

DIPLOMA IN INSURANCE

Unit Name: Legal Aspects of Insurance

Unit Code: DIP 103

SAMPLE QUESTION

Mary bought an electric coffee maker from XYZ Electronics. The coffee maker turned out to be defective and caused a fire while being used by Mary's daughter, Jane. The fire resulted in damage to Mary's household property and also caused severe burns to Jane's left hand.

- a) Explain the ground in law that Mary should pursue for damage to her property and Jane for injuries sustained as a result of the burns to her hand. (8 Marks)

- b) XYZ Electronics is willing to settle claims by Mary and Jane amicably. Discuss six mechanisms that are available to them. (12 Marks)