

Insurance law

M05: 2017–18 edition

Web update 2: 21 July 2017

Please note the following update to your copy of the 2017–18 edition of the **M05** study text:

Chapter 4, section H1, page 4/32

Please replace this section with the following:

Example 4.33

If A owes B £100 for work which B has done, B may decide to transfer the right to receive the £100 to C, either as a gift or in exchange for something else.

B is, therefore, the assignor (or creditor) and C is the assignee.

The debtor (A) is not a party to the assignment and their consent, in general, is not required (although it will be advantageous to the other parties if they are given notice).

As a result of the assignment, C will gain the right to enforce the debt against A.



A contractual right is a 'chose (thing) in action', a valuable but intangible piece of property. It is called a chose in action because it cannot be physically seized but only enforced through an action in court.

A 'chose in possession', in contrast, is a piece of tangible property which can be seized or physically controlled.

The various types of assignment are now considered.