



**Q.1. Answer the following short questions: (6x5=30)**

- 1) What is difference between subjective risk and objective risk? Illustrate with examples
- 2) What is the difference between hedging and insurance?
- 3) Briefly explain the features of life insurance.
- 4) Illustrate with example coinsurance.
- 5) Describe the “definitions” part of insurance contract.
- 6) What is the subrogation principle? Also illustrate it with example..

**Q.2. Answer the following questions. (3x10=30)**

- 1) Describe the benefits and costs of insurance to society.
- 2) What is a captive insurer? Explain the advantages of a captive insurer in a risk management program.
- 3) Define the meaning of underwriting and explain the major sources of information available to underwriters.