



Professional Qualification in SHIPPING & LOGISTICS

Level 4 Diploma

UNIT 3 – PRINCIPLES OF SHIPPING AND INSURANCE MANAGEMENT

Question 1

Compare a method of measuring cargo quantity for a tanker carrying crude oil with a method for measuring cargo quantity for a bulk carrier carrying bagged grain. (20 marks)

Question 2

State the difference between clean and dirty oil cargo, usually carried on product tankers. (4 marks)

Referring to your answer to Question 2a, identify advantages and disadvantages in a product tanker being able to trade in both. (8 marks)

Illustrate **FOUR** safety features or procedures used on a product tanker to minimise the possibility of a fire occurring. Use examples to support your answer. (8 marks)

Question 3

Illustrate the characteristics of TWO types of charter. Ensure your answer includes the purpose of the agreement and responsibilities between the owner and the charterer. Use a diagram to support your answer. (20 marks)

Question 4

Explain what is meant by the term 'marine insurance'. (4 marks)

Explain why it is vital to follow the principle of utmost good faith (uberrimae fidei) in a marine insurance contract. (6 marks)

Discuss the principle of subrogation and give an example of how it may be used by the insurance company. (10 marks)

Question 5

Discuss the use of and advantages of using Lloyd's Open Form in the event of salvage being required by your vessel, at sea under dangerous conditions. (10 marks)

Discuss how the level of award is determined after a successful salvage operation. (10 marks)