



**NOVEMBER 2021 EXAMINATION SESSION
THURSDAY 25th NOVEMBER 2021 – MORNING**

MARINE INSURANCE

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Answer **BOTH** parts of the question.

- a) Define a General Average (GA) act and state the essential features which must exist to constitute GA.
- b) A marine hull policy provides that a risk of fire is an insured peril. A fire breaks out on board a vessel, and after investigations the insurer comes to know that the assured deliberately set the vessel on fire. Will the assured be successful in their insurance claim for total loss?

2. Answer **BOTH** parts of the question.

- a) What is the doctrine of 'proximate cause,'? Discuss with suitable case law reference.
- b) What is the 'duty of fair presentation,' and why was it introduced in 2015 under the Insurance Act? Discuss with suitable case law reference.

3. Answer **BOTH** parts of the question.

Using suitable case law reference

- a) What is insurable interest?
- b) What is the doctrine of subrogation

PLEASE TURN OVER

4. A vessel is badly damaged by fire (an insured peril), and the assured, the shipowner, estimates that the cost of repairs will exceed the value of the ship when the repairs have been completed. Discuss, i) the options available to the shipowner, ii) the procedure to be followed to claim under the policy, and iii) the position of the underwriters.
5. With suitable case laws, discuss the legal liabilities which may devolve upon a shipowner where their ship is held entirely responsible for a collision with another ship, and explain to what extent these liabilities are recoverable under a policy subject to Institute Time Clauses – Hulls 1/11/95.
6. Under what circumstances may a 'sue and labour' expense be justified, and how is it different from general averages and a salvage claim?
7. Answer **BOTH** parts of the question.
 - a) What is a floating Policy under S.29 of the Marine Insurance Act 1906?
 - b) What is an Open Cover under the Marine Insurance Act 1906?
8. Explain the purpose and function of a Shipowners' Protection & Indemnity Club, and how it benefits the shipowners.