

Marine hull and associated liabilities

Purpose

At the end of this unit, candidates should be able to demonstrate knowledge and understanding of marine hull and related liability risks and their insurance.

Assumed knowledge

It is assumed that the candidate already has knowledge of the fundamental principles of insurance as covered in IF1, Insurance, legal and regulatory or equivalent examinations.

Summary of learning outcomes	Number of questions in the examination*
1. Understand the principal elements of shipping and world trade.	4
2. Understand the legal and regulatory environment of shipping.	10
3. Understand the key provisions of the Marine Insurance Act 1906.	6
4. Understand and apply key underwriting considerations in marine insurance.	8
5. Understand the scope of cover under marine hull, liability and related insurances.	8
6. Understand the scope of protection and indemnity (P&I) insurance and how it is provided.	6
7. Understand claims investigation, handling and settlement procedures in marine insurance.	8

* The test specification has an in-built element of flexibility. It is designed to be used as a guide for study and is not a statement of actual number of questions that will appear in every exam. However, the number of questions testing each learning outcome will generally be within the range plus or minus 2 of the number indicated.

Important notes

- Method of assessment:

Mixed assessment consisting of two components, both of which must be passed. One component is a coursework assignment and one is a multiple choice question (MCQ) examination. The details are:

 1. an online coursework assignment using RevisionMate consisting of 10 questions which sequentially follow the learning outcomes. This must be successfully completed within 6 months of enrolment; and
 2. an MCQ exam consisting of 50 MCQs. 1 hour is allowed for this exam. This exam must be successfully passed within 18 months of enrolment.
- This syllabus will be examined from 1 May 2025 until 30 April 2026.
- Candidates will be examined on the basis of English law and practice unless otherwise stated.
- This PDF document has been designed to be accessible with screen reader technology. If for accessibility reasons you require this document in an alternative format, please contact us at online.exams@cii.co.uk to discuss your needs.
- Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:
 1. Visit www.cii.co.uk/qualifications
 2. Select the appropriate qualification
 3. Select your unit from the list provided
 4. Select qualification update on the right hand side of the page

1. Understand the principal elements of shipping and world trade.

- 1.1 Describe the world of shipping, including the different types of ships.
- 1.2 Explain risks in the world of shipping.
- 1.3 Explain ship finance and the requirements of mortgagees and lessors.
- 1.4 Explain the role of classification societies.

2. Understand the legal and regulatory environment of shipping.

- 2.1 Describe the legal and regulatory environment affecting shipping.
- 2.2 Apply shipping law and regulation to relevant scenarios.

3. Understand the key provisions of the Marine Insurance Act 1906.

- 3.1 Explain the key provisions of the Marine Insurance Act 1906.
- 3.2 Describe relevant changes to marine insurance law.

4. Understand and apply key underwriting considerations in marine insurance.

- 4.1 Explain the impact of shipping law for hull, liability and protection and indemnity (P&I) insurers.
- 4.2 Explain the varying risk profiles of vessels.
- 4.3 Explain the underwriting and claims implications of variations in ship valuation.
- 4.4 Explain the key methods of loss prevention and risk management in shipping.

5. Understand the scope of cover under marine hull, liability and related insurances.

- 5.1 Explain the scope of cover provided by standard London market clauses.
- 5.2 Describe the key elements of hull and machinery cover provided by other significant clauses.

6. Understand the scope of protection and indemnity (P&I) insurance and how it is provided.

- 6.1 Explain the differences between the International Group clubs and other providers of P&I insurance.
- 6.2 Explain the cover provided by major P&I insurers.
- 6.3 Explain the role of P&I insurers in the provision of compulsory insurance certificates.
- 6.4 Explain the interaction between P&I insurance and other insurers.

7. Understand claims investigation, handling and settlement procedures in marine insurance.

- 7.1 Explain the role of the various parties in the investigation, handling and settlement of claims.
- 7.2 Explain the use of marine survey reports and other documents in support of claims.
- 7.3 Apply the provisions of standard market clauses in typical claims scenarios.

- 7.4 Explain the handling of claims by P&I Clubs.
- 7.5 Describe the settlement of liability claims for ports, terminals, ship repairers, shipbuilders and charterers.
- 7.6 Explain subrogation/recovery potential following claims on hull and liability policies and against whom such claims might be made.

Reading list

The following list provides details of further reading which may assist you with your studies.

Note: The examination will test the syllabus alone.

The reading list is provided for guidance only and is not in itself the subject of the examination.

The resources listed here will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

CII study texts

Marine hull and associated liabilities.
London: CII. Study text M98

Insurance, legal and regulatory. London: CII.
Study text IF1

Books (and ebooks)

Arnould's law of marine insurance and average. Jonathan Gilman, et al. 20th ed.
London: Sweet & Maxwell, 2022.

Cases & materials on marine insurance law. Susan Hodges. Routledge-Cavendish, 1999.*

Effects of insurance on maritime insurance law: a legal and economic analysis.
Muhammad Masum Billah. Heidelberg: Springer, 2014.*

Elements of shipping. A E Branch. 9th ed.
Abingdon, Oxfordshire: Routledge, 2014.

Lowndes & Rudolf: the law of general average and the York-Antwerp Rules. 15th ed. Richard Cornah & John Reeder (eds).
Sweet & Maxwell, 2018.

Marine insurance clauses. Geoffrey Hudson and Tim Madge. 5th ed. London: LLP, 2012.*

Marine insurance fraud. Baris Soyer.
Hoboken: Informa Law, 2014.*

Marine insurance: law and practice. 2nd ed. Francis Rose. Cornwall: Informa Professional, 2012.*

Marine insurance legislation. Robert Merkin, et al. 5th ed. London: Informa Professional, 2014.*

Maritime economics. 3rd ed. Martin Stopford.
Abingdon: Routledge, 2009.*

Maritime letters of indemnity. Felipe Arizon, David Semark. Abingdon: Informa, 2014.*

International maritime conventions: Volume 2. Navigations, securities, limitation

of liability and jurisdiction. Francesco Berlingieri. Oxon: Informa Law, 2015.*

Offshore contracts and liabilities. Baris Soyer, Andrew Tettenborn. Oxon: Informa Law, 2015.*

The modern law of marine insurance. Volume 4. Rhidian Thomas. London: Informa, 2016.

What ship is that? A field guide to boats and ships. BL Basnight. The Lyons Press, 2008.

Ebooks

The following eBooks are available via www.cii.co.uk/elibrary (CII/PFS members only):

Marine insurance law. 2nd ed. Ozlem Gurses. Routledge, 2017.

Maritime security: an introduction. 2nd ed. Michael McNicholas. Oxford: Butterworth-Heinemann, 2016.

The Blackwell companion to maritime economics. Wayne K Talley. Massachusetts: Wiley, 2012.

Journals and magazines

Insurance day. London: Informa. Daily except weekends. Articles searchable online at www.insuranceday.com.

InsurancePOST. London: Incisive Financial Publishing. Monthly. Contents searchable online at www.postonline.co.uk.

The Journal. London: CII. Six issues a year.

Reference materials

Concise encyclopedia of insurance terms. Laurence S. Silver, et al. New York: Routledge, 2010.*

Dictionary of insurance. C Bennett. 2nd ed. London: Pearson Education, 2004.

Reference book on marine insurance clauses. London: Witherby. Annual.

Exemplars

Exemplar papers are available for all mixed assessment units. Exemplars are available for both the coursework component and the MCQ exam component.

These are available on the CII website under the unit number before purchasing the unit. They are available under the following link www.cii.co.uk/qualifications/diploma-in-insurance-qualification.

* Also available as an eBook through eLibrary via www.cii.co.uk/elibrary (CII/PFS members only).

These exemplar papers are also available on the RevisionMate website (ciigroup.org/login) after you have purchased the unit.

Exam technique/study skills

There are many modestly priced guides available in bookshops. You should choose one which suits your requirements.