Fire Insurance IC 57

Chapter 4 & 5

1. Fire policy covering building / Contents shall show block wise separate amount for
   A. Stock & Stock-in Process
   B. Furniture and Other Contents
   C. Machinery & Accessories
   D. All of Above

2. Fire policy has an option to exclude ....... from inception
   A. STFI
   B. Earthquake
   C. Lightning
   D. Spontaneous Combustion

3. Valued polices issued for
   A. For items having higher value than its original sale price
   B. For items for which market value can’t be ascertained
   C. For items imported from abroad
   D. All of above

4. Long term policies issued for
   A. Manufacturing Units
   B. Stock godowns
   C. Residential Building / Flats
   D. Non-Hazardous goods shop

5. Minimum period for long terms policy is
   A. 18 Months
   B. 24 Months
   C. 36 Months
   D. 60 Months
6. Policy not exceeding one month, premium rate will be
   A. 10% of Annual Rate
   B. 15% of Annual Rate
   C. 20% of Annual Rate
   D. 50% of Annual Rate

7. Extension of Short period policy is allowed
   A. True
   B. False

8. Pro-rata refund of policy is allowed if
   A. On account of govt orders
   B. On completion of building in course of construction
   C. When building is demolish
   D. All of above

9. Mid term cover for RSMD/STFI is allowed
   A. True
   B. False

10. In Mid term cover for RSMD/STFI, coverage shall start from
    A. From the date of receipt of premium
    B. From the next day of receipt of premium
    C. After 15 days of premium
    D. After 30 days of premium

11. Mid term increase / decrease of SI is not allowed
    A. True
    B. False

12. Premium in mid term decrease of SI on the basis of
    A. Pro-rata basis
    B. Short Period basis
    C. Full premium from the date of inception
    D. None

13. Additional rate of........for ‘Kutch Construction’
    A. 1%
    B. 2%
    C. 4%
    D. 5%

14. Risk in multiple occupancy industrial estate shall be rated as
    A. Exposure rated
    B. Claim experience rated
    C. Per se
    D. Any of above
15. ‘Per Se’ rated means
   A. Highest rate from all the rates shall be charged
   B. Each risk will be charged as its own merit
   C. Common rate for all the risk
   D. Lowest rate for all the risk

16. In Shops (Non-Hazardous) storage of hazardous goods upto how much % is allowed
   A. Not allowed at all
   B. 2% of total stock
   C. 5% of total stock
   D. 15% of total stock

17. Building rate is applicable to
   A. Pump house
   B. Garages and compound walls
   C. Computer system records
   D. All of above

18. In shops (Non Hazardous), how much loading for seasonal storage of crackers
   A. 5%
   B. 10%
   C. 20%
   D. Allowed without any loading

19. Dwellings if inside in a factory is rated as
   A. Rate of manufacturing building
   B. Rate of storage godowns
   C. Per se
   D. Same as Highest rate of any other risk

20. If two or more factory are located in same compound, each factory may be rated
   A. Same rate for all the factories
   B. Per se
   C. Highest rate of any factory will be applicable to all
   D. Any of above

21. Section V of of AIFT provides rates for
   A. Rate for different type of goods stored in godowns in the open
   B. Rates for utilities located outside the industrial, manufacturing risk (Stand alone)
   C. Rates for utilities located inside the industrial, manufacturing risk (Stand alone)
   D. All of above

22. Which of the following goods is the most explosive
   A. Flammable liquids having flash point above 65° C
   B. Flammable liquids having flash point above b/w 32° C and 65° C
   C. Flammable liquids having flash point below 32° C
   D. All of above

Note - * is used for degree
23. Incidental Open Storage upto……% of SI in stock is allowed under “Material stored in godown”
   A. 1%
   B. 2%
   C. 5%
   D. 10%

24. Section VII of AIFT covers
   A. Rate for different type of goods stored in godowns in the open
   B. Rates for utilities located outside the industrial, manufacturing risk (Stand alone)
   C. Rates for utilities located inside the industrial, manufacturing risk (Stand alone)
   D. Gas Holders and Tanks located outside the compound of industrial / manufacturing risk

25. Presence of hazardous goods of higher category not exceeding…..% of total value of stock is allowed
   A. 2%
   B. 5%
   C. 10%
   D. 15%

26. Full form of CED is
   A. Claim Experience Discount
   B. Claim Exposure Discount
   C. Claim Excess Discount
   D. Claim Earn Discount

27. FEA Means
   A. Fire Explosion Aircraft
   B. Fire Exposure Appliances
   C. Fire Extinguishing Appliances
   D. Fire Experience Application

28. Format of policy schedule have
   A. Identification details
   B. Risk Description
   C. Occupancy wise Net Rate Data
   D. All of Above

29) A renewal notice gives brief details of the policy. It contains
   A. Renewal Premium.
   B. Premium with loading/discount on past inception sum insured.
   C. Claim History
   D. All changes during the currency of the policy.

30) Any endorsement would have the same __________ as is found in the policy format
   A. Premium
   B. Sum Insured
   C. Basic information
   D. Risk Location
31) Endorsements are issued for making the following changes, which are common
   A. Incorporation of a Bank’s name or of a financial institution
   B. Change in the name of the insured i.e. change in interest.
   C. Alteration in the period of insurance
   D. **All of the above**

32) If shops are rated as ‘non-hazardous’, then it is warranted that storage of following materials
    should not exceed ___ of the total stock.
   A. 2%
   B. 3%
   C. 5%
   D. 10%

33) If Category I goods are stored, then it is warranted that
   A. **Goods of category II and III, coir waste, coir fibre, caddies are not stored therein.**
   B. Goods of category II and, coir waste, coir fibre, caddies are not stored therein
   C. Goods of category III, coir waste, coir fibre, caddies are not stored therein
   D. None of these

34) Risk Code / Rate Code include under which Format category of policy schedule?
   A. Risk Discription
   B. Identification
   C. **Occupancy**
   D. None of these

35) Description of property – Risk address under which format category of the policy schedule?
   A. Risk Discription
   B. Identification
   C. **Occupancy**
   D. None of these

36) The **numbers in the Schedule for various items of information are designed to generate statistical data for various internal requirements of insurers.**
   A. Code
   B. Policy
   C. Endorsement
   D. claim

37) The Schedule provides for all individual details of the insurance contract.

38) The Tariff prescribes that the wording of the policy is mandatory for
   A. **All insurers**
   B. Insured
   C. GICre
   D. GIPSA

39) _______ of the policies means completion of the schedule which forms part of the fire policy.
   A. Endorsement
   B. Money Receipt
   C. Proposal form
   D. **Drafting**
40) Fire cover is drafted based on information furnished in _______ and _________, which is replaced by the Policy. The proposal form has been prescribed in the Tariff and provides following information.
   A. Endorsement, Covernote
   B. Proposal form, Covernote
   C. Proposal form, Endorsement
   D. Circular, Agent manual

41) The Schedule contains the following items.
   A. Serial number of the cover note
   B. Date of Issue
   C. Premium collection No. and date
   D. All Of the above

42) Pending preparation of the policy, insurers provide evidence of insurance protection through the issue of an
   A. Cover Note
   B. Acceptance cum Receipt
   C. Proposal Form
   D. Both A & B

"Thanks & Be Ambitious"

All the best for your Exams