



## Professional Qualification in SHIPPING & LOGISTICS

### Level 4 Diploma

#### UNIT 3 – PRINCIPLES OF SHIPPING AND INSURANCE MANAGEMENT

##### Question 1

**Discuss FIVE** limiting factors that make the taking of a draught survey a difficult and time consuming process. (20 marks)

##### Question 2

(a) **Discuss** how the publication of the International Safety Guide for Oil Tankers and Terminals (ISGOTT) can assist the ships personnel in the safe loading and discharging of volatile liquid cargo. (8 marks)

(b) **Compare** the safety features of a tanker designed to carry volatile cargo in liquid form at ambient temperature and pressure, with a tanker designed to carry volatile cargo in liquid form that would be a gas at ambient temperature and pressure. (12 marks)

##### Question 3

**Describe FIVE** areas important to the ship owner and charterer that would be covered by a charter party agreement. Use examples to support your answer. (20 marks)

##### Question 4

(a) **State** what is meant by the term 'Protection and Indemnity' (P&I) with regard to marine insurance. (4 marks)

(b) **Explain** the difference between a marine underwriter and a marine insurance broker. (6 marks)

(c) **Assess** how marine insurance business is transacted through the Corporation of Lloyds of London. (10 marks)

##### Question 5

(a) **Discuss** the insurance procedure that may occur when the Hull and Machinery (H&M) insurance are informed of an insured vessel being grounded on a rock such that it is either a total loss or a constructive total loss. The local authorities have stated the vessel must be removed from the rock. (10 marks)

(b) **Discuss** how the salvage company removing the wreck could be compensated with an award. (10 marks)