

THIS work has come a long way since the days of its first edition. It has grown in stature and has shown growing maturity with each incarnation. The current version of the book is the companion to the Law of Life, Motor and Workmen's Compensation Insurance (1999). Of course, the wonderful thing about the two volumes is that they can be used together or they may be used independently. In fact they are written by the author with that flexibility in mind. The work impresses in terms of its breadth and depth of its treatment of the relevant principles and case law.

The book is divided into two main parts. The first deals with various aspects of the pre-contractual duties and obligations which should be borne in mind when undertaking insurance. The second is concerned with the issues which arise out of the policy when a loss occurs and deals with both contractual and statutory questions.

Chapter 1 covers one of the most fundamental principles underlying insurance law – the concept of insurable interest. Here, care is taken to deal with the relevant historical background behind this requirement peculiar to insurance contracts. The author takes particular care to bring the reader through the common law rules before dealing with the statutory regime under local law. This is particularly useful since knowledge of the background will assist one in interpreting a statutory provision when the statute is not meant to be a codifying enactment. The author also takes the trouble to point out the dramatic departure from traditional norms which section 64(4) of the Insurance Act has introduced. The latter part of the chapter is thoughtfully divided into the various categories of insurance – life, property both moveable and immovable and liability.

Chapter 2 goes on to cover the law relating to another of the peculiar features of an insurance contract. Because it is considered a contract *uberrimae fidei*, any person who wishes to take out insurance cover is bound a duty to disclose all facts material to the risk to be insured. Here again, the author brings the reader through the historical development of the doctrine as well as the differences of opinion that has arisen along the way. The work also covers a few examples of such a duty. The work covers the issue of how the duty and its breach affects the rights of the insured persons when there is a composite policy. Such a policy is where it covers the interests of more than one person and these interests may not be coextensive. The recent decisions of the English Court of Appeal in *New Hampshire Insurance Co Ltd v MGN Ltd* [1997] LRLR 24 and *FNCB Ltd v Barnet Devanney & Co Ltd* [1999] Lloyd's Rep 459 are discussed as well as the decision of *Arab Bank Plc v Zurich Insurance Co* [1999] 1 Lloyd's Rep 262.

Chapter 3 deals with issues arising from the insured filling in the proposal form which he is presented with when he applies for insurance cover. Here, the author brings the reader through the basis clause which warrants that all the answers given by the insured in the proposal form are true and the truth of which forms the basis of the contract. The work explores how this clause works in various contexts and shows how it has bite even when the insured may be merely expressing an opinion.

Chapter 4 deals with the specific issues relating to formation of a contract in the context of insurance contracts. Of particular interest to the uninitiated is the discourse on cover notes and what it represents in terms of its governing provisions. Chapter 5 then moves on to discuss the types of terms found in insurance contracts. Of course, one would soon notice that the terminology used in insurance law is different from that used in the law of contract, *eg*, a warranty only yields damages if breached under contract law; however, under insurance law the entire contract is discharged. Another difference is that under the law of insurance, once there is a breach of a warranty, there is automatic breach and therefore no need by the innocent party to elect.

Chapter 6 deals with the main issues relating to Insurance Agents – who do they act for in the various aspects of canvassing for insurance and what rights does an insured have against the agent if things go wrong. Chapter 7 deals with issues of construction of an insurance policy.

Chapter 8 deals with the question of causation and the rules as they apply to insurance losses. Chapter 9 deals with the public policy bar and how even though the contract may provide for a loss being covered, the courts may still refuse to enforce such a claim. Chapter 10 deals with the issues which arise when there are changes in the circumstances attendant to the subject matter of insurance during the course of the period of insurance. It deals with the various techniques employed by insurers to tackle the issue of how to avoid liability for any such increase of risk during the currency of the policy.

Chapter 11 deals with the claims process – who, where, how and what? Who to give notice to; where to give such notice; how such notice is to be given; and what needs to be contained in such a notice. Chapter 12 moves on to the next logical step – how the insurer deals with a claim filed by the insured. How fraudulent claims are dealt with as well as how the ubiquitous arbitration clause affects claims.

Once a claim is filed with the insurers and the claim is processed and liability is accepted by the insurer, the next question arises – how should the loss be compensated? Chapter 13 answers the question by dealing with the Principle of Indemnity. The Chapter deals with the various means of assessing such an indemnity as well as the various means employed by insurers to ensure that an insured cannot reap the benefits of underinsurance in the event of a partial loss. Chapter 14 deals with an area which most insured do not think about – the right of the insurer, after paying out, to step into the shoes of the insured and exercise his rights to sue third parties who have caused the insured loss.

Chapter 15 covers the two areas of double insurance and contribution. The question of contribution between two insurers only arises where there is double insurance, *ie*, where two or more insurers are covering the same risk. If the insured only claims against one, the one paying out can look towards the other insurers who are insuring the same risk to contribute their share of the loss. Chapter 16 deals with the issue of whether and how policies may be assigned.

One is constantly reminded in the local books that the law of insurance in Singapore and Malaysia is very much governed by English law. There is nonetheless a wealth of local case law in this area. The greatest achievement of this book is that it manages to give a comprehensive coverage of English law and authorities while doing justice

to the scholarship in local decided cases by affording them extensive exposure. The book has the added utility of juxtaposing English statutory provisions alongside local statutes in order that one may make the necessary comparisons as well as understanding the resulting occasional differences between English cases and local authorities.

This book is clearly written with the practitioner in mind. Any such book should be convenient to use and useful for legal research. The way in which the topics and areas have been presented are particularly friendly to the busy practitioner. There is not just the usual exposition of the legal principles involved in any particular area; the book goes further to extract the most pertinent parts of the relevant judgments. Such a style of presentation allows the reader a ready overview of a particular area while affording him the possibility of doing further reading of the relevant passages from which such principles are distilled. This allows a busy practitioner to have a quick view of the most relevant passages in order that he may decide if the case merits further investigation. In the quickening pace of practice, this will no doubt be much appreciated as it will save precious time and allow for more efficient and effective research.

On the whole, the author has done very well indeed in bringing us a comprehensive book on the general principles of local insurance law. Not only has he covered the various general legal principles relevant in insurance contracts, he has also done an excellent job in juxtaposing these alongside the various local statutes to show clearly the relationship between the common law rules and statutory provisions. Ultimately, this book has much to recommend itself – it is user-friendly, it is well organised and it is superlative in its comprehensive survey of both English and local authorities. With that in mind, this book commends itself to any student or practitioner.