



WEDNESDAY 16th MAY – AFTERNOON

SHIPPING BUSINESS

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. You have been tasked by your senior management to set up a quality control system for your operations department. How would you go about setting this up and ensuring that systems are in place? What are the advantages and disadvantages of having a quality management system?
2. Dry bulk and tanker charter parties have a number of variances such as how freight is charged. Explain hire, freight and World Scale and what can affect them.
3. Despatch and demurrage are important factors in any shipping contract. As the port agent what are your responsibilities to the owner and charterer in ensuring these are properly complied with and how are demurrage and despatch calculated?
4. World weather patterns have an impact on shipping and the safe carriage of goods. What does the load line measure? What factors do they take into consideration and why? Give examples of countries or ports that should be in one zone but are in a different zone.
5. The bill of lading is the most important document in facilitating international trade. Discuss the functions of a bill of lading and the differences between a long form and a short form bill of lading.

PLEASE TURN OVER

6. A client has contacted you in your role as a liner agent. They are planning to purchase a container of car parts in China for delivery via your liner service to a named buyer's warehouse. They are seeking advice from you about appropriate Incoterms for their trade deal. Recommend **THREE** Incoterms to the client that they could use for their planned cargo, explaining how each works and the reasons for your choice of each term.

Which option would be your first recommendation and why?

7. Discuss the **FOUR** core areas of liner agency.
8. Iron ore is the single largest dry bulk cargo traded. Give details of the nature of the commodity, the types of ships it is carried in and, using the world map provided, show **THREE** possible load and discharge ports, the routes the ship would follow and make mention of any possible hazards along the routes.