

C54B MARINE UNDERWRITING

IMPORTANT

The time allowed for this exam is 3 hours.

Total marks: 200

You must hand in this paper and any paper used for rough work to the supervisor when you leave the examination room. Failure to do so may result in disqualification.

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- Question 1. Discuss the principle risk assessment factors taken into account when underwriting a navigating Hull risk. (20 marks)
- Question 2. (a) Describe the basic coverage provided by the Perils clause in the Institute Times Clauses (Hulls) 1/11/95. (15 marks)
- (b) How is the coverage under the Perils clause mentioned above amended by the Institute Time Clauses – Hulls – Restricted Perils 1/11/95? (5 marks)
- Question 3. Briefly outline the coverage provided by the following clauses:
- (a) Institute Time clauses – Hulls – Disbursements and Increased Value (Total Loss Only, Including Excess Liabilities) 1/11/95. (10 marks)
- (b) Institute Additional Perils Clauses – Hulls (For use only with the Institute Time Clauses – Hulls 1/11/95) 1/11/95. (5 marks)
- (c) Institute Machinery Damage Additional Deductible Clause (For use only with the Institute Time Clauses – Hulls 1/11/95). (5 marks)

- Question 4. Explain the importance of the vessel, voyage, ports and packaging to an underwriter when assessing a cargo risk. (20 marks)
- Question 5. Explain the provisions of the following clauses included in the Institute Cargo Clauses:
- (a) Duration (7 marks)
 - (b) Benefit of Insurance (3 marks)
 - (c) Minimizing Losses (8 marks)
 - (d) Avoidance of Delay (2 marks)
- Question 6. Describe the purpose and elements of Open Cargo Cover. (20 marks)
- Question 7. (a) Explain the coverage provided by an F, D & D policy. (10 marks)
(b) Describe the coverage provided under a Charterer's liability cover. (10 marks)
- Question 8. Describe the significance of the following terms with respect to protection and indemnity insurance:
- (a) Indemnity (6 marks)
 - (b) Dispute Resolution (2 marks)
 - (c) Bail Clause (12 marks)
- Question 9. Discuss the use of facultative reinsurance including the benefits and possible risks for a primary insurer. (20 marks)
- Question 10. Name the main types of non-proportional treaties found in the marine market and provide a brief description of TWO (2) types. (20 marks)

