

**NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
B. COMM RISK MANAGEMENT AND INSURANCE**

RISK AND INSURANCE - (CIN 1202)

APRIL/MAY 2006 SECOND SEMESTER EXAMINATION

DURATION: 3 HOURS

INSTRUCTIONS TO CANDIDATES

- 1. Answer all questions.**
- 2. Write clearly and legibly.**

Question 1

Differentiate the following:

- | | |
|--|------------------|
| a) Objective Risk from Subjective Risk | [2 Marks] |
| b) Peril from hazard | [2 Marks] |
| c) Private insurance from self-insurance | [2 Marks] |
| d) Warrant from condition | [2 Marks] |
| e) Risk control from risk avoidance. | [2 Marks] |

Question 2

Discuss the three approaches to the definition of risk. **[10 Marks]**

Question 3

- i. Identify and describe one risk identification technique/method of your own choice. **[10 Marks]****
- ii. Discuss the merits and drawbacks associated with the technique/method identified above. **[10 Marks]****

Question 4

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|---|-------------------|
| (a) What are the main objectives of risk management | [8 Marks] |
| (b) Explain three of the main principles of insurance | [12 Marks] |

Question 5

Describe 3 Non-life and 2 Life insurance products that are sold in the Zimbabwean Insurance Market. **[20 Marks]**

Question 6

In your capacity as an expert in insurance claims, advise Gushungo Insurance Company (a new company) on the fundamentals of claims processing. **[20 Marks]**

.....End Of Exam.....

