# Final Test – Introduction to Insurance

*Correct answers are in bold.*

## Course Objectives

1. Name insurance customers
2. Identify participants within the insurance industry
3. Recall the industry segments
4. Name distribution channels within insurance companies
5. Recognize important executives within insurance companies
6. Identify the challenges facing the insurance industry

## Question #1

Course Objective Met: OBJ#5

**Which is the primary responsibility of the Chief Investment Officer? Select the correct answer.**

**Manage investment portfolio**

Oversee solvency and capital management

Manage investor relations and shareholder reporting

Perform financial analysis of investment opportunities

## Question #2

Course Objective Met: OBJ#2

**Which type of insurance companies are owned by policyholders, not shareholders? Select the correct answer.**

Reinsurance companies

**Mutual insurance companies**

Stock insurance companies

Multiline insurance companies

## Question #3

Course Objective Met: OBJ#4

**Which insurance distribution channel sells directly to customers without producers serving as intermediaries? Select the correct answer.**

Captive agents

General agents

**Direct sales channels**

Financial institutions

## Question #4

Course Objective Met: OBJ#1

**Which customer often hires life insurance companies for their investment management services? Select all that apply.**

**Human resource departments**

Marketing departments

National governments

**Personal customers**

**Institutional investors**

## Question #5

Course Objective Met: OBJ#6

**How has the current economic environment impacted insurance companies? Select all that apply.**

High investment yields

**Slow premium growth**

**Low investment yields**

**Soft general insurance market**

## Question #6

Course Objective Met: OBJ#2

**Which type of organization is owned by one or more companies or organizations? Select the correct answer.**

**Captive insurance company**

Reinsurance company

Insurance broker

Stock insurance company

## Question #7

Course Objective Met: OBJ#4

**Which type of insurance distribution channel represents and distributes the products of one or more insurance companies on a contract basis? Select the correct answer.**

Brokers

**General agents**

Captive agents

Bancassurance agents

## Question #8

Course Objective Met: OBJ#6

**What are insurance companies doing to lower their costs? Select the correct answer.**

Investing in legacy core IT systems

**Implementing robotic process automation**

Reducing investments in agency portals

Reducing investments in analytics

## Question #9

Course Objective Met: OBJ#2

**Which industry participant is often described as the insurers for insurance companies? Select the correct answer.**

**Reinsurance**

General insurance

Life insurance

Captive insurance

## Question #10

Course Objective Met: OBJ#6

**Which technology is creating disruption in the insurance industry? Select the correct answer.**

**The Internet of Things**

Policy administration systems

Virtual reality

Solution oriented architecture