

Uva Wellassa University

Faculty of Management

Degree of Bachelor of Business Management in Entrepreneurship and Management

THIRD YEAR FIRST SEMESTER EXAMINATION – MARCH/APRIL 2013

EMG 362-2 Business Insurance



Part C – Essay Questions

Answer **only two** questions including Question No. 01

Marks allocation: 50 Marks

1. Explain “Sound Rating”. Discuss five factors that an Insurance company will consider when fixing market prices. (25 Marks)
2. (a). What role does reinsurance play in successfully running a general insurance Company? (15 Marks)
(b). Describe two main forms of reinsurance arrangements. (10 Marks)
3. Describe the role that investment play, in running a general insurance company. (25 Marks)
5. Describe four factors that are taken into account when estimating future claim cost on the basis of past claim costs. (25 Marks)