



## Professional Qualification in SHIPPING & LOGISTICS

### Level 4 Diploma

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

##### Question 1

- (a) **Explain** what is meant by 'Full Container Load' (FCL) and 'Less-than Container Load' (LCL). (4 marks)
- (b) **Discuss** the importance of accurate stowage plans on board a container vessel. (6 marks)
- (c) Referring to your answer to Question 1b, **explain** the possible consequences of an inaccurate cargo stowage plan for both operational and safety reasons. (10 marks)

##### Question 2

- (a) **State** what is meant by the term the 'Baltic Dry Index'. (4 marks)
- (b) **Explain** how the Baltic Dry Index works. (6 marks)
- (c) **Discuss** the importance of the Baltic Dry Index to world trade. (10 marks)

##### Question 3

- (a) **Compare FOUR** differences between a 'Bareboat charter' and a 'Time charter'. (8 marks)
- (b) **Discuss** what is meant by a clause in a Bareboat or Time charter called 'fair wear and tear'. (12 marks)

##### Question 4

- (a) **Differentiate** between the Institute of London Cargo Clauses A, B and C. (10 marks)
- (b) **Discuss** why it is important to have insurable interest in a marine insurance policy. (10 marks)

##### Question 5

**Discuss** how Article 13 of the International Salvage convention 1989 determines the level of award that may be awarded to the salvor of a merchant vessel. (20 marks)