

**SULIT**



**KEMENTERIAN PENDIDIKAN TINGGI  
JABATAN PENDIDIKAN POLITEKNIK DAN KOLEJ KOMUNITI**

**BAHAGIAN PEPERIKSAAN DAN PENILAIAN  
JABATAN PENDIDIKAN POLITEKNIK DAN KOLEJ KOMUNITI  
KEMENTERIAN PENDIDIKAN TINGGI**

**JABATAN PERDAGANGAN**

**PEPERIKSAAN AKHIR**

**SESI I : 2023/2024**

**DPP50083: PRINCIPLE OF RISK MANAGEMENT AND INSURANCE**

**TARIKH : 22 DISEMBER 2023**

**MASA : 8.30 AM – 10.30 AM (2 JAM)**

---

Kertas ini mengandungi **EMPAT (4)** halaman bercetak.

Struktur (4 soalan)

Dokumen sokongan yang disertakan : Tiada

---

**JANGAN BUKA KERTAS SOALAN INI SEHINGGA DIARAHKAN**

(CLO yang tertera hanya sebagai rujukan)

**SULIT**

**INSTRUCTION:**

This section consists of **FOUR (4)** structured questions. Answer **ALL** questions.

**QUESTION 1**

- CLO1 a) Identify **TWO (2)** types of hazards with an appropriate example that are available within the context of insurance. [5 marks]
- CLO1 b) Not all risks are insurable. There are certain requirements to be fulfilled before the risk can be insured. Elaborate **FIVE (5)** characteristics of insurable risk. [10 marks]
- CLO1 c) Benz Auto, a well-established firm in the automotive industry, has developed its risk management plan to deal with their business risks. Write **FOUR (4)** post-loss risk management objectives that Benz Auto should prioritize in their risk management approach. [10 marks]

**QUESTION 2**

CLO1

All insurance companies function by collectively bringing together the loss data from large number of exposure units. The more alike the risks being combined, the simpler it becomes for the insurer to forecast upcoming losses. For the insurance provider, predicting future losses means they can minimize their risks.

- a) Based on the above statement, answer the following questions:
- i) Examine applications of “law of large number” in insurance operations. [5 marks]
- ii) Apply the concept of “common pool”. [5 marks]

CLO2

b)

Barkoba owned a little bakery in downtown Springfield. He insured it with "YYY Insurance." Without his knowledge, his bank also insured the bakery with "Capital Insurance" due to a loan he took. One unfortunate evening, a fire broke out in the bakery due to an electrical fault, causing extensive damage. Barkoba filed a claim with YYY Insurance and received compensation for the damages as per her policy.

Meanwhile, the bank also filed a claim with Capital Insurance for the same incident and received compensation. After finding out about the double payment, YYY Insurance wants to claim some money back from Capital Insurance.

Based on the above case, determine suitable answer to the following questions:

i) Differentiate the principles of contribution and subrogation in the context of the insurance industry.

[10 marks]

ii) Determine the situation of this case by considering the principles of contribution and subrogation.

[5 marks]

### QUESTION 3

CLO2

a) Provide **FOUR (4)** types of marine insurance policies that are specifically designed to address unique challenges and requirements in maritime operations.

[10 marks]

CLO2

b)

Hijrah Airlines is a mid-sized airline that operates both passenger and cargo flights in Southeast Asia. As they look to expand operations and fleet, the company's risk management team seeks to ensure all potential risks are adequately covered. The risk management team is tasked with identifying the types of aviation insurance coverage they should consider. For Hijrah Airlines considering their operations and the associated risks, it is advisable to have comprehensive coverage which can mitigate financial risks associated with their operations and safeguard their assets, passengers, and reputation.

Based on the above scenario, determine **THREE (3)** types of aviation insurance coverage that could meet the interest of Hijrah Airlines.

[15 marks]

#### QUESTION 4

CLO1 a) Outline **FIVE (5)** export and import risks guide that could help international traders to ensure their business activities are well protected.

[5 marks]

CLO1 b) Write **FIVE (5)** elements of the foreign exchange risk that may exist in the import and export business situations.

[10 marks]

CLO1 c) Mr. Right received the certificate of his cargo insurance policy from the insurance agent. This document contains a summary of his insurance policy as well as details of the insured. As a policyholder, write **FIVE (5)** contents that should appear in this document.

[10 marks]

**SOALAN TAMAT**