



NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF LAW, DEPARTMENT OF COMMERCIAL LAW
Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi – Abuja

2021_2 EXAMINATION

COURSE CODE: CLL432

COURSE TITLE Law of Banking and Insurance II

CREDIT UNITS: 4

- INSTRUCTIONS:**
- (a) Indicate your Matriculation Number clearly
 - (b) Attempt Question one (1) and any other three (3) questions
 - (c) Question one (1) is compulsory and carries 25 marks; while the other questions carry 15 marks each.
 - (d) Using appropriate statutory and judicial authorities, present all your points in a straightforward, coherent and orderly manner.

TIME ALLOWED: 2.5 Hours

QUESTION 1:

Comrade Mailemo hailed from Agangu community, Gudu District, Abuja, Nigeria. He is a super philanthropist and the bread winner of his family. 90% of his family members rely solely on him for feeding, school fees, medical allowance and so on. So, he decided to create a medium of providing for his dependants in case of premature death which is a necessary end for all mortals. Therefore, he entered a life insurance contract with WAHALA INSURANCE COMPANY LIMITED whereby the company agreed to pay specified sum of money to his people in the event of his death. However, Comrade Mailemo later took his own life by committing suicide. Now his legal representatives are claiming to benefit from the insurance policy. Can their claim succeed in law? Support your answer with statutory and judicial authorities. **25marks**

QUESTION 2:

- (a) What do you understand by assignment of insurance policy? **5marks**
- (b) With the aid of statutory authority identify and explain the two forms of assignment. **10marks.**

QUESTION 3:

- (a) Discuss insurable interest within the context of marine insurance. **5marks**
- (b) Explain the concepts of **voyage** and **floating policies** under marine insurance. **10marks**

QUESTION 4:

- (a) Define the term “Subrogation.” **7marks**
- (b) How does the insurer’s right of subrogation apply? **8marks**

QUESTION 5:

An insured claiming for loss under an insurance policy must establish or prove certain points before he/she can succeed in court. What are those points? **15marks**

QUESTIONS 6:

Write short notes on the following.

- (a) Facultative Reinsurance. **5marks**
- (b) Treaty Reinsurance. **5marks**
- (c) Reinsurance contract. **5marks**