Insurance and Risk Management

PAC UNIVERSITY

BCM 307/ BUS4313: INSURANCE AND RISK MANAGEMENT ONLINE EXAMS

DATE: TIME:

QUESTION 1 COMPULSORY (10 MARKS)

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

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

QUESTION 2 (10 MARKS)

(a) Explain **FOUR** characteristics that distinguish insurance contracts from other contracts. **(4 Marks)**

(b) QRS Enterprise is seeking a consultant to prepare a risk management document for the organization. Advise the management on **THREE** risk management approaches that must be in the document. **(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. Advise her on the **FOUR** steps that should be in the risk management process. **(4 Marks)**

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

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

(a) Explain **FOUR** benefits of a social security scheme to an individual. **(4 Marks)**

(b) James wants to apply for a commercial insurance package for his new electronics business. Recommend to him any **THREE** types of commercial insurance. **(6 Marks)**

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

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

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

End of Exam