Insurance and Risk Management

PAC UNIVERSITY

BCM 307/ BUS4313: INSURANCE AND RISK MANAGEMENT ONLINE EXAMS

DATE: TIME:

ANSWER QUESTION ONE AND ANY OTHER THREE QUESTIONS

QUESTION 1 COMPULSORY (10 MARKS)

(a) Jared was involved in a motor vehicle accident which resulted in the damage of his car. He was also injured in the process. Upon seeking compensation, the insurance company declined. Explain **FOUR** reasons that made the insurance company to make that decision. **(4 Marks)**

(b) Discuss, with a relevant example for each, **THREE** types of contract bonds. **(6 Marks)**

QUESTION 2 (10 MARKS)

(a) JENET Insurance Company was recently deregistered by the Insurance Regulatory Authority. Explain **FOUR** reasons that prompted IRA to make this decision. **(4 Marks)**

(b) Discuss **THREE** benefits that are provided for under the Workers' Compensation laws. **(6 Marks)**

QUESTION 3 (10 MARKS)

(a) Differentiate between Independent Agent and Captive Agent as used in insurance. **(4 Marks)**

(b) As an insurance expert, advise the management of LOTE Limited on **THREE** implications of risks to their business. **(6 Marks)**

QUESTION 4 ***(10 MARKS)***

(a) Michelle wants to prepare a risk management document. Explain to her the **FOUR** steps that should be in the risk management process. **(4 Marks)**

(b) Discuss, with a relevant example in each case, **THREE** types of annuities. **(6 Marks)**

QUESTION 5 ***(10 MARKS)***

(a) Nancy intends to start a jewelry business. Advise her on **FOUR** factors that she needs to consider before signing up for an insurance cover for her business. **(4 Marks)**

(b) ANTEL Enterprise is seeking a consultant to prepare a risk management document for the organization. Recommend to the management any **THREE** risk management approaches that must be in the document. **(6 Marks)**

QUESTION 6 ***(10 MARKS)***

(a) Explain **FOUR** types of crime insurance policies that a business should consider. **(4 Marks)**

(b) Discuss, with relevant examples, **TWO** basic categories of risks. **(6 Marks)**

End of Exam