



Professional Qualification in SHIPPING & LOGISTICS

Level 4 Diploma

UNIT 3 – PRINCIPLES OF SHIPPING AND INSURANCE MANAGEMENT

Question 1

Illustrate TWO automated ways in which the quantity of oil in a ship's tank can be measured when loading an oil tanker in bulk. Use diagrams to support your answer. (20 marks)

Question 2

Describe the principles used to enable the safe carriage of Liquefied Natural Gas (LNG) by LNG tankers at sea. Use examples to support your answer. (20 marks)

Question 3

- (a) **Explain** what is meant by a chartering agreement. (6 marks)
- (b) Referring to your answer to Question 3a, **suggest** the possible consequences to the concerned parties when one party breaches a commercial responsibility. (6 marks)
- (c) **Discuss** why there are different types of charter party agreements for the carriage of different types of bulk transport. (8 marks)

Question 4

- (a) **Identify FOUR** options available to the ship owner when deciding on insurance cover for the operation of his vessel and cargo. (8 marks)
- (b) **Discuss** what is meant by a ship's third party risks and how these risks are covered. (12 marks)

Question 5

- (a) **Explain** whether the saving of property at sea i.e. marine salvage, is a legal requirement. (4 marks)
- (b) **Discuss THREE** points the ship's master would need to consider before offering their services to engage in towing another vessel. (6 marks)
- (c) **Identify FIVE** criteria for fixing the level of an award for a successful salvage operation. (10 marks)