



Kasarani Campus
Off Thika Road
Tel. 2042692 / 3
P. O. Box 49274, 00100
NAIROBI
Westlands Campus
Pamstech House
Woodvale Grove
Tel. 4442212
Fax: 4444175

KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2022/2023 ACADEMIC YEAR
FOR THE FOR THE DIPLOMA OF BANKING AND FINANCE
DBF 1102: BRANCH BANKING

Date: 11th April, 2022
Time: 11.30 am – 1.30am

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) Branch banking is one of the banking systems found in Kenya. Describe six disadvantages of branch banking. (6 Marks)
- b) List three features of retail banking as practiced in Kenya. (6 Marks)
- c) The Kenya Deposit Insurance Corporation is responsible for instilling confidence in depositors. Identify any three functions it performs. (6 Marks)
- d) The Central Bank of Kenya is at the heart of the financial sector. Outline six roles played by the CBK. (6 Marks)
- e) Holders are required to submit a report on the financial assets under their management. Highlight six examples of unclaimed financial assets as well as the period required to declare them as such. (6 Marks)

QUESTION TWO (20 MARKS)

- a) Banking panics have recently become a concern for many banks as witnessed by the recent occurrences in Kenyan banks. Institutions and governments globally have come together to institute economic measures to control this problem. Discuss any four of these measures. (8 Marks)
- b) With help of examples, evaluate the common approaches used in coming up with banking regulation systems. (6 Marks)
- c) Regulation for commercial banks is important due to the nature of their activities. Explain the objectives of regulation in the banking sector. (6 Marks)

QUESTION THREE (20 MARKS)

- a) The Comptroller of the Currency is a key player in the Kenyan banking system. Examine five functions it serves. (10 Marks)
- b) One of the requirements necessary for the effective and efficient performance of banks is proper supervision. Assess the factors that influence the success of a banking framework. (10 Marks)

QUESTION FOUR (20 MARKS)

- a) Analyze the functions played by the Bankers' Association as stakeholders in the financial sector. (10 Marks)
- b) Commercial banks exist in many different forms depending on the traits they convey. Other than branch banking, discuss other systems of banking found in Kenya. (10 Marks)

QUESTION FIVE (20 MARKS)

- a) Commercial banks offer a wide range of services that can be categorised as wholesale or retail. Using appropriate examples, explain five differences between retail banking and wholesale banking. (10 Marks)
- b) The Unclaimed Financial Assets Authority is responsible for the management of unclaimed assets in Kenya. Discuss the conditions that would result in an asset being declared as unclaimed according to the UFAA Act. (10 Marks)