



Professional Qualification in SHIPPING & LOGISTICS

Level 4 Diploma

UNIT 5 – OVERSEAS TRADE LAW

Question 1

- (a) State what is meant by 'capacity' in a basic contract. (4 marks)
- (b) Explain **TWO** defences available to those who are sued for breach of contract. (6 marks)
- (c) Compare the meaning and implications of innocent misrepresentation and fraudulent misrepresentation as may occur when creating a basic contract between two parties. (10 marks)

Question 2

Illustrate how the port agent may provide support to the ship's master in the execution of his duties prior to the ship's arrival, during the vessel's stay in port and on departure from the port. Use a diagram to support your answer. (20 marks)

Question 3

Discuss the factors that determine whether a Cost, Insurance Freight (CIF) or Free on Board (FOB) contract should be used between the buyer and the seller when engaged in international transportation of goods. (20 marks)

Question 4

- (a) State **TWO** documents of carriage that fall under the provisions of the Carriage of Goods by Sea Act, 1924. (4 marks)
- (b) Explain the purpose of the Hague-Visby rules that apply to the carriage of goods by sea. (6 marks)
- (c) Illustrate what is meant by the terms reasonable care and burden of proof, in regards to the carrier's obligation to care for the cargo. Use examples to support your answer. (10 marks)

Question 5

- (a) Explain why the European Union was formed. (8 marks)
- (b) Discuss **THREE** aims of the European Union. (12 marks)