



GARISSA UNIVERSITY COLLEGE

(A Constituent College of Moi University)

**UNIVERSITY EXAMINATION 2016/2017 ACADEMIC YEAR TWO
SECOND SEMESTER EXAMINATION**

SUPPLEMENTARY/SPECIAL EXAMINATION

SCHOOL OF BUSINESS AND ECONOMICS

FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT

COURSE CODE: BBM 230

COURSE TITLE: INTRODUCTION TO RISK AND INSURANCE

EXAMINATION DURATION: 3 HOURS

DATE: 29/09/17

TIME: 2.00-5.00 PM

INSTRUCTION TO CANDIDATES

- **The examination has SIX (6) questions**
- **Question ONE (1) is COMPULSORY**
- **Choose any other THREE (3) questions from the remaining FIVE (5) questions**
- **Use sketch diagrams to illustrate your answer whenever necessary**
- **Do not carry mobile phones or any other written materials in examination room**
- **Do not write on this paper**

This paper consists of TWO (2) printed pages

Supplementary / special exam

1

please turn over

Good Luck – Exams Office



QUESTION ONE (COMPULSORY)

- a) The international organization for standardization identified some principles of risk management. Elaborate on the said principles **(10mrks)**
- b) Explain the risk management activities as applied to project management **(10mrks)**
- c) Identify the desirable characteristics of a policy statement as used In risk and insurance **(5mrks)**

QUESTION TWO

- a) A risk manager needs to ensure that the company is pro-active in the management of risks, this is enhanced thro, the use of risks management statement. Explain on the important of a risk policy statement. **(10mrks)**
- b) Establish the merits of a risk management manual **(5mrks)**

QUESTION THREE

- a) Describe on the property loss exposures applicable within an organization **(10mrks)**
- b) Highlight on the various principles of insurance **(5mrks)**

QUESTION FOUR

- a) Describe the various techniques of risk identification **(10mrks)**
- b) A risk register provides a key tool for risk management, it holds all the information relating to risks within your business. Explain the kinds of information to be recorded in this risk register. **(5mrks)**

QUESTION FIVE

- a) Discuss the ideal elements of insurable risks **(10mrks)**
- b) Explain the unique features of insurable contracts **(5mrks)**

