



THURSDAY 28th NOVEMBER 2019 - AFTERNOON

MARINE INSURANCE

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. What is the duty of 'fair presentation' introduced under the Insurance Act 2015, and how has it modified the duty of 'good faith' which underpins a marine insurance contract?
2. Discuss the difference between the concepts of 'total loss' and 'constructive total loss' in relation to both the hull and the cargo policies.
3. Explain the purpose and function of a Shipowners' Protection & Indemnity Club, and how it benefits the shipowners.
4. Answer **BOTH** parts of the question.

Explain the use of:

- a) floating Policy under S.29 of the Marine Insurance Act 1906
- b) an Open Cover under the Marine Insurance Act 1906.

Use suitable examples to support your answer.

5. Answer **BOTH** parts of the question with relevant examples.
 - a) What is meant by 'assignment of policy' and the rights of an assignee under the assigned policy.
 - b) What are 'perils of the sea' as per the Marine Insurance Act 1906?

PLEASE TURN OVER

6. Analyse the doctrine of 'proximate cause' in marine insurance practice with relevant case laws.

7. The doctrine of subrogation is statutorily recognised by the Marine Insurance Act 1906, and it is common practice for insurers to include subrogation provisions in a policy.
Explain the rights of a subrogated insurer. Use examples to support your answer.

8. The Insurance Act 2015 introduced changes to the MI Act 1906 and modified the position that a breach of warranty would entitle the insurer to avoid all claims under the policy from the date of breach.

Explain the change introduced in the Insurance Act 2015. In your opinion has this eliminated the significant effects of breaching a Warranty or, made it more complicated for the market?