

# CBSE Question Paper – 2010

## PRINCIPLES AND PRACTICES OF

### LIFE INSURANCE (Theory) paper I

### Class – XII

**Time allowed: 1 hour**

**Maximum Marks: 30**

Instructions: Attempt all questions.

1. Which type of hazard can be suspected where nominee is a stranger? 1
2. Name the basic from used to form the basis of selection in the insurance and which shall to basis of contract. 1
3. Which type of persons can avail Mortgage Redemption Assurance? 1
4. What is Immediate Annuity? 1
5. What is Mortality Table? 1
6. The opening paragraph introducing the policy is called \_\_\_\_\_. 1
7. To whom can a Deferred Annuity be useful? 1

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**Other Educational Websites:**

[ICSEGuess.com](http://ICSEGuess.com) | [NIOSGuess.com](http://NIOSGuess.com) | [IGNOUGuess.com](http://IGNOUGuess.com) | [IITGuess.com](http://IITGuess.com) | [MagicSense.com](http://MagicSense.com) | [AIPMTGuess.com](http://AIPMTGuess.com) | [AIEEEGuess.com](http://AIEEEGuess.com) | [IndiaGuess.com](http://IndiaGuess.com)

8. What is the percentage of surplus required to be allocated to policyholders, as per LIC Act, 1956? 1
9. Pure Endowment is one of the two basic plans which go into the formation of any life insurance plan. Name the other one. 1
10. Write a short note on 'Cancer'. 2
11. Distinguish between 'Surrender Value' and 'Guaranteed Surrender Value'. 2
12. Explain, briefly the 'Principle of large Numbers' in context with computation of premiums. 2
13. What is 'Nomination'? How is this affected? Can nomination be changed during the currency of the policy? 2
14. Write a short note on 'Lien Method of Rating'. 2
15. Explain what 'Asthma' is. 2
16. Are windows falling under Category III granted life insurance? If so, in which cases and with what restrictions? 2
17. Write a short note on 'Extended Claim Concession'. 2
18. Describe in brief the need for Retirement Annuity. 3
19. Mention in brief the three types of hazards in context with life insurance. 3
20. Mention the special cavities in which the important organs of the body are contained. 3

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21. Differentiate between 'Preamble' and 'Proviso' in a Policy Document. 3
22. Describe important organs in the abdomen. 3
23. Explain the concept of Valuation. Mention the provisions of LIC Act, 1956 in this regard. Also state the present practice followed by LIC of India. 3
24. Mention the variations which influence the rate of Mortality. 3
25. One of the types of bonuses is "Tontine bonus" – write its features in brief. 3
26. Give salient features of Money Back plan for 20 years term. 3
27. Mention the steps in the process of underwriting (selection/classification of risks). 3
28. Explain the concept of 'Level Premium'. How would you co-relate the concept of charging level premium to generation of Life Fund? Explain clearly the terms Life fund and reserve. 5
29. How are the data (information) for selection and classification of risks obtained? 5
30. Mention the types of Age Proof generally accepted for life insurance. 5
31. Describe the salient features of a Limited payment Life Policy. 5
32. Mention the types of Assignment under Insurance Act, 1938. Describe 'Notice of Assignment' clearly elaborating its effects and importance. 5

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