

CHUKA



UNIVERSITY

**UNIVERSITY EXAMINATIONS
EMBU**

**EXAMINATION FOR THE AWARD OF CERTIFICATE IN BUSINESS
MANAGEMENT**

CIBM 00114: RISK AND INSURANCE

STREAMS: CIBM

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 4/12/2019

11.30 A.M -1.30 P.M

INSTRUCTIONS

Answer question one and any other two questions

QUESTION ONE

- (a) Explain the following terms;
- (i) Risk [2 marks]
 - (ii) Uncertainty [2 marks]
 - (iii) Peril [2 marks]
 - (iv) Hazard [2 marks]
- (b) Explain any four unique characteristic of an insurable risk. [8 marks]
- (c) Explain any three primary function of insurance. [6 marks]
- (d) Explain any four function of insurance regulatory authority. [8 marks]

QUESTION TWO

- (a) Explain five section of a typical insurance policy document used in Kenya market. [10 marks]
- (b) Explain any two types of hazards. [2 marks]
- (c) Explain any four types of risk which face business. [8 marks]

QUESTION THREE

- (a) Explain any four techniques of managing risk. [8 marks]
- (b) Explain the insurance claim process. [10 marks]
- (c) Explain what is a certificate of insurance. [2 marks]

QUESTION FOUR

- (a) Explain five burden of risk. [10 marks]
 - (b) Explain any five principles of insurance. [10 marks]
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