FAK 2803 Maritime Law and Insurance

Programme
Bachelor in Insurance

Responsible for the course
Cathrine Bjune

Department
Department of Accounting - Auditing and Law

Term
According to study plan

ECTS Credits
7,5

Language of instruction
English

Introduction
This course offers an introduction to marine insurance as well as the development, practice and legal framework of international shipping. The course explains the insurance covers available to owners, charterers and third parties in the Norwegian and English markets. The connection between law and insurance is covered. The course offers an understanding of International Maritime Law, International Conventions and its impact on international shipping. The course also covers an introduction to commonly used contracts and documents. In addition, the students will learn about the owners insurable interests in the vessel, the international insurance markets and covers available. The course is designed for the authorisation program for marine insurance brokers, but is also useful to all working or wanting to work in the shipping industry as such.

Learning outcome
Acquired knowledge
The course will provide the students with an understanding of commercial practices as well as the legislative and contractual framework of international shipping and how it impacts insurance covers and marine insurance. The importance of national law and international conventions is covered, as well as common contracts and terms. The shipowners can by law and contract incur many legal liabilities, and the students will learn about these liabilities, and how to insure them in the international marine insurance markets. The students will be able to identify liabilities in contract and in tort, determine jurisdiction and applicable law, and decide on relevant insurance covers. The students will understand the owner’s capital and income interests in his vessel as well as being able to identify and assess potential legal liabilities in contract and in tort. The students will also know how marine risks are assessed, and how the premium is calculated.

Acquired skills
- The students will acquire an understanding of lawsontracts and insurance conditions applicable to international shipping and marine insurance covers, and be able to identify and apply these with respect to:
- Shipowners liabilities to cargo, passengers and the environment
- Liability for collisions and salvage
- Limitation rules impacting insurance covers and legal liabilities

The students will also be able to seek relevant insurance covers, and to compare covers from different international insurance markets. They will be able to apply relevant covers for H&M insurance, P&I insurance, War risk covers, Loss of Hire and TLO insurances to practical cases.

Reflection
The students will be able to identify and assess the shipowners, charterers and other third parties potential legal liabilities in connection with the owning and operation of the vessel. This knowledge will enable them to focus on elimination of risk, environmental shipping and damage control through a better operation, better and more efficient insurance covers, and a focus on mitigation and loss prevention. When approaching different contracts for the deployment of ships, and insurance conditions, the knowledge gained will give the students a better basis for evaluating potential risks and costs.

Prerequisites
None.

Compulsory reading
Books:
Falkanger, Thor, Hans Jacob Bull, Lasse Brautaset. 2011. Scandinavian maritime law : the Norwegian perspective. 3rd ed. Universitetsforl. (Norwegian edition: “Innføring i sjørett”)
Tidligere utg. med tittel: Introduction to maritime law

Other:
Cathrine Bjune. 2009. Study guide / Handbook in Maritime Law. Oslo: Handelshøyskolen BI
Cathrine Bjune. 2009. Study guide/Handbook in Marine Insurance. 1. Oslo: Handelshøyskolen BI
Handouts

Recommended reading
Books:
Gold, Edgar. 2002. Gard handbook on P&I insurance. 5th ed. Assuranceforeningen Gard
Thomas, D. Rhidian, ed. 2002. The Modern law of marine insurance. vol 2. LLP

Other:
Selected articles

Course outline
The course will introduce students to the role of maritime transport in international trade and to the importance of international law and its impact on shipping. Including:

- International Maritime Law
- Terms and abbreviations.
- International Conventions
- Ship registration, national flags and “flags of convenience”
- Standard contracts and forms
- Ship owners liabilities in contract and tort
- Carriers liability for cargo and passengers
- Liability for oil pollution
- Salvage and collision
- Limitation rules
- Maritime Liens
- Contracts of carriage and charter parties¨

The course will also examine the following:
- The main marine insurance markets
- The ship owners and charterers insurable interests
- Norwegian and English covers
- Hull and Machinery Insurance
- P&I Insurance
- TLO insurances
- Third party insurances

Computer-based tools
No specific computer based tool are required.

Learning process and workload
The course is conducted through a total of 45 hours of lectures and case work. As a part of lessons students must hand in a paper. Some of the questions at the final exam will be based on theoretical topics from the paper.

The following is an indication of the time required:

Activity	**Hours**
Lectures	33
Case work	6
Review of case work and discussions	6
Preparation for lectures	75
Exam preparation	80
Total recommended time use	**200**

Use of hours
33 hours - Classroom lectures
12 hours - Case work and review of cases in class
45 hours total

Examination
A three hour individual written exam concludes the course.

Examination code(s)
FAK 28031 - Written exam, counts for 100% of the final grade.

Examination support materials
All support materials allowed including BI-approved exam calculator and allowed. TEXAS INSTRUMENTS BA II Plus™
Examination support materials at written examinations are specifies under exam information in our web-based Student Handbook. Please note the use of calculator and dictionary.
http://www.bi.edu/studenthandbook/examaids

Re-sit examination
A re-sit exam is offered at the next scheduled course.

Additional information