

UGANDA MARTYRS UNIVERSITY
FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT
FINAL ASSESSMENT EXAMINATION
BA MICROFINANCE II (RUBAGA EVENING) MAY 2018
MICRO INSURANCE

INSTRUCTIONS

- a. **Attempt 4 Questions in total**
- b. **QUESTION No. 1 is Compulsory and carries 40 marks.**
- c. **All other questions carry 20 marks.**

QUESTION 1 (COMPULSORY 40marks)

- a) With support of relevant examples, explain the following insurance terms?
 - i. Insurance (4marks)
 - ii. Micro Insurance (4marks)
 - iii. Insurance Premium (4marks)
 - iv. Insurance claim (4marks)
 - v. Insurability (4marks)
 - vi. Insurance Policy (4marks)
 - vii. Insurance Pool (4marks)
 - viii. Assurance (4marks)
 - ix. Group Insurance (4marks)
 - x. Social security (4marks)

QUESTION 2 (20 MARKS)

- a) Explain the negative perceptions that continue to make insurance a less popular product amongst many people in Uganda? (6marks)
- b) What should be done by insurance companies to overcome these negative perceptions? (14marks)

QUESTION 3 (20 MARKS)

- a) Explain the term vulnerability as applied in microfinance? (4marks)
- b) What kind of risks do the low income earners and rural dwellers continue to face in Uganda today? (16marks)

QUESTION 4 (20 MARKS)

Explain the following types of insurance and to whom they might apply?

- a) Medical Insurance (4marks)
- b) Life Insurance (4marks)
- c) Burglary (4marks)
- d) Commodity Price (4marks)
- e) Reinsurance (4marks)

QUESTION 5 (20 MARKS)

- a) Who is the target market for micro insurance? (8 marks)
- b) Explain the past and current challenges facing micro insurance in Uganda? (12marks)

QUESTION 6 (20 MARKS)

- a) State and explain any 4 attributes that should be put into consideration by micro insurance product developers to make their products more acceptable? (8marks)
- b) State and explain the Key performance indicators in a micro insurance program? (12marks)