



Professional Qualification in SHIPPING & LOGISTICS

Level 4 Diploma

UNIT 1 – MERCANTILE AND SHIPPING PRACTICE

Question 1

- (a) **Explain** the purpose of the International Commercial Terms (Incoterms). (4 marks)
- (b) Referring to your answer to Question 1a, **explain** why there are variations available in the Incoterms. (6 marks)
- (c) **Identify** the roles of the buyer and the seller when the term 'Ex Works (EXW) named place of delivery' is used in the contract of sale. (10 marks)

Question 2

- (a) **State TWO** areas of information that must be submitted to the carrier before the carriage of the goods by sea. (4 marks)
- (b) **Explain THREE** purposes of the Customs Declaration. (6 marks)
- (c) **Explain** why it is important to maintain accurate internal company records for import and export transactions. (10 marks)

Question 3

- (a) **Identify** the role of a bill of exchange in relation to the finance of international trade. (10 marks)
- (b) **Illustrate** how national policy on financial controls can affect seaborne trade. Use examples to support your answer. (10 marks)

Question 4

Discuss the roles and responsibilities of the carrier in the carriage of goods by sea. (20 marks)

Question 5

- (a) **Explain** the role of the vessel traffic service (VTS) as part of port control. (10 marks)
- (b) **Suggest FIVE** services that could be offered by the shipping agent while the vessel is in port. **Justify** your answer. (10 marks)