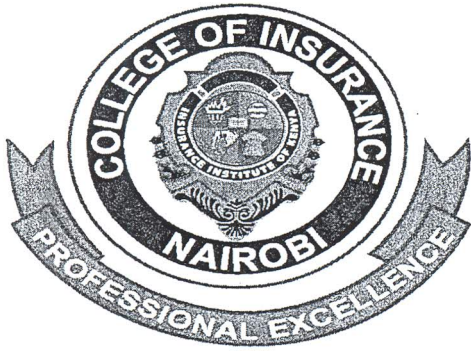


COLLEGE OF INSURANCE



DIPLOMA IN INSURANCE

EXAMINATION

SUBJECT TITLE: INTRODUCTION TO INSURANCE

SUBJECT CODE: DIP 101

DATE: 4TH NOVEMBER 2013

TIME: 9.00 A.M – 12.00 NOON

INSTRUCTIONS TO CANDIDATES

1. Three hours are allowed for this paper
2. This paper has two Sections: A and B
3. Section A carries 40 Marks and Section B 60 Marks
4. Answer ALL questions in Section A and Section B in the answer booklet provided.

SECTION A (40 MARKS)

Answer ALL questions in this section

1. State four ways in which risks may be classified. (4 Marks)
2. State four types of distribution channels for insurance products. (4 Marks)
3. State four social benefits of insurance to the society. (4 Marks)
4. State the scope of cover provided by travel insurance. (4 Marks)
5. Physical inspection is one of the techniques of risk identification. State four advantages of such technique. (4 Marks)
6. State four types of compulsory insurance covers. (4 Marks)
7. Identify four players involved in international insurance transaction (4 Marks)

8. Identify four types of service providers in insurance industry. (4 Marks)
9. State four types of persons exempted from membership of National Social Security Fund (NSSF). (4 Marks)
10. State four categories of general insurance. (4 Marks)

SECTION B (60 MARKS)
Answer ALL questions in this section

11. a) Explain five benefits of insurance to the nation. (10 Marks)
- b) Explain five reasons why the government of Kenya has made certain insurance covers compulsory. (10 Marks)
12. a) Explain four ways in which a manufacturing company can reduce losses. (8 Marks)
- b) Outline six benefits which are available to National Social Security Fund (NSSF) members. (12 Marks)
13. a) Explain five reasons why an insurance company would employ the services of an insurance surveyor. (10 Marks)
- b) Outline five features of Endowment life assurance. (10 Marks)