



General comment

This year once again a good attempt was made by most students. There were some students who scored 70% or above, this is very good and is positive. Those who scored 70% and above demonstrated a clear understanding of the topic taken up for discussion. Question 5 was the most popular one this year, with 40 students choosing to answer, followed by questions 7 and 8 with 38 opting to answer. The least popular question 4 with only 8 choosing to answer, followed by question 6 with 12 choosing to answer.

Question One

Question on warranties: Here, the candidates were expected to be familiar warranties in a marine insurance contract and the 'technical defence' it offers. They were to carry out a detailed discussion on warranties under a marine insurance contract, and how it is a condition precedent and promissory in nature. Students were expected to discuss this technical defence that the insurers have in their arsenal while defending any claims, and the consequences of breach of warranty. The performance of the candidates on this question could be summarised as being very satisfactory.

Question Two

Candidates were expected to be familiar with:

- a) perils of the sea
- b) the measure of indemnity for damage to an insured vessel under the MI Act 1906.

They were expected to carry out a detailed discussion of both part a) and b) of the question. Thus, candidates were expected to be fully acquainted with the perils of the sea and demonstrate a good understanding of how the measure of indemnity is calculated with differing levels of damage. The performance of the candidates on this question could be summarised as being above average.

Question Three

Candidates were expected to be familiar with the origins and the important role played by them in the shipping industry. They were to carry out a detailed discussion on the purpose and function of the shipowner's P&I clubs in the shipping industry, and were also to discuss how P&I clubs benefit the shipowners (club letters etc.) and how it is governed by the Marine Insurance Act 1906. The performance of the candidates chose to answer the question was fair, this question turned out to be the third most popular question.

Question Four

Here, the candidates were expected to be familiar with time and voyage policies in marine insurance practice. They were to carry out a detailed discussion on the use of time and voyage policies in shipping



practice, and how it is usual to look upon time policies as being hull and/or shipowner's risks, and voyage policies as cargo risks, although a vessel may be insured on a voyage basis.

Question Five

The candidates were expected to be familiar with the principle of insurable interest under the MI Act and subrogation under a marine insurance contract. They were to carry out a detailed discussion on 'insurable interest' and what it entails under the MI Act 1906, and when and how the insurer steps into the shoes of the insured under the principle of subrogation. The performance of the candidates on this question could be summarised as being good.

Question Six

The candidates were expected to be familiar with relevant provisions of the MI Act dealing with loss caused by a 'proximate cause' in determining claims arising under a marine insurance policy under S.55(1) of the MI Act 1906, to include a discussion on the common law principles of proximate cause while determining the actual cause of the loss arising under a marine insurance policy. The performance of the candidates on this question could be summarised as being average.

Question Seven

The candidates were expected to be familiar with the duty of utmost good faith (*uberrimae fidei*) under a marine insurance contract. They were to carry out a detailed discussion on the legal principles behind the duty of utmost good faith (*uberrimae fidei*) in a marine insurance contract, its uniqueness to insurance contracts, and how it affects the performance of the contract. The answer presented was also to include discussions on the obligations that it imposes upon the prospective assured and the broker, and its importance to the insurer. The performance of the candidates on this question could be summarised as being good. With 38 candidates attempting to answer, this was the second most popular question.



Question Eight

Here, the candidates were expected to be familiar with the legal doctrine of 'abandonment' in shipping/marine insurance practice and the relevant provisions of the Marine Insurance Act 1906. The candidates were to carry out a detailed discussion on 'abandonment' of a ship by the shipowner, and the consequence that flow from the same. The answer was to include a clear discussion on when a shipowner may give a notice of 'abandonment' of his insured ship and such consequences of a notice on both insurer and assured. Those who fared above average had presented a good answer, using case laws in their discussions to demonstrate a good understanding of the law. The performance of the candidates on this question could be summarised as being above average.