



## Professional Qualification in SHIPPING & LOGISTICS

### Level 4 Diploma

#### UNIT 5 – OVERSEAS TRADE LAW

##### Question 1

- (a) **State THREE** components which must form part of a basic, legally enforceable contract. (6 marks)
- (b) Referring to your answer to Question 1a, **explain** the significance of **TWO** of these contractual components. (14 marks)

##### Question 2

**Discuss** the rights and responsibilities of the principal and the agent should the agent act outside his level of authority when dealing with a third party. (20 marks)

##### Question 3

- (a) **Identify** the factors that would determine if a Free on Board (FOB) or Cost, Insurance, Freight (CIF) contract would best be used by a seller of goods by sea. (10 marks)
- (b) **Discuss** the consequences of inaccurate documents being submitted by the seller to the bank under a Cost, Insurance, Freight (CIF) contract. (10 marks)

##### Question 4

- (a) **Suggest FOUR** reasons why the Rotterdam rules were created to replace the Hague-Visby rules. (8 marks)
- (b) **Illustrate** the carrier's responsibility to exercise due diligence as stated in the Hague-Visby rules. Use examples to support your answer. (12 marks)

##### Question 5

- (a) **Discuss** the purpose of the Treaty of Rome 1957. (10 marks)
- (b) Referring to your answer to Question 5a, **discuss TWO** effects of the Treaty on the current shipping market. (10 marks)