



Professional Qualification in SHIPPING & LOGISTICS

Level 4 Diploma

UNIT 5 – OVERSEAS TRADE LAW

Question 1

- (a) **State** what is meant by the basic contract component terms 'consideration' and 'offer and acceptance'. (4 marks)
- (b) Referring to your answer to Q1a, **explain** how **both** of these components apply to a Free on Board (FOB) overseas trade contract. (6 marks)
- (c) Referring to your answer to Q1a, **discuss** the consequences of a breach of **ONE** of these terms. (10 marks)

Question 2

- (a) **State TWO** types of agent employed in the maritime trade. (4 marks)
- (b) Referring to your answer to Q2a, **explain** the role of **both** types of agent. (16 marks)

Question 3

Illustrate the principles of Free on Board (FOB) contracts. Use examples to support your answer. (20 marks)

Question 4

- (a) **Suggest TWO** actions the Master should do prior to sailing to ensure the ship can defend itself against possible future cargo damage claims under the Hague Visby Rules. (10 marks)
- (b) **Explain** how the limits on the amount of money payable are calculated for cargo damage under the Hague Visby Rules. (10 marks)

Question 5

- (a) **State** what is meant by the term European Union (EU). (4 marks)
- (b) **Explain** how the development of free trade agreements has impacted on the shipping industry. (16 marks)