



Marine Insurance Act 1906

1906 CHAPTER 41 6 Edw 7

RETURN OF PREMIUM

82 Enforcement of return.

Where the premium or a proportionate part thereof is, by this Act, declared to be returnable,—

- (a) If already paid, it may be recovered by the assured from the insurer; and
- (b) If unpaid, it may be retained by the assured or his agent.

83 Return by agreement.

Where the policy contains a stipulation for the return of the premium, or a proportionate part thereof, on the happening of a certain event, and that event happens, the premium, or, as the case may be, the proportionate part thereof, is thereupon returnable to the assured.

84 Return for failure of consideration.

- (1) Where the consideration for the payment of the premium totally fails, and there has been no fraud or illegality on the part of the assured or his agents, the premium is thereupon returnable to the assured.
- (2) Where the consideration for the payment of the premium is apportionable and there is a total failure of any apportionable part of the consideration, a proportionate part of the premium is, under the like conditions, thereupon returnable to the assured.
- (3) In particular—
 - (a) Where the policy is void, or is avoided by the insurer as from the commencement of the risk, the premium is returnable, provided that there has been no fraud or illegality on the part of the assured; but if the risk is not apportionable, and has once attached, the premium is not returnable:
 - (b) Where the subject-matter insured, or part thereof, has never been imperilled, the premium, or, as the case may be, a proportionate part thereof, is returnable:

Changes to legislation: There are currently no known outstanding effects for the Marine Insurance Act 1906, Return of Premium. (See end of Document for details)

Provided that where the subject-matter has been insured “lost or not lost” and has arrived in safety at the time when the contract is concluded, the premium is not returnable unless, at such time, the insurer knew of the safe arrival.

- (c) Where the assured has no insurable interest throughout the currency of the risk, the premium is returnable, provided that this rule does not apply to a policy effected by way of gaming or wagering;
- (d) Where the assured has a defeasible interest which is terminated during the currency of the risk, the premium is not returnable;
- (e) Where the assured has over-insured under an unvalued policy, a proportionate part of the premium is returnable;
- (f) Subject to the foregoing provisions, where the assured has over-insured by double insurance, a proportionate part of the several premiums is returnable:

Provided that, if the policies are effected at different times, and any earlier policy has at any time borne the entire risk, or if a claim has been paid on the policy in respect of the full sum insured thereby, no premium is returnable in respect of that policy, and when the double insurance is effected knowingly by the assured no premium is returnable.

Modifications etc. (not altering text)

- C1** S. 84 modified (6.4.2013) by [Consumer Insurance \(Disclosure and Representations\) Act 2012 \(c. 6\)](#), s. 12(2), [Sch. 1 para. 17](#) (with s. 12(4)(5)); S.I. 2013/450, art. 2
- C2** S. 84 modified (12.8.2016) by [Insurance Act 2015 \(c. 4\)](#), s. 23(2), [Sch. 1 para. 12](#) (with s. 22(2))

Changes to legislation:

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