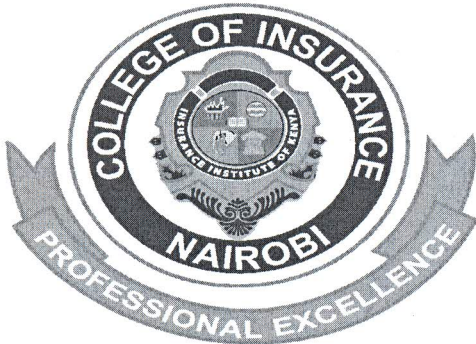


# COLLEGE OF INSURANCE



## DIPLOMA IN INSURANCE

## EXAMINATION

SUBJECT TITLE : INTRODUCTION TO INSURANCE

SUBJECT CODE :DIP 101

DATE: 9<sup>TH</sup> NOVEMBER 2015

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

### 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)

1. State four benefits of life assurance to society. (4 marks)
2. State three functions of insurance. (3 marks)
3. State four types of annuities. (4 marks)
4. State four roles of a motor assessor. (4 marks)
5. State four factors which hinder the growth of international insurance. (4 marks)
6. Outline two ways in which risks may be analysed. (4 marks)
7. State four benefits available under National Social Security Fund (NSSF). (4 marks)
8. State four functions of the board of trustees of Policyholder Compensation Fund. (4 marks)
9. Outline four steps which may be taken to enhance insurance penetration. (4 marks)
10. State two risk control methods. (2 marks)
11. State three risks covered under public liability insurance. (3 marks)

**SECTION B (60 MARKS)**

12. a) Outline four risk identification techniques that may be applied by a risk management expert. **(12 marks)**
- b) An insurance company may not be able to insure all types of risks. Explain four salient features of insurable risk. **(8 marks)**
13. a) Explain five economic benefits of insurance. **(10 marks)**
- b) The purpose of bond insurance is to provide financial guarantee to a third party in respect of loss due to failure of the insured to complete a particular task. Explain five such bonds. **(10 marks)**
14. a) Explain five factors that tend to hinder the growth of life assurance. **(10 marks)**
- b) Explain five core functions of Insurance Regulatory Authority (IRA) **(10 marks)**