



Professional Qualification in SHIPPING & LOGISTICS

Level 4 Diploma

UNIT 5 – OVERSEAS TRADE LAW

Question 1

- (a) **State** what is meant by the term 'legal precedent'. (4 marks)
- (b) Referring to your answer to Question 1a, **explain** how legal precedent may be used in civil court when deciding on disputes in contract cases. (6 marks)
- (c) **Discuss** the advantages the doctrine of legal precedent provides in the law. (10 marks)

Question 2

- (a) **Differentiate** between a General Agent and a Special Agent. (6 marks)
- (b) **Compare** the liability of an agent to that of a third party in the following **TWO** cases: if the agent has actual or apparent authority and if the agent has no actual authority. (14 marks)

Question 3

Suggest why the general rule when doing business in international trade is that you should buy Free On Board (FOB) and sell Cost, Insurance and Freight (CIF). Justify your answer. (20 marks)

Question 4

- (a) **State** what is meant by the term 'law of carriage of goods by sea'. (4 marks)
- (b) **Explain** why the carriage of goods by sea rules were developed. (6 marks)
- (c) **Illustrate TWO** differences between the Hague and the Hague-Visby Rules. Use examples to support your answer. (10 marks)

Question 5

- (a) **Discuss FOUR** reasons why free trade agreements are important. (8 marks)
- (b) **Discuss** the effects when major economies impose extra tariffs on each other's goods. (12 marks)