



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 terms 'liner trade' **and** 'tramp' trade. (4 marks)
- (b) **Explain TWO** differences between liner trade and tramp trade. (16 marks)

Question 2

- (a) **Explain ONE** role **and ONE** function of liner agents. (4 marks)
- (b) **Suggest TWO** ways in which vessel managers can act as shipping agents. **Justify** your answer. (16 marks)

Question 3

- (a) **Explain TWO** differences between the function of a Very Large Ore Carrier (VLOC) **and** the function of a Handy Size Bulk carrier. (8 marks)
- (b) **Explain THREE** safety requirements which must be followed when discharging the cargo of a VLOC. (12 marks)

Question 4

- (a) **Compare TWO** principles of General Average. (12 marks)
- (b) **Illustrate ONE** reason why a ship owner would declare a vessel to be 'under General Average'. Use examples to support your answer. (8 marks)

Question 5

- (a) **Illustrate why** it is important for a ship owner to have **hull** insurance. Use examples to support your answer. (20 marks)
- (b) **Differentiate** between the role of an underwriter and the role of an insurance broker. (20 marks)