



Continuing Professional Development Certificate

Are marine misappropriation losses too high - underwriting challenges

Date: Thursday 07 February 2019

Time: 1.10pm - 1.55pm

Speakers: John Minton, CEO, Minton, Trehame & Davies Group
Mike Roderick, Partner, Clyde & Co

In this IIL Marine & Energy lecture John Minton covered the background, history and characteristics of misappropriation loss claims, how they arise and why they were often so large, while Mike Roderick talked about the legal considerations behind the drafting of the JCC misappropriation wordings. In his presentation, John provided the background, explaining that misappropriation losses although topical, were not new. He illustrated with historical cases of inventory loss and how the market has reacted to try and combat continuing losses. He concluded by stressing the importance of frequent monitoring of stocks so as to reduce the risk and extent of misappropriation losses and the incentive that the new clause provided to assured to do so. Mike covered the legal context, referring to and explaining the Exclusion wording – JC 2017-010 and the Inclusion wording - JC2017-011.

By the end of this lecture, members would have gained an insight into:

- how misappropriation losses arise and how they can be minimised
- how the risk for both the assured and underwriters can be reduced
- the introduction of new JCC wordings and current market practice.



This lecture or podcast can be included as part of your CPD requirement should you consider it relevant to your professional development needs. It is recommended that you keep any evidence of the CPD activity you have completed and upload copies to the recording tool as the CII may ask to see this if your record is selected for review.