



معهد الخليج لدراسات التأمين
GULF INSURANCE INSTITUTE

Certificate in Applied Insurance Studies

Marine Cargo Insurance

Course Code	ACMC
Content	Unit 1: Application of the Insurance Principles to Cargo Insurance Unit 2: Type and Nature of cargo Unit 3: The Marine Cargo Policy Unit 4: Institute Cargo Clauses Unit 5: War and Strikes Risks Unit 6: Underwriting Unit 7: Claims Administration and Handling Unit 8: Reinsurance
Duration	24 hours of structured learning involving classroom sessions, Q & A and case studies.
Audience	Intermediate
Learning Objectives	At the end of this course participants will be able to:

1. Application of the Insurance Principles on the Marine Cargo insurance

1.1 Define the following principles and discuss their application to Marine Insurance with specific reference to the Marine insurance Act 1906.

1.1.1 Insurable Interest

Definition

Explain the use of Incoterms in the international trade.

Define the more common Incoterms in use: EXW, FOB, CFR, CIF,

Sellers interest Clause

Policy Proof of Interest

1.1.2 Utmost Good Faith

Definition

What is a Material Fact and what is the effect of non disclosure

1.1.3 Proximate Cause

Definition

Application in Cargo Insurance

1.1.4 Indemnity

Definition

Valued and Unvalued Policies

1.1.5 Subrogation

Definition

Application of Subrogation rights to total and partial loss

Insured's duties to preserve subrogation rights

1.1.6 Contribution

Effect of double insurance



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2. Types and Nature of Cargo

- 2.1 Be aware of the following different types of cargos and their respective mode of Carriage:
 - 2.1.1 General cargo by Sea: FCL/GCL/Conventional
 - 2.1.2 Commodities
 - 2.1.3 Bulk Oil
 - 2.1.4 Refrigerated and Frozen Foods
 - 2.1.5 Livestock
 - 2.1.6 Cargo by Air
 - 2.1.7 Carriage of Goods by Road (CMR)

3. The Marine Cargo policy

- 3.1 Explain the content structure and content of the MAR policy form
- 3.2 Distinguish between Jurisdiction and Law and Practice and their application in the MAR policy form
- 3.3 Be aware of the Origin and purpose of the Institute Clauses
- 3.4 Explain the requirements for a formal document under the Marine Insurance Act
- 3.5 Outline the operation of an Open Cover for cargo insurance

4. Institute Cargo Clauses

- 4.1 Explain the perils covered by Institute Cargo Clauses A, B and C
- 4.2 Outline General Average and Salvage Charges and their treatment under the Cargo Clauses
- 4.3 Explain the
 - 4.3.1 General Exclusions
 - 4.3.2 Unseaworthiness and Unfitness Exclusion Clause
 - 4.3.3 War Exclusion Clause
 - 4.3.4 Strikes Exclusion Clause
- 4.4 Explain the duration of cover in a cargo policy
- 4.5 Explain the effect on the cover in respect of:-
 - 4.5.1 Change of destination after discharge
 - 4.5.2 Delay or Deviation of voyage
 - 4.5.3 Termination of Contract of Carriage
 - 4.5.4 Change of destination by the assured
- 4.6 Explain the following provisions in the Institute Cargo Clauses
 - 4.6.1 Both to Blame collision
 - 4.6.2 Sue and Labour
 - 4.6.3 Duty of the Assured
 - 4.6.4 Benefit of Insurance
- 4.7 Be aware of the application of Institute Commodity Trade Clauses and outline the differences between them and the Institute Cargo Clauses
- 4.8 Explain the application of the Institute Classification Clause and the effect on cover provided.



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5. War and Strikes

- 5.1 Be aware of the cover provided under the Institute War clauses (Cargo) and the Institute War Clauses (Air Cargo)
- 5.2 Be aware of the cover provided under the Institute Strikes clauses (Cargo) and the Institute Strikes Clauses (Air Cargo)

6. Underwriting

- 6.1.1 Outline the main underwriting and rating factors for
 - 6.1.2 General Cargo
 - 6.1.3 Commodities
- 6.2 Be aware of other clauses that underwriters use to restrict cover or limit cover
 - 6.2.1 Institute Classification Clause
 - 6.2.2 Institute Replacement Clause
 - 6.2.3 Institute Cyber Attack Exclusion Clause
 - 6.2.4 Non institute Clauses:- Accessories, Brands and Trademarks, Breakage Exclusion, Scratching, Chipping Denting and Bruising, Car Clauses, Contamination, Cutting Clause, Concealed Damage Clause, Deterioration, Rust, Oxidisation and Discolouration, Mechanical, Electrical and Electronic Derangement, Household Goods and Personal Effects, Insolvency Exclusion Clause, Jurisdiction Clause, Livestock Clauses, Secondhand Machinery Replacement ,Shortage and Leakage Excess, Sweating, heating and freshwater Damage, Theft Pilferage and Non-Delivery

7. Claims Administration and Handling

- 7.1 Explain the insured duties in the event of a loss
- 7.2 List and define the following claim documentation
 - 7.2.1 Bill of Lading /Air Waybill
 - 7.2.2 Commercial invoice
 - 7.2.3 Packing list
 - 7.2.4 Master's protest
 - 7.2.5 Weight notes
- 7.3 Distinguish between Actual Total Loss and Constructive Total Loss
- 7.4 Apply the calculation of partial cargo losses
- 7.5 Be aware of General Average procedures and the Insured's duties

8. Reinsurance

- 8.1 Outline a typical reinsurance arrangement for a Marine cargo Account

Private study	Students should undertake a minimum of 75 hours of private study
Assessment	Two hour multiple choice paper consisting of 100 questions
Language	These courses are available in English and in Arabic.
Accreditation	1 credit towards Associate of the Gulf Insurance Institute