

UGANDA MARTYRS UNIVERSITY

**FACULTY OF BUSINESS ADMINISTRATION AND
MANAGEMENT**

DEPARTMENT OF MICROFINANCE

SEMESTER TWO 2018/19

BAMF II LUBAGA CAMPUS

COURSE UNIT: MICRO INSURANCE

DATE: 7TH MAY 2019

Time allowed: 3hours

Instructions to Candidates:

Read the following before answering the examination questions.

- a) Attempt 4 Questions in total**
- b) QUESTION No. 1 is **Compulsory** and carries 40 marks. All other questions carry 20 marks.
- c) Do not write anything on this question paper.
- d) Write neatly and show all workings clearly.
- e) Start every question on a new page
- f) Clearly state the question number & sections attempted

QUESTION 1 (COMPULSORY 40marks)

- a) Explain how the following types of insurance products operate?
 - i. Medical Insurance (4marks)
 - ii. Life Insurance (4marks)
 - iii. Burglary (4marks)
 - iv. Health Insurance (4marks)
 - v. Reinsurance (4marks)
- b) Explain why micro insurance remains a very unpopular product amongst the poor? (10marks)
- c) How should be done to popularise micro insurance amongst the poor? (10marks)

QUESTION 2 (20 MARKS)

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

QUESTION 3 (20 MARKS)

Explain the meaning of the following insurance terms as applied in micro insurance;

- a) Assurance? (4marks)
- b) Insurance claim? (4marks)
- c) Insurability? (4marks)
- d) Insurance Policy? (4marks)
- e) Insurance Pool? (4marks)

QUESTION 4 (20 MARKS)

- a) Explain the desired attributes of a Micro Insurance Officer (10marks)
- b) Mention any 5 performance indicators used in evaluating micro insurance services? (10marks)

QUESTION 5 (20 MARKS)

- a) Explain any 5 clauses or sections that should be included in a good insurance policy? (10marks)
- b) Explain the relevance of micro insurance to the poor in today’s business world? (10marks)

QUESTION 6**(20 MARKS)**

- a) Explain the benefits of social security programs to the poor people in Uganda? (10 marks)
- b) Why have social security initiatives under the Uganda Government not yielded much success in the past? (10 marks)

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