertain about the type of life insurance policy that best suits her family's needs, given their unique circumstances.

Sarah is considering two main options: term life insurance and whole life insurance. Each has its advantages and disadvantages, and she wants to make an informed decision that aligns with her family's financial situation and long-term objectives.

**Questions:**

**NOTE: Answer each question with suitable examples.**

1. What are the primary differences between term life insurance and whole life insurance, and how do these differences impact the policy's suitability for Sarah's specific situation? **(3 marks)**
2. Considering Sarah's age, family, and financial goals, how should she determine the appropriate coverage amount for her life insurance policy? What factors should she take into account when calculating this amount? **(4 marks)**
3. Sarah is the primary breadwinner in her family. How can she structure her life insurance policy to ensure that her spouse and children will receive adequate financial support in the event of her untimely death? **(4 marks)**
4. Sarah wants to use her life insurance policy as a tool for both financial protection and long-term savings. Suggest Which type of policy is suitable for both the financial protection and long-term savings **(4 marks)**