



Faculty of Management and Social Sciences
Department of Logistics & Transport
BSc Hons in Logistics and Transportation
Course CODE: COM551

Year 3 Semester II

REPEAT EXAMINATION

Transport Contract and Regulations – LTTR3213

- This paper consists of SEVEN (07) questions on FOUR (04) pages.
- Answer FOUR (04) Questions including Question 01.
- Only non-programmable calculators are allowed.
- You may use appropriate graphs, diagrams, equation/s to prove or justify the answers.
- If you have any doubt as to the interpretation of the wording of a question, make your own decision, but clearly state it on the script.
- Write Legibly.

Date: 2022.09.26

Pass mark: 50%

Time: 02 Hours

Question 01: (Compulsory)

- (a) Explain what is meant by "Agency" and the two important general rules governing agency. (05 marks)
- (b) List out the four (04) major forms of agency and explain them briefly. (10 marks)
- (c) Termination of agency can be effected by two major methods. List out and explain these methods briefly. (10 marks)



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Question 02

- (a) The shippers and consignees should pay special attention on INCOTERMS at the time of negotiating and entering into the international sale of goods contracts. Why INCOTERMS are important in the International Trade? (04 Marks)
- (b) Write brief notes on following INCOTERMS explaining the costs, risk passing points and other important factors, the shippers and buyers should look at, in order to avoid losses.
- (i) DPU (04 Marks)
 - (ii) FOB (04 Marks)
 - (iii) CIF (04 Marks)
 - (iv) DDP (04 Marks)
- (c) FCA is a better INCOTERM rule than ex-works, when a consignee is compelled to buy goods from the shipper's premises. Explain your answer as a consignee, comparing both INCOTERMS. (05 Marks)

Question 03

- (a) The absence of certain elements would result in the invalidation of a contract, what are these essential elements? Explain them briefly. (15 Marks)
- (b) Explain briefly, what is meant by the term "breach of contract". What are the legal remedies available to an innocent party in the event of a breach of contract as against the guilty party? (10 Marks)

Question 04

Transport is not just confined to one area or model. Historically, road transportation was the only mode of carriage and delivery, but sea transportation developed rapidly due to sea-faring by Greeks and Vikings. Thereafter, rail transportation and Air transportation were added to the entire multi modal transportation system that



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exists nowadays. Freight Forwarders play an important and leading role in transporting goods from one destination to another using these different modes and transportation that the shippers and consignees cannot execute physically by themselves alone. Discuss the following.

- (a) Freight Forwarder's role as a service provider describing the main types of agency involved. (05 Marks)
- (b) Multi Modal Transport Document / Combined Transport Bill of Lading. (05 Marks)
- (c) Applicability of international legal regulation at time of liability for damage occurred to goods while in Sea carriage. (mention the name of Conventions applicable) (04 Marks)
- (d) Applicability of international regulations at time of liability for damage while in Road carriage. (mention the name of Convention applicable) (04 Marks)
- (e) In case where the Freight Forwarder has issued his House Bill of Lading for the entire Combined Transportation, determine the liability of such Freight Forwarder based on Contract and Tort. (07 Marks)

Question 05

- (a) Define the term "freight" and explain when the freight is payable? (10 Marks)
- (b) List out various types of freight used in the commercial world and explain any three of them briefly. (15 Marks)

Question 06

- (a) What is a charter party? (02 Marks)
- (b) List down the main types of charter parties and briefly explain them. (12 Marks)



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- (c) List down main expenses related to shipping and which party should bear up those expenses in different charter parties. (06 Marks)
- (d) The shipowner (A) charters his vessel to a Charterer (B). Charterer (B) is also the cargo owner. The shipowner (A) issues a bill of lading to the Charterer (B) for cargo on board. Explain the main functions of the bill of lading issued by the shipowner to a charterer, who is also the cargo owner. (05 Marks)

Question 07

Write short notes on below topics.

(5 * 05 Marks)

- (a) Hague Visby Rules.
- (b) Bill of Exchange.
- (c) Innominate terms.
- (d) Maritime Liens.
- (e) Three methods of incorporated company liquidation.

-----END OF THE QUESTION PAPER-----



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