

Specification of Competency Standards for the Logistics Industry

Unit of Competency

1. Title	Arrange for insurance by tender
2. Code	LOCUIL503A
3. Range	This unit of competency is applicable to sea freight, air freight, and express operators. Practitioners should be capable to arrange for insurance by tender independently according to the needs of the company.
4. Level	5
5. Credit	9 (for reference only)
6. Competency	<p style="text-align: center;"><u>Performance Requirements</u></p> <p>6.1 Understand the risks during operation and insurance terms</p> <ul style="list-style-type: none">◆ Understand the basic principles of insurance law, including the principle of utmost good faith, duty of disclosure, insurable interest, contract of indemnity, etc.◆ Understand the impact on the validity of insurance contracts by violation of the basic principles of insurance law◆ Fairly understand the characteristics and operation procedure of the industry, and the co-operation and relationship with customers◆ Understand the risks during operation◆ Understand relevant insurance terms◆ Understand the present status and trend of relevant insurance market◆ Decide on the appropriate sum insured, deductible exclusion or maximum limit of liability for certain clauses according to the company conditions

	<p data-bbox="384 770 679 904">6.2 Arrange for insurance by tender</p> <ul style="list-style-type: none"> <li data-bbox="767 226 1469 465">◆ Have basic knowledge of Hong Kong business law and company law, including the legal system in Hong Kong and its origin, contract law, torts law and agency law <li data-bbox="767 495 1401 577">◆ Understand tendering procedures and relevant strategies <li data-bbox="767 600 1437 683">◆ Capable to prepare tender conditions in the interests of the company <li data-bbox="767 770 1437 965">◆ Select appropriate insurance companies or intermediaries according to their background, financial position, reputation and underwriting capacity <li data-bbox="767 987 1426 1122">◆ Handle the relationship with insurance companies or intermediaries legally during the tender period <li data-bbox="767 1144 1469 1442">◆ Compare and analyze the quotations from insurance companies or intermediaries, and choose the most appropriate coverage, sum insured, deductible, premium and maximum limitation of liability for certain clause <li data-bbox="767 1464 1458 1547">◆ Liaise with eligible insurance companies or intermediaries and confirm the details <li data-bbox="767 1570 1433 1653">◆ Inform relevant departments of the progress of the insurance arrangements <li data-bbox="767 1675 1469 1758">◆ Verify the insurance documents issued by insurance companies or intermediaries
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	<p>6..3 Professionalism</p> <p>in arranging for insurance by tender</p> <ul style="list-style-type: none"> ◆ Handle insurance issues according to insurance law ◆ Act in a cautious manner to protect the interests of the company when deciding on the subject matter insured ◆ Avoid conflict of interests
7. Assessment Criteria	<p>The integrated outcome requirements of this unit of competency is:</p> <p>(i) Capable to arrange for insurance by tender and to decide on the successful tender in the interests of the company.</p>
8. Remarks	