

**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 II : 2022/2023**

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

**TARIKH : 13 JUN 2023**

**MASA : 8.30 PG – 10.30 PG (2 JAM)**

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Kertas ini mengandungi **LIMA (5)** halaman bercetak.

Esei (4 soalan)

Dokumen sokongan yang disertakan : Tiada

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**JANGAN BUKA KERTAS SOALAN INI SEHINGGA DIARAHKAN**

(CLO yang tertera hanya sebagai rujukan)

**SULIT**

**INSTRUCTION:**

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

**QUESTION 1**

- |      |   |
|------|---|
| CLO1 | (a) Pretend you are the risk management officer at a convenience store. Your manager has requested you to prepare a report on the morale hazard. Define moral hazard with suitable examples.<br><br><div style="text-align: right;">[5 marks]</div>   |
| CLO1 | (b) Parkson is a largest sales-diversified company in Malaysia. In order for Parkson to sell their product, they must manage risk effectively. Explain <b>FIVE (5)</b> objectives of post-loss risk management to Parkson.<br><br><div style="text-align: right;">[10 marks]</div>  |
| CLO1 | (c) Famoza Boutique is the largest clothing brand company in both the domestic and international markets. This company is excited about expanding their operations. They will, however, face a number of risks. Assume you are a risk advisor. Apply <b>FIVE (5)</b> steps in this company's risk management process.<br><br><div style="text-align: right;">[10 marks]</div> |

**QUESTION 2**

Insurance, a system under which the insurer, for a consideration usually agreed upon in advance, promises to reimburse the insured or to render services to the insured in the event that certain accidental occurrences result in losses during a given period and also uses a common pool concept.

- CLO1 (a) Based on the article above, write **THREE (3)** concepts of the common pool mechanism.

[10 marks]

- CLO2 (b) Insurance contracts are not only subject to the general principles of the law of contract but also certain special legal principles that are embodied in the insurance contract. Describe the following principles of insurance:

i. Indemnity

[5 marks]

ii. Subrogation

[5 marks]

iii. Contribution

[5 marks]

**QUESTION 3**

- CLO2 (a) There are many provisions that are available in all life insurance contracts. Complete the blanks in the table below with the correct explanation for the provisions.

Provisions	Explanation
Reinstatement	
Assignment	
Suicide	
Automatic premium loan	
Incontestability	

[10 marks]

- CLO2 (b) Great Eastern Assurance is the largest insurance company in the world and was established in 1919. This company has provide two types of insurance which are general and life insurance. Differentiate **FIVE (5)** characteristics of general and life insurance with a suitable example.

[15 marks]

**QUESTION 4**

- CLO1 (a) Explain **ANY TWO (2)** possible risks that are faced by exporter and importer.  
[5 marks]
- CLO1 (b) VERTEX is a shipping company that recently faces many risks that will be impact their product commodities. Examine **FOUR (4)** international trade risks that are closely related to the VERTEX situation.  
[10 marks]
- CLO1 (c) Nestle Corporation is a global corporation that transports food and beverages to other countries and requires insurance to protect its product delivery in international trade. In an international trade related to export business, Write any **FOUR (4)** types of international trade insurance.  
[10 marks]

**END OF QUESTIONS**