



**HEBERT CHITEPO SCHOOL OF LAW AND BUSINESS
SCIENCES**

DEPARTMENT OF ECONOMICS AND FINANCE

MAIN EXAMINATION

BACHELOR OF COMMERCE

PART 4.1 SEMESTER 2

COURSE

**AVIATION RISK & MARINE
INSURANCE**

CODE

HRMI4111

DATE

DURATION

3 HOURS

GREAT ZIMBABWE UNIVERSITY
RECEIVED
-- NOV 2024
EXAMINATIONS OFFICE

INSTRUCTIONS TO CANDIDATES

- 1. THE PAPER COMPRISES 6 QUESTIONS.**
- 2. YOU ARE REQUIRED TO ANSWER ANY 5 QUESTIONS.**
- 3. BEGIN THE ANSWER TO EACH QUESTION ON A FRESH PAGE OF THE ANSWER BOOKLET.**
- 4. WRITE NEATLY AND LEGIBLY.**

1a) As a chief marine underwriter, advise a new member of the team on how to determine the type of insurance policy to issue to the different proposers. (10)

1b) The management team is worried over the performance of a cargo policy that your team has underwritten. Its loss ratio has been bad for the past two years. They summon you to explain to them on how you have underwritten it. Outline your response. (10)

2) You are an assistant underwriter for a company which specializes in aviation insurance. Your company has been approached by a client who seeks aviation hull all risks cover and aviation hull war and allied perils policy. Discuss with justification, FIVE significant underwriting factors which you will consider in your decision to accept or reject the business. (20)

3) In the wake of geopolitical tensions affecting travel routes discuss the impact of aviation insurance premiums and coverage. (20)

4) You are a claims examiner who has been presented with the following claim. Would you pay the claim? Explain why or why not.

Your insured has a marine cargo insurance policy covering the journey from port of Mumbai to port of Beira. Not long after leaving Mumbai, the cargo shifted in stow, threatening the safety of the ship and forcing the ship to make port of refuge in order to

avert danger. This resulted in delays of some weeks to the voyage while the cargo, which was of hazardous nature was being unloaded, partially containerised and re-stowed. The insured is claiming for loss of customers due to delay in cargo and expenses incurred while re-stowing the cargo. (20)

5a) State any four categories of liability that can be insured by a marine liability policy (4)

5b) Explain the scope of cover provided by a marine hull insurance policy against the collision risk. (6)

5c) Outline any five factors you would consider when underwriting marine cargo insurance. (10)

6) Explain the process of filing a claim in aviation insurance and the steps in claims settlement (20)