

[MURBM-502]
BBM DEGREE EXAMINATION
V TRIMESTER

INSURANCE MANAGEMENT
(Effective from the admitted batch 2008–09)

Time: 3 Hours

Max.Marks: 60

Instructions: All parts of the unit must be answered in one place only.
Figures in the right hand margin indicate marks allotted.

SECTION-A

1. Answer any **FIVE** of the following:
Each answer should not exceed one page. (5 x 2 =10)
- a) Risk perception
 - b) Utmost good faith
 - c) Whole life Policy
 - d) Engineering Insurance
 - e) Physical hazards
 - f) Pricing of insurance products
 - g) Insurable interest
 - h) Total loss

SECTION-B

Answer the following:

UNIT-I

2. a) Classify Risk with examples. 8

OR

- b) What are the steps involved in the management of risk? 8

UNIT-II

3. a) State the essentials of insurance contract. 8

OR

- b) List out the benefits of insurance to society. 8

UNIT-III

4. a) Enumerate the principles of life insurance. 8

OR

- b) Bring out the policies introduced in life insurance in the recent past. 8

UNIT-IV

5. a) Discuss the significance of agricultural insurance. 8

OR

- b) Explain the rules governing motor insurance. 8

UNIT-V

6. a) Describe the procedure of settlement of claims. 8

OR

- b) Elucidate the role of under writing in insurance. 8

SECTION-C

7. Case Study (**Compulsory**): 10

A and B are married and own a three bedroom home in Mumbai city. Their son, C attends college away from home and lives in a fraternity house. Their daughter, D is a senior in a high school. A is an accountant who works for a local accounting firm. B is a marketing analyst and is often away from home several days at a time. D earns extra cash by babysitting on a regular basis.

The family's home contains household furniture, personal property, a computer that A uses to prepare business tax returns on weekends, and a laptop computer that B uses while traveling. They also own three cars. C drives a 1995 Ford; A drives a 2002 Pontiac for both business and personal use; and B drives a 2004 Toyota and a rental car when she is traveling. Although they have owned their home for several years, they are considering moving because of the recent increase in violent crime in their neighborhood.

Questions:

- a) Describe the steps in the personal risk management process.
- b) Identify the major pure risks or pure loss exposures to which A and B are exposed with respect to each of the following:
 - i) Personal loss exposures
 - ii) Property loss exposures
 - iii) Liability loss exposures and
- c) With respect to each of the loss exposures mentioned above, identify an appropriate personal risk management technique that could be used to treat the exposure.

[41/VT/109]