



## **ASSOCIATE EXAMINATIONS**

### **SUMMARY OF TOPICS**

#### **PAPER 1 (2 ½ hours) Marine Insurance Act 1906 and related principles**

##### **1) MIA Sections**

Candidates will be expected to demonstrate a knowledge and understanding of the main sections of the Act that are set out below. Candidates are not expected to reproduce the wording of the Act verbatim but should be familiar with the key words and phrases used in the Act, and be aware of their practical implications.

##### Concept of indemnity

- Marine insurance defined, MIA 1

##### Risks covered

- Mixed sea and land risks, MIA 2

##### Insurable interest

- Who may have an insurable interest, MIA 5 (2)
- When interest must attach or can be acquired, MIA 6 (1) (2)

### Disclosure and representations

- Concept of good faith, MIA 17
- Duty of disclosure, MIA 18
- Disclosure by agent, MIA 19
- Representations while negotiating contract, MIA 20

### Valued policy

- Effect of fixed value, MIA 27 (3)

### Warranties

- Nature of a warranty, MIA 33(1) and (2)
- Effect of breach of warranty, MIA 33 (3)
- When breach is excused, MIA 34
- Warranty of seaworthiness in a voyage policy, MIA 39 (1)
- Time policies, MIA 39 (5)
- Warranty of legality, MIA 41

### Assignment

- When can a policy be assigned, MIA 50(1)
- Effect of assignment, MIA 50(2)

### Loss and abandonment

- Meaning and effect of the term proximate cause, MIA 55 (1)
- Excluded losses, MIA 55 (2)

### Actual Total Loss

- Definition and notice of abandonment, MIA 57

### Constructive Total Loss

- Definition, MIA 60 (1)
- Examples of CTL relating to ship and cargo, MIA 60 (2)

### Effect of constructive total loss

- Option to claim, MIA 61

### Notice of abandonment

- Requirement to give notice, MIA 62 (1)
- When it must be given, MIA 62 (3)
- Refusal of notice, MIA 62 (4)
- When notice not required, MIA 62 (7,8,9)
- Effect of “writ clause”

### Effect of abandonment

- Insurers entitlement, MIA 63 (1)

### Particular Average loss

- Definition, MIA 64(1)

### General Average

- Definition, MIA 66 (2)
- Policy liability, MIA 66 (4)
- Common ownership, MIA 66(7)

### Partial loss of ship

- Reasonable cost of repairs, MIA (69)
- Unrepaired damage, MIA 69 (2,3)

### Partial loss of cargo

- Total loss of part, MIA 71 (1, 2)
- Partial loss at destination, MIA 71 (3)

### General Average and salvage

- Under-insurance ,MIA 73

### Successive losses

- Liability for successive losses, MIA 77

## Sue and labour

- Supplementary clause, MIA 78 (1)
- General Average and Salvage distinguished, MIA 78 (2)
- Duty of Assured, MIA 78 (4)

## Subrogation

- Nature of insurers' rights (total loss), MIA 79 (1)
- Partial loss, MIA 79 (2)

## **2) First schedule of MIA**

Candidates will be expected to demonstrate a knowledge of the Rules of Construction regarding:-

- Perils of the seas (7)
- Pirates (8)
- Thieves (9)
- Arrests (10)
- Barratry (11)

## **3) Law Cases**

Candidates may be asked to outline briefly the facts and decision in any of the following cases which help to illustrate some of the matters dealt with in the MIA.

- Quebec Marine Insurance v Commercial Maritime (1870)
- Dudgeon v Pembroke (1877)
- Hamilton v Pandorf (1887)
- Reischer v Borwick (1894)
- Thomas v Tyne & Wear (1917)
- The "Ikaria" (1918)
- British and Foreign v Gaunt (1921)
- Samuel & Co. Ltd v Dumas (1923)
- Wadsworth Lighterage v Sea Insurance (1929)
- Berk v Style (1955)
- Yorkshire Insurance Co. v Nisbet (1961)
- The "Popi M" (1985)
- "The Miss Jay Jay" (1987)