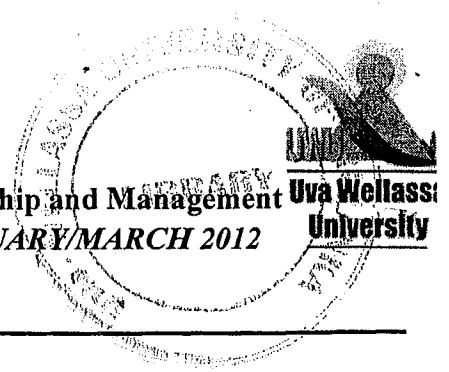


Uva Wellassa University
Faculty of Management

Degree of Bachelor of Business Management in Entrepreneurship and Management
THIRD YEAR FIRST SEMESTER EXAMINATION – FEBRUARY/MARCH 2012
EMG 362-2- Business Insurance



Part C- Essay Questions

Marks allocation: 50 Marks

Answer only two Questions including the question number 01.

1.
 - i. What do you understand by "Sound Rating"?
 - ii. Discuss five (05) factors that an Insurance company will consider when fixing market prices.

(30 marks)

2.
 - i. What role does reinsurance play in successfully running a general insurance company?
 - ii. Describe two (02) main forms of reinsurance arrangements.

(20 marks)

3. What factors an actuary will consider in determining the overall claims cost for a given period?

(20 marks)

4. Describe the role that investments play, in running a general insurance company.

(20 marks)