

PGDM (IBM), 2016-18
Liability Insurance - II
INS - 501

Trimester – V, End-Term Examination: December 2017

Time allowed: 2 Hrs 30 Min
Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

Section A

Attempt any 3 questions. Each question carries 5 marks.

3*5 = 15

- A.1. What is Cyber Squatting ? How can we tackle this ?
- A.2. What is an IPO insurance policy being offered in India ?
- A.3. Please list out 3 cases of Product recall in India in the last 15 years!
- A.4. What is a Difference In Conditions Policy under the Umbrella Liability Covers ?
- A.5. What is a Reputational Loss ? Give at least 2 examples.

Section B

Attempt any 2 questions. Each question carries 10 marks.

10*2 = 20

- B.1. Describe the coverages, extensions and exclusions under a typical Solar Power / Windmill Insurance Policy.
- B.2. What is Cyber Insurance ? Please discuss the same with relevant regulations in India.
- B.3. What does an Indian Umbrella Liability Policy cover ? What are the exclusions ?

Section C

1. A Case Study: Compulsory Question

**15*1=15
(10+5)**

For Trade Credit Insurance Policy, the following details are available:

Annual Turnover - Rs. 150 cr

Insurable turnover: Rs 100 cr

Premium rate: 0.25%

For Maximum Limit of Liability (MLL) increase - premium rate is 0.30%

- a. PI compute the Minimum premium commitment.
- b. What would be the Maximum Limit of Liability (MLL) at 40 times the minimum premium ?
- c. If the client pays the premium in 2 installments, what is the amount of the first instalment ?
- d. What are the Limit monitoring fees ?
- e. What is the Claim (Intervention) fee ?

1.B. M/S XYZ Corp wants a K & R & E policy for their staff members.

What are the relevant details that you would ask for before you can compute the premium ?
