



ICM

MARCH 2017

MARINE INSURANCE

Instructions to candidates:

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
 - b) Answer any FIVE questions
 - c) All questions carry equal marks. Marks for each question are shown in []
1. Discuss the difference between actual and constructive total loss and give ONE example of EACH for both **cargo** and **hull insurance**. [20]
 2. Define and explain, with examples:
 - a) Particular Average
 - b) General Average Sacrifice
 - c) General Average Expenditure
 - d) Indemnity [5 each]
 3. Describe the difference between a Lloyd's Underwriting Agent and a Lloyd's Agent. [20]
 4. Outline the purpose and provisions of the Marine Insurance (Gambling Policies) Act 1909. [20]
 5. Define and give an example of the following and state when it may be used:
 - a) Implied Warranty
 - b) Lay Up Returns
 - c) Lloyd's Agent
 - d) Lloyd's Open Form [5 each]
 6. Explain the application of the Change of Voyage Clause within the Institute Cargo Clauses 1/1/82. [20]
 7.
 - a) In marine insurance, how is the measure of indemnity affected by underinsurance? [10]
 - b) Give an example of how this may operate in practice. [10]
 8. What are '**navigational limits**' and how might a change in them affect the insurance premium paid to insure the ship? [20]