

SYLLABUS OF SPECIALISED DIPLOMA ON MARINE BRANCH

SUBJECT CODE	SUBJECT NAME
IC 66	<u>MARINE INSURANCE CLAIMS (Marine Specialised diploma)</u>
IC 60	<u>MARINE CARGO INSURANCE (Marine Specialised diploma)</u>
IC 70	<u>MARINE HULL UNDERWRITING AND CLAIMS (Marine Specialised diploma)</u>

IC 66 - MARINE INSURANCE CLAIMS (Marine Specialised Diploma)

(Revised Edition: 2015)

Contents:

Chapter 1: Types of Losses: Case - Leyland Shipping Co. Ltd. Vs. Norwich Union Fire Insurance Society Ltd, 1918 – Marine Insurance – Types of Losses – Total Losses (Sec 57 & 58 of the MIA) – Partial Losses (Section 56 of MIA) – Charges – General Average – Contributory Values – Piracy as General Average Loss – General Average – Legality over payment of ransom – Marine Delay in Start Up (MDSU) – Insurable Interest.

Chapter 2: Key Professionals Connected with Cargo Claims: Marine Cargo Insurance claim process – Claim Settlement Process – Insurance Brokers – Loss assessor/Surveyors – Average Adjustors – Maritime Lawyers – Salvors – Investigators – Tracers – Recovery Agencies.

Chapter 3: Marine Insurance Act 1963: Marine Insurance Act, 1963 – Section of the Act – Section 81: Effect of under insurance – Section 67: Extent of liability of insurer of loss – Section 71: Partial Loss of Goods, Merchandise etc – Section 72: Apportionment of Valuation – Other Sections of the Act.

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Chapter 5: Indian Legislation/Rules vis-à-vis Marine Insurance: Legislations governing Marine Insurance in India – Insurance Act 1938 – IRDA Regulations – Railways Act 1989 – Carriage of goods by Road Act/Rules 2007 – Multimodal Transportation of Goods Act, 1993 – Major Port Trusts Act, 1963 – Customs Act, 1962 – Central Excise Act, 1944 and Central Excise Rules, 2002 – GIM Rules under Foreign Exchange Management Regulation, 2000.

Chapter 6: Survey Process: Survey Process and role of surveyors in Marine Cargo Claim – Brief introduction to the claim process – Role of the Surveyor – Survey aspects – Sorting/segregation and repacking, as loss minimisation measures post onsite visit – Implications of duration clause in relation in attachment and termination of risk – Appointment of surveyors – Bulk cargo handling and break bulk cargo handling – Break bulk cargo handling – Quantity surveys – Ullage surveys – Survey of dry bulk cargo – Claims documentation – Export claims and subrogation – Export claims – Summary of documentation – Time limitations and suit time extensions – The subrogation process – Marine Cargo Loss and recovery action against carriers/bailee.

Chapter 7: Case Studies on Marine Cargo Claims: Different Case Study – Introduction – Facts of the Case – Solutions.

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IC 60 - MARINE INSURANCE CLAIMS (Marine Specialised Diploma)

(Year of Edition: 2015)

(Introduced in lieu of IC 68)

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Chapter 1: Introduction to Marine Insurance: Marine insurance - General overview - Introduction - Marine Insurance Categories - Need for Marine Insurance - History of Marine Cargo Insurance - International and domestic Insurance market - Role of ILU and LIRMA - Marine Insurance Market in India.

Chapter 2: Relevance of Principles of Insurance to Marine: Marine Insurance - Relevance of Insurance Principles - Principle of Utmost Good Faith - Principle of Insurable Interest - Principle of Proximate Cause - Principle of Subrogation and Contribution.

Chapter 3: Incoterms: INCOTERMS - General Overview - How INCOTERMS evolved - Relevance of INCOTERMS in Marine Insurance - Limitation of INCOTERMS - Various INCOTERMS - INCOTERMS 2000 - INCOTERMS 2000 Definitions and the mode of transit applicable - INCOTERMS 2000 vs INCOTERMS 2010 - Delivered At Terminal (DAT) - Delivered At Place (DAP) - Need for change.

Chapter 4: Marine Cargo Clauses - International Trade: Introduction to Marine Cargo Insurance Clauses - Risks Covered under ICC-C Clauses - Risks covered under ICC-B Clauses - Risks Covered under ICC-A Clauses - Exclusions under ICC-A,B,C Clauses - Differences in exclusions between ICC 1982 and 2009 Clauses - Duration (Transit) Clause under ICC Clauses 2009 - Interpretation - Institute War Clauses (Cargo) - Differences between Institute War Clauses (Cargo) 1982 & Institute War Clauses (Cargo) 2009 - Institute Strikes Clauses (Cargo) - Institute Cargo Clauses (Air) (excluding sendings by Post) - Institute War Clauses (Air Cargo) (excluding sendings by Post) - Institute Strikes Clauses (Air Cargo) - Trade Clauses - Introduction - Institute Coal Clauses - Institute Frozen Food/Meat Clause - Institute Bulk Oil Clauses - Institute Timber Federation Clauses - Classification Clauses - Role of Classification Societies - Replacement of Institute Classification Clause 1997 with Institute Classification Clause 2001 - Institute Replacement Clause, Clause 372 - Second-hand Replacement Clause, Clause 373 - Airfreight Replacement Clause - Cutting Clause - Pair and Set Clause - Brands Clause - Labels Clause - Termination of Transit Clause (Terrorism) JC 2009/056 - FOB Clause - Seller's Interest Insurance Clause - Buyer's Interest Insurance Clause - Import Duty Insurance Clause - Increased Value Insurance Clause - Cargo ISM Endorsement - Cargo ISM Forwarding Charges Clause - 200% Accumulation Clause - Concealed Damage Clause - Shut-out Clause - Deliberate Damage - Pollution Hazard Clause - Sanction Limitation and Exclusion Clause.

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IC70 MARINE HULL UNDERWRITING AND CLAIMS (Marine Specialised Diploma)

(Revised Edition 2015)

(Introduced in lieu of IC 69)

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Chapter 1: Introduction to Marine Hull and Types of Vessels: Meaning of marine hull - Need of marine hull insurance - Categories of vessels -Types of Vessels - Who can take insurance cover - Classification of vessels - Ocean-going Vessels - Sundry Hulls-Coastal Vessels.

Chapter 2: Marine Hull Principles and Types of Policies: Marine Hull Principles - Basis of granting Marine Hull Insurance - Construction of the policy - Types of policies - Hull Policies - Hull and Machinery Insurance - Insurance of Freight - Time/Voyage - Disbursements and Increased value Insurance - Premium Reducing - Returns of Premium - Builders' Risks Insurance - Ship Repairer's Liability Insurance - Charterer's Liability Insurance - War and Strikes Risks - Loss of Hire Insurance (LOH) - Loss of Profits Insurance.

Chapter 3: Various Marine Hull Covers and Clauses: Institute Time Clauses (Hulls) 1983 - History of Institute Time Clauses (ITC) - Broad overview of ITC Clauses - Risks covered and risks excluded - Amount Payable - Deductible - Unrepaired Damage - Constructive Total Loss - Duty of the Assured (Sue and Labor Clause) - Collision liability - Claims procedure - Notice of claim and tenders - Warranties - Navigation - Breach of Warranty - Disbursements warranty - Miscellaneous - Continuation - Termination - Freight Waiver - Returns for Layup and Cancellation - Institute Voyage Clauses - Institute Time Clauses Hulls (Excess Liabilities) - Difference between ITC Hulls 1983 and ITC Hulls 1995 - Navigation clause - Classification clause - Perils Clause - General Average and Salvage - Returns for lay-up and cancellation - Radioactive contamination exclusion clause - Rearrangement of clauses - The International Hull Clauses - Principal Insuring Conditions - Additional Clauses - Claims Provisions - Limited Cover - I.T.C. Hulls Port Risks 1987 - Navigation - Perils - Collision Liability - Protection and Indemnity - Deductible - Returns for cancellation - Institute Yacht Clauses 1985 - Own Damage Section - Liabilities to Third Parties - Institute Yacht Clauses - Machinery damage extension 1/11/1985 - Features of the Institute Fishing Vessels Clause (IFVC) - Salient features of IFVC - Marine Hull Clauses drafted by ILU for other markets - Difference between British Clauses and American Institute Hull Clauses - Institute Standard Dutch Hull Form 1-9-1984 - Clauses drafted by the Tariff Advisory Committee.

Chapter 4: Ship Builders' Risks Insurance: Institute Clauses for Builders' Risks - Subject Matter of Insurance - Commencement of Insurance - Delayed Delivery - Perils - Insured Value - Earthquake and Volcanic eruption exclusion - Pollution Hazard - Faulty Design - Navigation - Deductible - Notice of Claim - Collation Liability - Protection and Indemnity Clause - Exclusions under the Protection and Indemnity Clause - Rating - Deductible - Premium Payment.

Chapter 5: Marine Hull Underwriting and Rating: Vessel related aspects of the risk proposed - Technical details of Vessel - Other details of Vessel - Insurance related

details - Supporting documents – Physical and Moral Hazards – Valuation of a Vessel – Trading Limits – Deferred Repairs – Towage Risks – Declined Risks – Hull Initial Rating – Factors which determine the rate – Initial Rating – Renewal Rating – Types of Vessels and Conditions for insurance – Inland Vessels and Dredgers – Fishing Vessels – Sailing Vessels – Deductible – Payment of Premium.

Chapter 6: Ship Classification Societies: International Association of Classification Societies (IACS) – Indian Register of Shipping (IRS).

Chapter 7: Special Insurances: Ship Repairers Liability Insurance - Charterers' liability Insurance – Marine defense insurance – Mortgagee's Interest Insurance – Pre-requisite for insurance cover – Coverage – Conditions – Indemnity amount – Time for payment – Subrogation – Insurance of Port Liabilities - Port Package Policy.

Chapter 8: Insurance of Oil and Gas, SBM: Oil and gas Wells – Exploration and production – Types of wells – Drilling a well – Risks involved in drilling and types of losses – Energy package policy – Property Damage – Control of well – Third party liability – Rating – Meaning of Single Buoy Mooring (SBM) and risk in SBM operation – Components of a SBM – Key parts of an SBM System – Risks in SBM Operation – Types of Losses – Insurance Policy for SBMs.

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Chapter 10: Protection and Indemnity Clubs (P&I Clubs), Marine Hull Reinsurance: Protection and Indemnity Clubs – Introduction – Coverage – Marine Hull Reinsurance – Facultative arrangements.

Chapter 11: Marine Insurance Associations & ISE Code, ISPS, Marpol: Marine Insurance Associations and Standards – The International Underwriting Association of London (IUA) – The Institute of London Underwriters (ILU) – Joint Hull Committee (JHC) – Joint War Committee (JWC) – International Maritime Bureau (IMB) – ISM Code – ISPS Code – MARPOL.

Chapter 12: Introduction to Marine Hull Claims: Fundamental principles of Marine Insurance – Utmost Good Faith – Representations and Warranties – Insurable Interest – Indemnity – Subrogation – Contribution – Proximate Cause – Concurrent Causes – Onus of Proof of Loss – “Without Prejudice” – Types of Losses – Action Total Loss – Constructive Total Loss – Purpose of Notice of abandonment – Subrogation and Abandonment – Partial Loss – Expenses – Particular Charges – Sue and Labour Charges – Salvage Charges – Extra Charge – Unrepaired Damage.

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Chapter 14: General Average and Salvage Claims: General Average – GA Sacrifice – Reference to the York-Antwerp Rules – GA Expenditure – Forms of GA Expenditure – Essential Features of General Average – Difference between General Average and Particular Average – General Average Distinguished from particular Average, Salvage, particular charges and Sue and Labour – York-Antwerp Rules – Average Adjuster – Rules of Practice of Association of Average Adjusters – General Average Security and Procedures – GA Security Documents – YAR Rule XXII – Treatment of Cash deposits – Letter of Transfer – Documents required for GA Claim – Expenses of port of Refuge – Salvage Remuneration – Salvage and salvage charges – Provision under Lloyd's Open Form – Salvage and Marine Insurance – Successive or Consecutive general averages – Amount made good in GA – Contributing Interests – Contributory Values – General Average and Insurance – Liability for Sacrifice – Liability for Expenditure – Liability for General Average Contribution – GA situation when Vessel in Ballast and under charter – GA situation when Vessel in Ballast and not under Charter – Utterior Chartered Freight – Non-separation Agreement – Provision of Funds – Interest on losses made good in general average – GA Absorption clause – Application of Cargo policy – G.A. Disbursements Insurance.

Chapter 15: Collision Liabilities and Insurance of Freight Claims: Provision related to collision liabilities – Meaning of Collision – How liabilities may rise – Three-fourths Collision Liability – Single liability – Cross Liability – Limited Liability – Maritime Convention Act, 1911 (U.K.) – Deductible – Position of Cargo Owners – Sister-ship Clause (No.9 of ITC Hulls) – Demurrage – Protection and Indemnity Associations or Clubs – Adjustments – Concepts of Freight and types – Concept of Freight – Types of Freight – Valued and unvalued Policies in Freight – Freight Claims – Partial Loss – Total and Constructive Total Loss of Freight.

Appendix:

1. The Marine Insurance Act, 1963
2. General Average Security documents
3. Recoveries

Updated as on 10-01-2016