

## Chart of difference between Life insurance and Marine Insurance

| Points of differences         | Life Insurance   | Marine Insurance  |
|-------------------------------|--|---|
| <b>Meaning</b>                | Life insurance provides financial support to the family after the death of the insured person or at the time of old age.         | It is an agreement between the insurer and the insured against the marine losses. Marine insurance covers: perils of sea e.g., sinking of ship, storm, seizure etc. |
| <b>Contract</b>               | The contract between the insured and the insurer on the basis of the utmost good faith.  | Marine insurance is a contract of indemnity.  |
| <b>Insurable interest</b>     | Insurable interest must be present at the time of taking the life insurance policy.  | Insurable interest must be present at the time of taking the insurance policy as well as at the time of loss or damage of the ship or cargo.                        |
| <b>Premium</b>                | In a life insurance policy, the premium is fixed cannot be changed.  | In the case of marine insurance, the premium may be altered at the time of renewal of the policy.   |
| <b>Medical Examination</b>    | Medical Examination is a must for taking the life insurance policy.  | No medical examination is needed in this case.  |
| <b>Principle of indemnity</b> | The principle of indemnity is not applicable to life insurance because we cannot estimate the loss due to the death of a person. | Marine insurance includes the principle of indemnity.   |
| <b>Loss</b>                   | Loss is cannot be measured in life insurance   | In Marine insurance, loss of ship or cargo can be measured. And cannot be more than the market value of the cargo.  |
| <b>Risk and Uncertainty</b>   | In human life, there is an element of certainty as death or maturity of the period. So, compensation is a must.                  | In marine insurance, there is an element of uncertainty regarding the loss at sea. So, there may not be any compensation to claim.                                  |
| <b>Time period</b>            | The time period for life insurance is generally 15-20 years.   | Period of one insurance is basically of one year.   |