

UNIT – II

Lesson 4

MARINE INSURANCE

Learning objectives: After reading this unit you will be able to understand:

- History and definition of marine insurance.
- Types of risk covered under marine insurance.

1.1 History

Marine insurance is the oldest form of insurance in the world as it is directly connected with trade and commerce. Marine insurance principally developed in London which had the greatest share of worlds trading activities in olden days. Infact, even today the London market is considered to be the premier insurance market. Marine Insurance Act. 1963, which closely follows the Marine insurance Act, 1906 of England has not only codified the laws relating to marine insurance but has also defined the fundamental principles of Marine Insurance and the relative terms.

1.1.2 Definition

A contract of marine insurance is defined by the **Marine Insurance Act 1963** as “an agreement whereby the insurer undertakes to indemnify the assured, in the manner and to the extent thereby agreed, against losses incidental to marine adventure. It may cover loss or damage to vessels, cargo, or freight.”

The identity with which insurance contract is entered into is called the “insurer” and the person entering into contract is the “insured”.

Section 2 (C&F) of the Marine Insurance Act, 1963 defined marine insurance and includes the movables exposed to maritime perils. Movables move tangible property, which includes money, valuable securities and documents, etc.

1.1.3 Fundamental principles

Marine insurance is also based on fundamental principles of general contract not only this, it must adhere to special principles of insurance.

(1) Utmost good faith

Commercial contractors in general are governed by the doctrine of "Caveat [import" or "Let the buyer beware". But insurance contracts are based on the principle of "Uberrima Fides" or "Utmost Good Faith" which implies a full disclosure of all material facts, assumed to be known so that the parties may or may not enter in to contract. In Marine insurance, ships and cargoes offered for insurance may be thousands of miles away and it is for the insured to tender all material information required by the insurer.

(2) Insurable interest

There must be physical objects exposed to Marine Perils. The insured must have some legal relationship with such object in consequence of which he benefits by its preservation and is prejudiced by its loss or damage thereto or any liability in respect thereof. Unlike other branches of insurance, the insured may not have an insurable interest but he must have insurable interest at the time of loss under Marine Cargo Insurance Policy.

(3) Indemnity

In Marine insurance, a commercial instead of pure indemnity is provided. The common practice is to obtain policy on agreed value basis, and sum insured agreed upon is binding on the parties in absence of frauds. The components of sum insured are normally on the basis of cost. Insurance premium, freight and other incidental charges, plus 10% Custom duty.

[4] Subrogation and contribution

Subrogation and contribution are Corollaries to the principle of indemnity. Subrogation is the transfer of rights and remedies of the insured to the insurer after settlement of claim. Contribution arises where there is double insurance. The essentials of contribution are:

- a) There must be two or more policies
- b) The policies are obtained by or on behalf of the insured
- c) The Marine adventure will be the same
- c) All policies cover the same subject matter
- e) The total amount of policies should exceed the indemnity provided in terms of Marine insurance Act. These principles ensure that the insured is indemnified for his loss and does not recover the losses from different sources to make a profit.

{5) Proximate cause

In terms of the Marine Insurance Act, 1963 the insurers are liable to indemnity for losses proximately caused by the insured perils. It is proximate cause and not the remote cause that is to be considered while admitting liability. The factor in proximate cause is efficiency. It is defined as follows:

"Proximate cause means the active efficient cause that should set in motion a train of events which brings about a result without the introduction of any force starting and working actively from a new and independent cause".

1.1.4 Marine insurance policy

The Marine Policy in the new form in line with international market based on the recommendations of United Nations Conference on Trade & Development (UNCTAD) was made mandatory in Indian market with effect from 31 -U3-1983.

The new policy form is a simple document containing the name of insured and a clause binding to the performance of contract.

Information identifying the risk and the sum insured is normally contained in the schedule.

A marine policies will contain the following particulars:-

1. Risk covered
2. Risks excluded
3. Duration
4. Claims
5. Benefit of insurance
6. Minimizing Losses
7. Avoidance of delay and
8. Laws and Practice.

1.1.5 Types of marine insurance policy:-

Though commonly in one form, Marine Policies are known different names according to their manner of execution and the nature of risks covered. The following are the various **kinds of marine insurance policies as contained in the Marine Insurance Act 1963.**

- i. **Voyage Policy:** As the name suggests this policy covers a voyage. This is a policy in which the limits of the risks are determined by place of particular voyage. For example Chennai to Singapore; Chennai to London. Such policies are always used for goods insurance, sometimes for freight insurance, but only rarely nowadays for hull insurance.
- ii. **Time Policy:** This policy is designed to give cover for some specified period of time, say, for example 1st Jan, 2003 to noon, 1st Jan, 2004. Time Policies are usual in the case of hull insurance, though there may be

- cases where an owner prefers to insure his vessel for each separate voyage under voyage policy.
- iii. **Voyage and Time Policy or Mixed Policy:** It is a combination of Voyage and Time Policy. It is a policy, which covers the risk during a particular voyage for a specified period. For example, a ship may be insured for voyages between Chennai to London for a period of one year.
 - iv. **Valued Policy:** This policy specifies the agreed value of the subject matter insured, which is not necessarily the actual value. Such agreed value is referred to as the insured value. A policy may be, say, for Rs. 10,000 on Hull and Machinery etc. valued at Rs.2,00,000 or for Rs.7,000 on 100 cases of whisky valued at Rs.7,000. Once a value has been agreed, it cannot be reopened unless there is proof of fraudulent intention. It remains binding on both the parties. These policies are not common nowadays.
 - v. **Unvalued Policy/Open Policy:** In the case of an Unvalued Policy, the value of the subject matter insured is not specified at the time of effecting insurance. It is taken for a specified amount and the insurable value is ascertained in the case of loss. Here the insurer is liable to pay only up to actual is incurred to the policy amount. It is also known as Open Policy;
 - vi. **Floating Policy:** A floating policy describes the insurance in general terms, leaving the names of the ship or ships to be defined by subsequent declaration. Such policy has the advantage of being a valid marine policy, in all respects fully complying with the requirements of the Marine Insurance Act. The declaration may be made by endorsement on the policy or in any other customary manner. Unless the policy otherwise provides, declaration must be made in the order of shipment. It must comprise all the consignments within the terms of the policy and values must be honestly stated. Errors and omissions however, may be rectified

- even after a loss has occurred, if made in good faith. When the total amount declared exhausts the amount for which the policy was originally issued, it is said to be “run off” or “full declared”. The assured may then arrange for a new policy to be issued to succeed the one about to lapse, otherwise the cover terminates when the policy is fully declared.
- vii. **Wagering Policy/PPI Policy:** This policy is issued without there being any insurable interest, or a policy bearing evidence that the insured is willing to dispense with any proof of interest. If a policy contains such words as “Policy Proof of Interest”, (PPI) or “Interest or No Interest” it is Wagering or Honor Policy. Under Section 4 of the Marine Insurance Act, such policies are void in law but such policies continue to be common. -
- viii. **Construction or Builders Risk Policy:** This is designed to cover the risks incidental to the building of a vessel, usually giving cover from the time of laying the keel until completion of trials and handing over to owners. In the case of a very large vessel, the period may extend over several years.
- ix. **Blanket/open Cover Policy.** In order to arrange their marine insurance in advance and to be assured to cover at all times, and also to avoid the effects of possible rapidly fluctuating rates, it is the practice of regular importers and exporters to avail “Blanket Insurance”. One good way, and the most popular one of achieving this is by means of “Open Cover”. An open cover is an agreement between the assured and his underwriters under which the former agrees to declare, and the latter to accept, all shipments coming within the scope of the open cover during some stipulated period of time.
- x. **Port Risk Policies:** This is to cover a ship or cargo during a period in port against the risks peculiar to a port as distinguished from voyage risks. This kind of policy is probably very rarely used now a day,

1.1.6 Risk covered under Marine insurance/ marine peril.

Risk covered under the three clauses is set out below:-

	Risks	ICC "A"	ICC "B"	ICC "C"	
A	Loss or damage reasonably				
	Attributable to:				
	• Fire or explosion	Covered	Covered	Covered	
	• Vessel or craft being standard, grounded, sunk or capsized	Covered	Covered	Covered	
	• Overturning or derailment of land conveyance	Covered	Covered	Covered	
	• Collision or contact of vessel, craft or conveyance with any external object other than water	Covered	Covered	Covered	
	B	• Discharge of cargo at a port of distress	Covered	Covered	Not Covered
		• Earthquake, Volcanic eruption or lighting	Covered	Covered	Covered
		Loss or Damage cause by:	Covered	Covered	Covered
		• General Average Sacrifice	Covered	Covered	Covered
• Jettison					
• Washing Overboard					
• Entry of sea, lake or river water in to vessel, craft, conveyance, container, liftman or place of storage	Covered	Covered	Not Covered		
• Total loss of any package	Covered	Covered	Not Covered		

	<p>lost overboard or dropped whilst loading on an or unloading from vessle or craft</p> <ul style="list-style-type: none"> • Any other risk not specifically excluded in the policy or the clauses 	Covered	Not Covered	Not Covered
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SELF CHECK QUESTIONS

1. Describe briefly the various marine insurance policies.
2. What are the various risk covered under marine insurance policies.
3. What types of risk are not covered under marine insurance?

Lesson 5

Clause in Marine policy

Learning Objectives:

After reading this lesson you will be able to understand:

- Clause in a marine policy
- Fundamental principles.

1.1.7 Clause in a marine policy

1. Assignment Clause: (This clause makes it clear that the marine policy is assignable unless it contains terms expressly prohibiting assignment. A marine policy may be assigned either before or after a loss. Assignment may be through endorsement or in other customary manner.)'here the assured has parted with or lost his interest in the subject matter insured, any subsequent assignment is inoperative.

The assignee who has acquired the beneficial interest in the policy is entitled to sue thereon in his own name.

2. Lost or Not Lost Clause: Where the subject matter is insured “Lost or not lost” and the loss has occurred before the contract is concluded, the risk attaches. But if this fact is in the knowledge of the assured and insurer was not, then the policy will not be valid.

3. At and From Clause: (The risk starts as soon as the contract of insurance is concluded provided the ship is in good safety at that time. If the ship is not in good safety at that time, the risk will not begin on her till it arrives in good safety at the port of departure Where freight, other than chartered freight is payable without special conditions and is insured “at and from” a particular place, the risk

attaches pro rata as the goods are shipped, provided that if there be cargo in readiness which belongs to the ship owner or which some other persons had contracted with him to the ship, the risk attaches as soon as the ship is ready to receive such cargo.

4. Transit Clause or Ware house to-Warehouse Clause: his clause provides with respect to goods, for the risk to attach “from the loading thereof aboard the said ship” and for the insurance to continue until the goods are discharged and safely landed at the port of discharge.

This clause helps to provide protection for the entire period of transit. The period of cover extends from the time the goods leave the exporter’s warehouse until they are delivered to the importer warehouse at the named destination or to any other warehouse, whether prior to or at the named destination, which the assured elect to use either for storage or for allocation or distribution, or on the expiry of 60 days after discharge from the overseas vessel at the final port of discharge whichever occurs first.

5. Change of Voyage Clause (or) Deviation Clause: According to Marine Insurance Act, where there is a change of voyage, unless the policy otherwise provides, the insurer is discharged from liability as from the time of the change. Through this clause, the policy does provide otherwise (that means permits deviation), and the event is held covered.

6. Touch and Stay Clause: In the absence of any further license or Usage, the liberty to “touch and stay at any port or place whatsoever” does not authorize the ship to depart from the course of her voyage from the port of departure to the port of destination.

7. Intimate Clause (or) Negligence Clause: This is designed to extend the underwriter liability to cover risks of a kind, which are not included within the ordinary meaning of maritime perils. It provides for the insurance to cover loss or damage to hull or machinery directly caused by:

- (i) Accident in loading or shifting cargo or fuel explosions on shipboard or elsewhere
- (ii) Bursting of boilers
- (iii) Negligence of master, officers
- (iv) Negligence of repairs 'provided such repairers are not assured hereunder
- (v) Contact with aircraft
- (vi) Contact with any land conveyance, dock or harbour equipments or installations
- (vii) Earthquake, volcanic eruption or lightning.

8. Running Down Clause: In an ordinary marine policy, the assured is covered in respect of the damage sustained by his own ship in the case of collision, but such cover does not extend to his liability for the damage done to the other ship. This clause provides a supplementary contract whereby the assured is given some protection against such third party damages. It provides that if the insured vessel collides with another vessel, the underwriters agree to pay three-quarters of the amount of damage to which the assured becomes liable.

9. Sue and Labour Clause: This clause explains in detail the extent of underwriter's liability for such expenses. In particular, it provides that liability shall not be exceeding the proportion that the amount insured bears to the value of the vessels. It has been previously mentioned that in the absence of the provision, underwriters would be liable for the full amount of sue and labour charges even where there was under-insurance.

10. Reinsurance Clause: There are various reasons why an underwriter may deem it prudent to reinsure part or all of a risk for which he has accepted liability. For instance, he may find that his commitments on any one vessel or in any locality have become too burdensome. Declarations under open covers or

floating policies and acceptances by his agents in other markets give him an accumulated liability considerably in excess of his usual retention. He may have accepted a line on 'all risks' terms and then desire to reinsure in respect to total loss only.

11. Memorandum Clause: This clause is meant to provide a minimum limit to the underwriter's liability regarding claims for particular average by exempting him from such claims.

12. Continuation Clause: This clause refers that the vessel shall continue to be covered even after completion of voyage under the policy at a pro rata premium to her port of destination.

13. Perils of the sea Clause: The term "perils of the sea" refers only to fortuitous accidents and casualties of the seas. It does not include the ordinary action of the winds and waves.

14. Warrior Clause: This is really supplementary to the 'Sue and Labour' clause provided simply to assure that, in the event of a casualty. Either party to the contract may take such steps, or incur such expenses, as are contemplated under the Sue and Labour Clause, to minimize a loss without prejudice to the right of the assured on the one hand and the underwriter on the other.

15. All Risk Clause: This clause provides that the insurance is against all risks of loss or damage to the subject matter insured and that claims are payable irrespective of percentage.

16. Foreign General Average Clause (EG.A.): Foreign General Average clause means that the arrangement in case of General Average Claim which may arise under the policy, the average settlement made in a foreign country will be adopted as the basis for settlement.

17. Free of capture and seizure (F C. S.): This clause is generally inserted in times of war. It means that the underwriters will not be liable for loss or claim

arising from seizure of ship as a price of war. In times of war, this clause is inserted unless the insured pays the underwriter's additional premium for war risks.

18. Free of Particular Average Clause (EPA.): This clause restricts the liability of the underwriter and the underwriter is liable only for total loss and not for particular average or partial loss.

19. Bottom Bonnet: It is a bond-representing loan raised by the master of the ship so as to meet certain urgent expenses like repairing a ship on the security of a ship or ship and cargo. It is repayable after a certain agreed number of days after the arrival of the ship as specified in the bond. If the vessel is lost before the arrival at destination, the lender loses his money.

20. Respondent Bond: Like Bottom Bond, Respondent Bond also represents a monetary loan borrowed by the master of a ship to meet certain urgent expenses. The loan is raised on the Security of the Cargo only. The loan is to be repaid within a certain period after arrival of the cargo at the destination as specified in) Respondent Bond. If the cargo is lost on its way, the lender loses his money.

SELF CHECK QUESTIONS

1. Explain the following terms:

- (a) Marine Insurance (b) Marine Adventure (c) Perils of Sea
(d) Voyage (e) Marine Policy

2. Explain the main features or essentials of a Marine Insurance Contract.

3. Explain all the clauses related to a marine adventure in detail.

LESSON - 6

MARINE LOSSES

Learning objectives:

After reading this unit you will be able to understand

- Introduction of marine losses
- Computation and settlement of claim for partial losses
- Types of marine losses

2.1 INTRODUCTION

According to the Marine Insurance Act, unless the policy otherwise provides, the insurer is liable for any loss proximately caused by a peril insured against. The insurer is not liable for any loss attributable to the willful misconduct of the assured the policy otherwise provides, he is liable for any loss proximately caused by a peril insured against even though the loss would not have happened but for the misconduct or negligence of the Master or Crew of the ship.

Unless the policy otherwise provides, the insurer is not liable for ordinary wear and tear ordinary leakage and breakage, inherent vice or nature of the subject matter insured, or for any loss proximately caused by rats or vermin or any injury of machinery not proximately caused by maritime perils.

2. Types of Marine Losses

The losses of insurance may be divided broadly into two classes a) Total Loss and b) Partial LOSS. The Total Losses again can be subdivided into a) Actual Total Loss and b) Constructive Total Loss. Partial Loss may be further divided into a) Particular Average Loss and b) General Average **Actual Total Loss**

'When the subject matter of insurance (the ship, cargo, or freight) is totally lost, it is called Actual Total Loss

Constructive Total Loss

A Total Loss may be further categorized into Actual Total Loss, or Constructive Total loss. Actual Total Loss It is said that actual total loss has arisen:

1. 'When the subject matter insured is destroyed or is so damaged such that it ceases to be a thin or a kind insured,
2. When the assured is irretrievably deprived of the subject-matter.
3. 'When the ship concerned in the adventure is missing, and after the lapse of a reasonable time period, still no news of it is received.

In the case of an Actual Total Loss, the insurer has to pay either the insured amount or the actual loss whichever is less. But the cause of loss must be one of the perils insured against,

CONSTRUCTIVE TOTAL LOSS

Generally speaking, there is a Constructive Total Loss where the subject matter insured is reasonably abandoned on account of its actual loss appearing to be unavoidable, or because it could not be preserved from actual total loss without an expenditure which would even exceed its value. In other words, constructive total loss is said to have occurred:

1. When the assured is deprived of the possession of his ship or goods by a peril insured against and
 - (a) It is unlikely that he can recover the ship or goods, as the case may be (or)
 - (b) The cost of recovering the ship or goods, as the case may be, would exceed their value when recovered (or)

2. In the case of damage to goods, where the cost of repairing the damage and the goods to their destination would exceed their value.

3. In the case of damage to the ship, where it is so damaged by the peril insured against that the cost of repairing the damage would exceed the value of the ship.

Effect of Constructive Total Loss: Where there is a constructive total loss, the assured may either treat the Loss as a particular Loss or abandon the subject matter insured to the insurer and treat the Loss as if it were an actual Total Loss.

Notice of Abandonment It a notice by the assured to the insurer that he abandons all interests in the subject- matter of insurance unconditionally to the insurer. As per Section 62, the rules regarding abandonment are:

1. A notice of abandonment should be given by the insured to the insurer. If he fails to do so, the Loss can only be treated as a Partial Loss.

2. The insurer may waive the Notice of Abandonment.

3. Notice of abandonment may be given in writing, or by word of mouth or partially in writing and partly by word of mouth. There is no specified wording, which indicates the intention of the assured to abandon his insured interest in the subject matter insured, but surely it must be unconditional.

4. Notice of abandonment must be given with reasonable time, after the receipt of reliable information of the Loss, but where the information is of a doubtful character, the assured is entitled to a reasonable time to make enquiry and then to notify

5. Where the notice of abandonment is properly given, the rights of assured are not

Prejudiced by the fact that the insurer refuses to accept the abandonment.

6. The acceptance of abandonment may be either express or implied from the conduct of the insurer. The mere silence of the insurer after notice does not amount to an acceptance.

7. Once the notice of abandonment is accepted, the abandonment is irrevocable. The acceptance of the notice conclusively admits liability for the loss.

Effect of Abandonment

‘Where there is a valid abandonment, the insurer is entitled to take over the interest of the assured in whatever may remain of the subject matter insured, and all proprietary rights incidental thereto.

PARTIAL LOSS

In marine insurance, the term Partial Loss is any loss other than a Total Loss. The Partial Loss may be classified into:

1. Particular Average Loss
2. General Average Loss

Particular Average Loss

When the subject matter is partially lost or damaged by a peril insured against, it is called Particular Average Loss.

A Particular Average Loss must fulfill the following condition:

1. Only a particular subject matter is lost or damaged.
2. The loss should be accidental.
3. It should be caused by a peril insured against.
4. The damage should not have been suffered for a general benefit.

Partkular Average on Ship: The loss on account of partial damage to the ship from the peril insured against is called Particular Average on ship. The insurer is liable to the extent of actual cost of repairs reasonably incurred to mend the fault(s).

Where there is a partial loss of freight because of the peril insured against, it is called Particular Average on freight.

Particular Average on Cargo: A claim for particular average on cargo arises when the cargo has been either partially damaged by the peril insured against or when a portion of cargo is totally lost:

Salvage Charges: It is the reward paid under maritime law to the Salver for saving or helping to save property at sea or life. Further, the Salver must be a stranger to the adventure. In other words, he should not have been connected with the adventure. The Salvage charges are recoverable from the insurers as Partial Loss. If the salvage charges are necessitated because of the unseaworthiness of the ship, the underwriter on the hull is not liable for any portion of the remuneration awarded to the salver.

The salver who has saved the property has a right to its possession in respect of his award for the services.

General Average Loss

A General Average Loss occurs where any extraordinary sacrifice or expenditure is voluntarily and reasonably made or occurred at the time of peril, for the purpose of preserving the property involved in a common adventure. The rule in case of general average loss is that it must be borne ratably by the parties interested in the common adventure.

For example, Cargo ship caught fire; water is used to extinguish fire due to which cargo is damaged. The loss caused by cargo is a General Average Loss.

2.2.2 Computation and settlement of claim for partial losses:

a). Measure of Indemnity for particular average Losses

a) When cargo arrive at destination in damaged condition Settlement is effected by paying depreciation (allowance) for damage. A percentage is obtained by calculating the difference of sound Arrived Value with Damaged Arrived Value. The percentage thus obtained is applied to insured or insurable value to arrive at the claim amount payable.

b) If part cargo is totally lost, the measures of indemnity is the proportionate insured or insurable value of the cargo so lost. If the units of cargo or packages are of equal value, it is a simple matter to ascertain the amount of claim.

b). Salvage Loss

Salvage Loss occurs when consignment sustains damage badly short of destination and sold at intermediate port at best price possible. Settlement is made by paying the difference between insured value and net proceeds of the sale. Although it is not a legally recognized basis, this method of settlement is sensible in certain circumstances.

c). General Average losses

A general average loss is one caused by or directly consequential on a general average act, which may be either a sacrifice or expenditure, so far as the GA. Expenditure is concerned, underwriters liability is the actual amount attaching to the interest insured. But underwriters have a direct liability for the sacrifice. Therefore the insured may recover in full the insured value of the articles sacrificed. Underwriters will of course be credited, by their right of subrogation with the amount made well in general average to the extent of the amount paid by them.

Regarding contribution, underwriter's liability is not direct and immediate, because the exact amount of contribution cannot be known until completion of the GA. adjustment. Therefore, there is no legal compulsion on the underwriters to refund the general average deposits as these merely represent a security for the contributions eventually to be adjusted. In practice, however underwriters refund these deposits in exchange for GA. deposit receipt.

d). Salvage Charges

Third parties who voluntarily and independently of contract render services to save maritime property have a lien and salvage is paid out of the salvaged property. The measure of indemnity for salvage charges is the same as for general average contributions. If the insured value is less than the salvaged value on which the Salvage has been awarded, underwriters pay only their ratable proportion.

One must differentiate (a) pure salvage and (b) services in the nature of salvage. The services in the nature of salvage may be obtained for a particular interest or for the whole adventure. The expenses on account of particular interest would be use and labour charges while expenses for the whole adventure would be general average expenditure. The distinction between pure salvage and services in the nature of salvage may be illustrated by means of an example.

A vessel may suffer engine room damage at the mid-ocean and drifting hopelessly far away from any port. In the circumstance, the vessel may contact its owner and arrange for a tug to tow her in consideration for an agreed sum. Alternatively, the vessel may require immediate assistance and call for help from the nearest vessel.

If the former course is adopted the services in the nature of salvage will be treated as general average expenditure. On the other hand, if the latter course is adopted the expenses would be treated as pure salvage charges.

e). Sue & Labour charges & particular Charges:

There are expenses incurred for safety and preservation of the subject matter. They are not counted in arriving at the franchise percentage but are paid in addition to claim, even in addition to total loss

Distinction between these two charges is of academic interest only:

Sue & Labour charges are incurred short of destination, while particular charges are incurred at destination. Hides may be damaged by seawater. In order to prevent further damage, the consignment is reconditioned at an intermediate port. The cost will be Sue S: Labour charges. If the consignment is reconditioned immediately on arrival at destination port, the expenses will be particular charges. Underwriters pay the expenses in full.

f). Extra charges

These are not included in arriving at the stipulated percentage of franchise. They are payable only if the claim is otherwise admitted. Example: Surveyor's fees, auctioneer's fees, sale costs, extra landing charges, cost of drawing up on adjustment.

2.2.3 Claims Documents:

Claim under the marine policy have to be supported by certain documents, which vary according to the type of circumstances of the claim and the mode of carriage. For example the documents required for particular Average Claim areas under:-

Original policy: certificate of insurance.

- **Bill of lading.**
- **Invoice:** evidence for term of sale.
- **Debit Note:** claim bill.
- **Copy of protest:** protest on arrival at destination before a notary public.

SELF CHECK QUESTION

1. What are marine losses? Explain the different kind of marine losses in brief.
2. Discuss in detail:
 - General losses.
 - Particular losses.
3. Write about the documents required for filling a marine insurance claim.
4. Define abandonment. How and when is it done?
5. Distinguish between general average loss and particular average loss.