



Professional Qualification in SHIPPING & LOGISTICS

Level 4 Diploma

UNIT 3 – PRINCIPLES OF SHIPPING AND INSURANCE MANAGEMENT

Question 1

- (a) **Explain** what is meant by the term 'dry bulk sector'. (4 marks)
- (b) **Explain** what is meant by the term 'liquid bulk sector'. (4 marks)
- (c) **Explain TWO** differences between the dry bulk sector and the liquid bulk sector. (12 marks)

Question 2

- (a) **State** what is meant by the term 'liner agent'. (2 marks)
- (b) **Illustrate ONE** role of liner agents as part of a liner company. Use examples to support your answer. (12 marks)
- (c) **Suggest ONE** reason **why** a liner agent could be separate from a liner company. **Justify** your answer. (6 marks)

Question 3

Discuss how the principles of dried **and** liquid bulk shipping are applied to a shipping organisation you are familiar with. (20 marks)

Question 4

- (a) **Explain** what is meant by the term 'charter party agreement'. (4 marks)
- (b) **Differentiate** between **TWO** types of charter party agreements. (10 marks)
- (c) Referring to your answer to Question 4b, **suggest ONE** reason which would influence **why ONE** of these types of agreement would be used. (6 marks)

Question 5

- (a) **Explain** what is meant by the term 'General Average'. (4 marks)
- (b) **Illustrate** the purpose of General Average when dealing with risk to cargoes. Use examples to support your answer. (16 marks)

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