

## Module Handbook Marine Insurance

Scheme & Programme:	M.Sc. Shipping Management		
Module Title:	Marine Insurance		
Module Code:			
Module Start Date/ Cohort:	2021-22		
Module Level:	Level 7	Credit Raking	[5 ECTS credits]
Total Study Time:	24 hours academic directed time 3 academic hours lecture per week for 8 weeks	Hours of independent learning and time for assessment	125 hours of teaching and independent learning and time for assessment
Module Leader & Lecturer:	Mr. Stavros A. Sfyris		
E-mail:	<a href="mailto:s.sfyris@unipi.gr">s.sfyris@unipi.gr</a>		
Room:			
Office Hours:	Please email me for any queries or see me in sessions.		
Seminar Tutor(s):			
Programme Director:	Professor Angelos Pantouvakis		
Administrator contact:	Mrs. Maria Varoucha, 2104142504		
Administrator e- mail:	<a href="mailto:nafadmin@unipi.gr">nafadmin@unipi.gr</a>		
Lecture Day & Time:	Weekdays 18.15-21.00		
Seminar Day & Time:			

## **1. Welcome Note:**

Welcome to the Marine Insurance course of M.Sc. Shipping Management Program, University of Piraeus. This module helps students learn and understand the fascinating world of marine insurance.

## **2. Module aims:**

The module intends to:

- provide a systematic understanding of main principles and doctrines applying in marine insurance;
- analyse the Hull, Cargo and Liability terms of cover and deal with particular problems of interpretation to which these terms have given rise in their everyday application;
- explain marine, war & strike and liability risks;
- analyse marine losses, distinguish between particular and general average and particular charges and assess related measure of indemnity;
- provide the tools to deal in a satisfactory manner with practical issues related to marine insurance.

## **3. Learning Outcomes—what you will gain from taking the module:**

By the end of this module, students should be able to:

- a. critically use doctrines, concepts and contractual terms related with marine insurance;
- b. analyse and interpret marine insurance contractual terms of cover and understand the various perils insured and excluded;
- c. determine whether there is an indemnifiable claim, understand the principles applied for its quantification and assess the steps to be followed for its payment; and
- d. evaluate and confront particular problems arising in practice.

## **4. Indicative Module Content:**

The module contents are divided in three parts: the first part provides an overview of the basic principles of marine insurance contracts, identifies the parties to such contracts, discusses the way that they are concluded and the role of brokers and analyses related fundamental doctrines and concepts; the second part provides an analysis of the way marine insurance contracts operate and discusses topics related to the classification of such contracts and of their contractual terms, the causes of marine losses and the insured and excluded perils; the third part explains the nature of marine losses, distinguishes between total and partial losses, as well as particular and general average losses and particular charges, considers issues related to the measure of indemnity and payment of claims and discusses subrogation and contribution.

## **5. How the Module is taught, attendance and the teaching schedule:**

The module will utilize flexible, responsive and interactive learning environments using a combination among lectures, seminars, workshops and independent self-assessment tasks, to encourage students' ability to think critically and creatively. Thus, critical thinking will be achieved through analysis of case studies and real marine insurance scenarios.

## a. Weekly Schedule of Lectures

Time	Topic
<p><b>Week 1</b></p>	<p><b>Introduction to Marine Insurance</b></p> <ol style="list-style-type: none"> <li>1. Risk and insurance: the concept of risk, the 'transfer' of risk, reinsurance;</li> <li>2. Aspects of marine insurance: the nature of marine insurance, the Marine Insurance Act 1906, the Insurance Act 2015, the 'Institute Clauses', the role of case law;</li> <li>3. The marine insurance market: insurance and reinsurance companies, Lloyd's of London, mutual insurance associations (P+I Clubs), agents and brokers.</li> </ol> <p>Reading material:</p> <ul style="list-style-type: none"> <li>• BENNETT H., <i>The Law of Marine Insurance</i>, 2<sup>nd</sup> ed., Oxford University Press (2006), chs. 1, 5.</li> <li>• GILMAN J., <i>Arnould's Law of Marine Insurance and Average</i>, 18<sup>th</sup> ed., Sweet &amp; Maxwell (2013), chs. 1, 4, 7 &amp; 10.</li> <li>• MERKIN R., <i>Marine Insurance Legislation</i>, 5<sup>th</sup> ed., LLP (2013), Notes on Marine Insurance Act 1906 ss. 1-3, 19 &amp; 53.</li> <li>• ROSE F. D., <i>Marine Insurance: Law and Practice</i>, 2<sup>nd</sup> ed., Informa (2012), chs. 1, 2, 4, 7-8</li> </ul>
<p><b>Week 2</b></p>	<p><b>Marine Insurance Contract: Formation, Classification and Terms</b></p> <ol style="list-style-type: none"> <li>1. The formation of the marine insurance contract: the 'Slip' procedure, leading underwriter agreements, embodiment into policy, the premium;</li> <li>2. Classifications of marine insurance contracts: voyage, time and mixed contracts; valued and unvalued contracts; fixed and 'declaration' contracts; composite and joint contracts; attachment, duration and termination of cover;</li> <li>3. Terms of marine insurance contracts: construction/interpretation of terms; warranties; conditions; conditions precedent; other types of terms.</li> </ol> <p>Reading material:</p> <ul style="list-style-type: none"> <li>• BENNETT H., <i>The Law of Marine Insurance</i>, 2<sup>nd</sup> ed., Oxford University Press (2006), chs. 2, 6, 9, 18-19.</li> <li>• GILMAN J., <i>Arnould's Law of Marine Insurance and Average</i>, 18<sup>th</sup> ed., Sweet &amp; Maxwell (2013), chs. 1-3, 6, 9, 11-14, 19-21.</li> <li>• MERKIN R., <i>Marine Insurance Legislation</i>, 3<sup>rd</sup> ed., LLP (2005), Notes on Marine Insurance Act 1906 ss. 2, 16, 21-54, 81-84, 88-89.</li> <li>• ROSE F. D., <i>Marine Insurance: Law and Practice</i>, 2<sup>nd</sup> ed., Informa Law (2012), chs. 1, 2, 4, 6-9.</li> </ul>
<p><b>Week 3</b></p>	<p><b>Main Principles and Doctrines applying in Marine Insurance</b></p> <ol style="list-style-type: none"> <li>1. Insurable interest and gambling policies: the nature of an insurable interest, gambling policies, the requirement of an insurable interest;</li> <li>2. Good faith and the duty of fair presentation of the risk: the nature of the duty of utmost good faith, duration of the duty of utmost good faith, the assured's pre- contractual duty (the duty of fair presentation of the risk), the assured's post- contractual duty, fraudulent claims, the insurer's duty, remedies;</li> <li>3. The rule of proximate cause: the meaning of proximate cause, multiple proximate causes, modification by contract, proof of cause of loss.</li> </ol> <p>Reading material:</p> <ul style="list-style-type: none"> <li>• BENNETT H., <i>The Law of Marine Insurance</i>, 2<sup>nd</sup> ed., Oxford University Press (2006), chs. 3, 4, 9, 15, 22.</li> <li>• GILMAN J., <i>Arnould's Law of Marine Insurance and Average</i>, 18<sup>th</sup> ed., Sweet &amp; Maxwell (2013), chs. 8, 11, 12, 15-18, 21.</li> <li>• MERKIN R., <i>Marine Insurance Legislation</i>, 3<sup>rd</sup> ed., LLP (2005), Notes on Marine Insurance Act 1906 ss. 4-16, 17-21, 55.</li> <li>• ROSE F. D., <i>Marine Insurance: Law and Practice</i>, 2<sup>nd</sup> ed., Informa Law (2012), chs. 3, 5, 18-19.</li> </ul>

<p><b>Week 4</b></p>	<p><b>Insured and Excluded Perils</b></p> <ol style="list-style-type: none"> <li>1. Marine perils: ‘strict’ liability perils, ‘due diligence’ perils;</li> <li>2. War &amp; strike perils: perils of war, uprising and hostility, perils of deprivation and inhibition in use, derelict weapons, perils of industrial disturbance or civil arrest, terrorism and associated perils, mutual insurance war perils cover;</li> <li>3. Third party liability perils: collision and contact liability, liability in respect of people, liability in respect of cargo and property on board, other liabilities and ‘traditional P+I perils’;</li> <li>4. Excluded perils: the exclusions of section 55(2) of the Marine Insurance Act 1906, contractual exclusions.</li> </ol> <p>Reading material:</p> <ul style="list-style-type: none"> <li>• BENNETT H., <i>The Law of Marine Insurance</i>, 2<sup>nd</sup> ed., Oxford University Press (2006), chs. 10 – 16.</li> <li>• GILMAN J., <i>Arnould’s Law of Marine Insurance and Average</i>, 18<sup>th</sup> ed., Sweet &amp; Maxwell (2013), chs. 22, 23</li> <li>• MERKIN R., <i>Marine Insurance Legislation</i>, 3<sup>rd</sup> ed., LLP (2005), Notes on Marine Insurance Act 1906 s. 55.</li> <li>• ROSE F. D., <i>Marine Insurance: Law and Practice</i>, 2<sup>nd</sup> ed., Informa Law (2012), chs. 13 – 17.</li> </ul>
<p><b>Week 5</b></p>	<p><b>Losses, Indemnity &amp; Subrogation</b></p> <ol style="list-style-type: none"> <li>1. Losses: the nature of loss, actual total loss, constructive total loss, partial loss, abandonment and notice, occurrence notification obligations;</li> <li>2. Indemnity: the principle of indemnity, agreed and insurable values, total losses, partial losses, successive losses, reductions to recovery, payment of indemnity;</li> <li>3. Subrogation: the requirement of payment, the categories of subrogation rights, subrogation and assignment of rights.</li> </ol> <p>Reading material:</p> <ul style="list-style-type: none"> <li>• BENNETT H., <i>The Law of Marine Insurance</i>, 2<sup>nd</sup> ed., Oxford University Press (2006), chapters 21, 22-23, 25.</li> <li>• GILMAN J., <i>Arnould’s Law of Marine Insurance and Average</i>, 18<sup>th</sup> ed., Sweet &amp; Maxwell (2013), chapters 27-31</li> <li>• MERKIN R., <i>Marine Insurance Legislation</i>, 3<sup>rd</sup> ed., LLP (2005), Notes on Marine Insurance Act 1906 ss. 16, 27-28, 50, 56-58, 60-64, 67, 69, 70-71, 75, 77, 79</li> <li>• ROSE F. D., <i>Marine Insurance: Law and Practice</i>, 2<sup>nd</sup> ed., Informa Law (2012), chapters 21-27.</li> </ul>
<p><b>Week 6</b></p>	<p><b>Adverting or Minimizing Losses</b></p> <ol style="list-style-type: none"> <li>1. General Average: definition and essential features, adjustment of contribution, shipowners’ lien and security, liability of insurers;</li> <li>2. Salvage: definition and salvors’ remuneration, salvage agreements and the SCOPIC clause, liability of insurers;</li> <li>3. Suing and labouring: the sue and labour clause, the assured’s entitlement in the absence of a sue and labour clause, the assured’s duty to mitigate the loss.</li> </ol> <p>Reading material:</p> <ul style="list-style-type: none"> <li>• BENNETT H., <i>The Law of Marine Insurance</i>, 2<sup>nd</sup> ed., Oxford University Press (2006), ch. 24.</li> <li>• GILMAN J., <i>Arnould’s Law of Marine Insurance and Average</i>, 18<sup>th</sup> ed., Sweet &amp; Maxwell (2013), chs. 25-26.</li> <li>• MERKIN R., <i>Marine Insurance Legislation</i>, 3<sup>rd</sup> ed., LLP (2005), Notes on Marine Insurance Act 1906 ss. 55, 64-66, 78.</li> <li>• ROSE F. D., <i>Marine Insurance: Law and Practice</i>, 2<sup>nd</sup> ed., Informa Law (2012), chs. 16, 20</li> </ul>
<p><b>Week 7</b></p>	<p><b>P&amp;I CLUB</b></p>

<b>Week 8</b>	<b>P&amp;I CLUB</b>
<b>Week 9</b>	<b>P&amp;I CLUB</b>

## 6. Assessment

The module will be assessed on the basis of one (1) written examination (100%)

<b>Assessment Title and Brief Description</b>	<b>Word count/ Hours where applicable</b>	<b>Weight</b>	<b>Submission deadline</b>	<b>Submission method</b>	<b>Feedback date</b>	<b>How feedback is provided</b>
Written Exam	2 ½ hrs	100%	TBA	Hand-in	TBA	Solution provided on e-college

Note: In the extraordinary case of any changes to the assessment schedule will be communicated by e-mail and/ or announcement on the module's E-College pages.

<b>Assessment criteria</b>	<b>Weight</b>
Knowledge: understanding of the topic and analysis of related literature	40%
Critical Evaluation: analysis, evaluation, and development of relevant arguments	50%
Overall presentation along with spelling, grammar, syntax and referencing (if required)	10%

Note: Grades will be based on the content of the hand in submission assuming that all the milestones above have been met.

## 7. Recommended further reading

### Books/Papers/Articles

- DUNT J., *International Cargo Insurance*, Informa law (2012)
- HAZELWOOD S. J., SEMARK D., *P. & I. Clubs Law and Practice*, 4<sup>th</sup> ed., Informa Law (2010)
- MACDONALD EGGERS P. & SIR. PICKEN S., *Good Faith and Insurance Contracts*, 4<sup>th</sup> ed., Informa Law (2018)
- MALCOLM C. & SOYER B., *Insurance Act 2015: A new regime for commercial and marine insurance law*, 1<sup>st</sup> ed., Informa Law (2016)
- RHIDIAN T., *Marine Insurance: The Law in Transition*, Informa Law (2006)
- RT. HON. LORD JUSTICE MANCE, GOLDREIN I. & MERKIN R., *Insurance Disputes*, 3<sup>rd</sup> ed., Informa Law (2013)
- TODD P., *Maritime Fraud and Piracy*, 2<sup>nd</sup> ed., Informa Law (2010)
- WRIGHT H. (in association with Clyde & Co, Cooley LLP and Ince & Co), *The Insurance Act 2015: A practical guide to changes in UK Insurance Law*, chapters VI-VII, October 2016
- UK LAW COMMISSION, *Insurance Contract Law: Business Disclosure; Warranties; Insurers' Remedies for Fraudulent Claims; and Late payment*, Paper No 353, July 2014

### Websites

- British and Irish Legal Information Institute: [www.bailii.org](http://www.bailii.org)
- International Underwriting Association of London: [www.iua.co.uk](http://www.iua.co.uk)
- International Group of Associations: [www.igpandi.org](http://www.igpandi.org)

- English & Scottish Law Commission: [www.lawcom.gov.uk](http://www.lawcom.gov.uk)
- United Kingdom Legislation: [www.legislation.gov.uk](http://www.legislation.gov.uk)
- Lloyd's Market Association: [www.lmalloyds.com](http://www.lmalloyds.com)
- London Market Group: [www.londonmarketgroup.co.uk](http://www.londonmarketgroup.co.uk)
- International Union of Marine Insurance: [www.iumi.com](http://www.iumi.com)