OBJECTIVES: To provide an appreciation and understanding of marine and aviation insurance practices and the economic, geographic and national and international legal context in which the insurances operate.

GEOGRAPHIC, ECONOMIC AND PHYSICAL RISK
Relationship of economic and physical geography to marine and aviation insurance. 1
Climatic and physical features of the oceans, seas and waterways. 2
Location of major sea and airports and principal routes. 2
Characteristics of the main types of vessels and aircraft. 2
Suitability of routes for the main types of vessel. 2
Carriage of passengers and goods by air and sea. 2

INTERNATIONAL TRADING PRACTICES AND ORGANISATIONS
Scope of international trade. 1
The documentation involved in international trade. 2
Characteristics of payment processes in international trade. 2
Role and functions of international organisations governing shipping and aviation. 1

LAW RELATING TO INTERNATIONAL TRADE AND CARRIAGE OF PASSENGERS
International conventions/protocols relating to the carriage of goods and passengers. 1
Nature of national legislation regulating the national shipping and aviation industries. 1
Main forms of contracts of carriage. 2
The liabilities, immunities and limitations of owners and operators of ships and aircraft in respect of:
— the owners of goods; 2
— third parties including environmental risks; 2
— passengers. 2
The liabilities of carriers to owners of goods sent by road or rail. 2
Piracy, hi-jacking and terrorism. 1

THE MARINE AND AVIATION MARKETS
The need for marine and aviation insurance. 1
Types of intermediary involved in marine and aviation insurance. 1
Types of insurer involved in marine and aviation insurance. 1
Procedures for placing marine and aviation risks with insurers including the use of slips. 2
Brokers’ responsibilities and rights relating to premium payments and brokerage. 2
Role and functions of insurance market organisations. 1

INSURANCE LEGAL PRINCIPLES
Application to marine and aviation insurance of:
— utmost good faith; 3
— indemnity; 3
— insurable interest; 3
— subrogation; 3
— contribution; 3
— proximate cause. 3

MARINE INSURANCE
Characteristics of the marine insurance policy form including slip policies. 1
Distinction between valued and unvalued policies. 1
Characteristics of warranties used in marine insurance. 3
Scope of cover provided by hull and cargo clauses. 2
Rating of marine risks. 2
Terms of the Marine Insurance Act 1906 relating to:
— insurable interest; 3
— insurable value; 2
— disclosure and representation; 3
— the policy; 1
— double insurance; 1
— warranties; 3
— the voyage; 2
— assignment; 2
— the premium; 2
— loss and abandonment; 2
— partial losses; 2
— indemnity and insurers’ rights; 2
— terminology. 2
Use of surveyors and average adjusters in claims handling. 1

AVIATION INSURANCE
Types of policy issued. 1
Nature of the hull and liability policy forms. 1
Scope of the cover provided by aviation policies and clauses. 2
Rating of aviation risks. 2
Insurance for specialist aviation risks. 2
Insurance for space risks. 2
Use of surveyors and loss adjusters in claims handling. 2

REINSURANCE
Application to marine and aviation business of the various methods of reinsurance including:
— treaty; 2
— facultative; 2
— pools. 1
Characteristics of proportional reinsurance. 2
Characteristics of non-proportional reinsurance. 2
Knowledge ratings

Each sub-topic has been designated a numerical knowledge rating as follows:

1. General background awareness necessary.
2. Requires a knowledge of the major elements of procedures or concepts and their uses.
3. Requires the ability to evaluate concepts, issues, policies and procedures, together with an understanding of associated aspects of these items and their application to various situations.

Study materials

The following list provides details of various publications which may assist with your studies. The primary text for this syllabus is shown in bold type. Periodicals and publications listed as additional reading will be of value in ensuring candidates keep up to date with developments and in providing a wider coverage of syllabus topics. The reference materials cited are authoritative, detailed works which should be used selectively as and when required.

Most of these additional study materials can be borrowed or purchased from the CII library.

Primary text


Additional reading


Reference material


Periodicals


