



**NOVEMBER 2025 EXAMINATION SESSION  
WEDNESDAY 19TH NOVEMBER 2025 – AFTERNOON**

## **MARINE INSURANCE**

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Under UK Marine Insurance Law, warranties play a crucial role in defining the obligations of the insured. The Marine Insurance Act 1906 provided a rigid approach towards warranties, whereas the Insurance Act 2015 introduced reforms to create a more balanced framework. Critically analyse the concept of warranties and the legal consequences of their breach under the Marine Insurance Act 1906 and the Insurance Act 2015. Discuss the impact of these changes on both insurers and insured parties and evaluate whether the reforms have struck the right balance between contractual certainty and fairness. Support your answer with relevant case law reference.
2. An insured cargo of electronics is stolen during unloading at a port. The insurance policy includes a 'warehouse-to-warehouse' clause. Critically analyse the insurer's liability under this policy. Support your answer with relevant case law reference.
3. A fire broke out on board a vessel carrying general cargo. Efforts were made to put out the fire, resulting in a third of the cargo being jettisoned at sea. The vessel called into the nearest port to undergo emergency repairs, deviating from her contractual course. She arrived at the discharge port after a delay of two weeks. The shipowner claims that they have incurred a significant cost to put out the fire, and for carrying out emergency repairs. The shipowner intends putting in a claim under General Average (GA) and/or Sue and Labour. The cargo owners need to know if they would have to make any contribution under GA. Critically discuss the possible claims arising under particular average and GA under the circumstances with suitable case law reference.

**PLEASE TURN OVER.**

4. A The vessel OCEAN collided with a barge while leaving the port after discharging its cargo. The collision resulted in leaving a big hole in its hull. Initial investigations revealed that the 18-year-old ship had sustained extensive damages to its hull. Further assessments have raised doubts about the viability of using her as a sea going vessel. Also, the collision had severely damaged the barge. The shipowner (of the single-ship company) is of the view that the cost of repair together with settling the claims of the barge owners could far outweigh any gains made from repairing the vessel. The shipowner is facing a huge bill.

The shipowner would like to know if they would be justified in issuing a notice of abandonment under the Marine Insurance Act 1906, and if yes, what procedures are to be followed. Critically discuss with suitable case law reference.

5. What is the doctrine of subrogation and what are the rights of a subrogated insurer? Discuss using suitable case law reference.
6. Answer **BOTH** parts of the question.

The responsibilities and liabilities of the assured and insurer are clearly set out in the Marine Insurance Act 1906, and the Insurance Act 2015. With suitable case law examples, discuss BOTH of the following:

- a) Insurable Interest
- b) Duty of fair presentation

7. Answer **BOTH** parts with reference to suitable case law reference:
  - a) Describe 'perils of the sea' as per the Marine Insurance Act 1906.
  - b) Discuss insurable interest and what it entails, covering in detail every aspect of the application of this principle in relation to marine insurance.
8. Cruise liner 'C' which provided luxury cruises, was insured with 'M' Insurance. The terms of the cover warranted that
  - a) 'the cruise liner is classed and the existing class maintained'
  - b) 'the cruise liner shall at all-times be seaworthy and licensed to carry passengers.'

'C' collided with a container carrier, prompting the owners to claim under the marine insurance cover for the damage sustained. However, at the time of the accident, the cruise liner was not classed.

'M' Insurance is contemplating the rejection of the claim on the grounds that the class warranty has been breached, besides exploring other legal issues that may arise under the circumstances. Advise 'M' insurance as to their rights to reject the claim both under the Marine Insurance Act 1906 and the Insurance Act 2015, with reference to suitable case law.