



UNIVERSITY EXAMINATIONS
SECOND YEAR EXAMINATION FOR THE AWARD OF THE
DEGREE OF BACHELOR OF COMERCE/BUSINESS ADMINISTRATION
MANAGEMENT
FIRST SEMESTER 2023/2024
[AUGUST-DECEMBER, 2023]

BBAM 240: RISK AND INSUARANCE

STREAM: Y2 S1

TIME: 2 HOURS

DAY: WEDNESDAY, 12.00 – 2.00P.M.

DATE: 15/11/2023

INSTRUCTIONS

- 1. Do not write anything on this question paper.***
- 2. Answer Questions ONE and any other THREE Questions.***

QUESTION ONE

- a) With the help of local examples, explain any FIVE ways in which a country may suffer without the insurance sector (10 marks)
- b) Describe any FIVE formal ways of handling risks that a Boda-boda operator may employ (10 marks)
- c) Define subrogation and state Four ways in which it may arise (5 marks)

QUESTION TWO

- a) Explain any FIVE non-life insurance policies that are available to the Kenya's public today (10 marks)
- b) Name any FIVE contents of life insurance proposal form (5 marks)

QUESTION THREE

- a) Outline the procedure for taking insurance for a lorry (10 marks)

- b) Define indemnity and show any FOUR ways in which it can be provided (10 marks)

QUESTION FOUR

- a) Discuss any FIVE factors that need not be disclosed at the time of taking insurance (10 marks)
- b) Which FIVE conditions are necessary for contribution to apply? (5 marks)

QUESTION FIVE

- a) Explain the FOUR ways in which subrogation rights may arise (8marks)
- b) Outline any SEVEN circumstances that may lead to forfeiture of policy (7 marks)