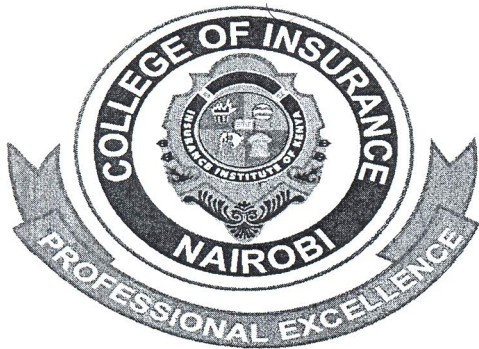


# COLLEGE OF INSURANCE



## DIPLOMA IN INSURANCE

### EXAMINATION

SUBJECT TITLE : INTRODUCTION TO INSURANCE

SUBJECT CODE :DIP 101

DATE: 10<sup>TH</sup> NOVEMBER 2014

TIME: 9.00 A. M. TO 12.00 NOON (3 HOURS)

ANSWER ALL QUESTIONS

#### SECTION A (40 MARKS)

1. State four ways in which risks facing an organisation may be handled. (4 marks)
2. State four economic benefits an insured person may derive from insurance. (4 marks)
3. State four roles of loss adjusters in handling general insurance claims. (4 marks)
4. State four classifications of perils which may be covered under an extended fire policy. (4 marks)
5. Identify four types of compulsory insurances in Kenya. (4 marks)
6. State the steps that should be undertaken in risk management process. (3 marks)
7. State three classifications of non-insurable risks. (3 marks)
8. State four players operating in the international insurance market. (4 marks)
9. State two types of costs covered under National Hospital Insurance Fund. (2 marks)
10. State four types of term life assurance policies. (4 marks)
11. State four requirements that an insurance broker must meet to be licensed under the Insurance Act. (4 marks)

**SECTION B (60 MARKS)**

12. a) Explain five features of whole life assurance. (10 marks)  
b) Describe five methods of identifying risks. (10 marks)
13. a) Explain four benefits that may be obtained from a captive insurance company. (8 marks)  
b) Explain six characteristics of insurable risks. (12 marks)
14. a) Explain five benefits payable under National Social Security Fund (NSSF). (10 marks)  
b) Explain five disadvantages of self insurance. (10 marks)