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| <b>Course Code</b><br>LAW-340                   | <b>Course Title</b><br>Commercial Insurance<br>(Cyprus)   | <b>ECTS Credits</b><br>6   |
| <b>Department</b><br>Law                        | <b>Semester</b><br>Fall / Spring                          | <b>Prerequisites</b><br>Two from LAW-202, LAW-212, LAW-242 and LAW-252/6 |
| <b>Type of Course</b><br>Law Elective           | <b>Field</b><br>Law                                       | <b>Language of Instruction</b><br>English                                |
| <b>Level of Course</b><br>1 <sup>st</sup> Cycle | <b>Year of Study</b><br>3 <sup>rd</sup> / 4 <sup>th</sup> | <b>Lecturer(s)</b><br>Mrs. Koula Michaelidou                             |
| <b>Mode of Delivery</b><br>Face-to-face         | <b>Work Placement</b><br>N/A                              | <b>Co-requisites</b><br>None   |

### **Objectives of the Course:**

Course designed to introduce students to the main legal principles governing non-marine insurance and of the main regulatory rules and bodies concerning the provision and selling of insurance.

### **Learning Outcomes:**

After completion of the course students are expected to be able to:

1. Evaluate the element of misrepresentation and fraud on insurance policies
2. Explain the duty of disclosure
3. Evaluate the effect of the proposal form
4. Explain the meaning of “insurable interest” in life insurances and non life insurances
5. State void and illegal insurances
6. Assess the procedures on insurance claims
7. Evaluate subrogation and contribution
8. Evaluate the importance of insurance policies

### **Course Content:**

- 1.1 Most important Cyprus Statutes affecting insurance policies.
- 1.2 Insurer’s usual policy

### 1.3 Parties to a contract of insurance

- The insured
- The insurer

### 1.4 Misrepresentation;

- Its applicability in insurance law

### 1.5 Duty of disclosure

- Origins
- Effect of non-disclosure
- Duty applies to both the insurer and the insured
- Time for disclosure
- Answers in the proposal form and the duty of disclosure
- Onus of proof

### 1.6 Effect of the proposal form

### 1.7 Application of utmost good faith and breach

### 1.9 Insurable interest

#### 1.10 Definition of insurable interest

- Insurable interest in life insurance
  - Time at which insurable interest must exist
  - Insurable interest and the amount recoverable under a life policy
  - Effect of the absence of insurable interest on a life policy
- Insurable interest in non-life insurance
  - Insurance on goods
  - Insurance on land
  - Insurance involving the interest of third parties

#### 1.11 Fraud

- Applicability in insurance law

#### 1.12 Assignment in relation to insurance

## **2. VOID AND ILLEGAL INSURANCES**

### 2.1 Void and voidable contracts

### 2.2 Illegal insurance contracts

## **3. INSURANCE CLAIMS**

### 3.1 Introduction

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| <p>3.2 Claims process</p> <ul style="list-style-type: none"> <li>• Notice and proof of loss; Form of notice</li> <li>• Notice to the insurer’s agent</li> <li>• Proximate cause</li> <li>• Continuing duty of good faith</li> <li>• Indemnity</li> <li>• Affirmation and waiver</li> <li>• Time for giving notice of loss/making a claim</li> </ul> <p>3.3 Settlement of claims</p> <ul style="list-style-type: none"> <li>• Contracts of settlement</li> <li>• Ex gratia payments</li> <li>• Payment of interest</li> </ul> <p>3.4 Payment of claims under a life policy</p> <p><b>4. SUBROGATION AND CONTRIBUTION</b></p> <p>4.1 Subrogation; Justifications and origins</p> <p>4.2 Prerequisites for the application of the doctrine</p> <p>4.3 Source of subrogation rights</p> <p>4.4 Insurers’ rights against the insured</p> <p>4.5 Modification of subrogation rights</p> <p>4.6 Waiver of subrogation rights</p> <p>4.7 Double insurance and contribution</p> <ul style="list-style-type: none"> <li>• Elements of double insurance; same subject matter, same interest &amp; same risk</li> </ul> |
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**Learning Activities and Teaching Methods:**

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| Interactive lectures, tutorials, written examinations and assignments |
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**Assessment Methods:**

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| Mid Term Exam , Final Exam, Class Participation, Homework |
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**Required Textbooks/Reading:**

| Authors    | Title                       | Publisher       | Year                    |
|------------|-----------------------------|-----------------|-------------------------|
| John Birds | Birds’ Modern insurance law | Sweet & Maxwell | 7 <sup>th</sup> edition |

**Recommended Textbooks/Reading:**

| Authors     | Title  | Publisher                | Year                    |
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| McGillivray | McGillivray on insurance law: relating to all risks other than marine. | London: Sweet & Maxwell, | 2008                    |
| Ray Hodgkin | <i>Insurance Text and Materials</i>                                    | Cavendish Publishing     | 2 <sup>nd</sup> edition |