



TUESDAY 15TH NOVEMBER 2016 – AFTERNOON

SHIPPING BUSINESS

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Explain the major hazards in transporting grain by sea and describe the main exporting regions. Use the world map provided to support your answer.

2. Discuss the benefits offered by documentary letters of credit in terms of liability and risk to the parties involved in the trading transaction.

3. Define and explain the term 'multi-modal transport'. Use examples to support your answer.

4. Assess the importance of ethics in the shipbroking profession and examine the ways in which ethical behaviour can be encouraged, promoted and enforced.

5. Using a port of your choice, discuss the factors which have influenced its development and comment upon the physical and political aspects which could affect its future.

PLEASE TURN OVER

6. Discuss the role and functions of **TWO** of the following organisations and analyse the challenges they face in their sphere of activity.
 - i. International Chamber of Shipping (ICS)
 - ii. International Chamber of Commerce (ICC)
 - iii. International Maritime Bureau (IMB)
 - iv. The Federation of National Associations of Ship Brokers and Agents (FONASBA)

7. Insurable interest is the principle which governs the legal right to insure. Discuss in detail what this entails, covering the main aspects of the application of this principle in relation to marine insurance.

8. Discuss in detail the main functions of a bill of lading and explain the reasons for a bill of lading being made out 'to order' instead of to a named consignee.