1. The Documentary Letter of Credit is said to be the safest and most secure method of making payments for goods in international trade, yet it is not universally adopted. Explain why traders might choose not to use this method of settlement and comment on the alternatives available to them.

2. Most merchant ships will change hands more than once during their working lifetime. Discuss the way in which this market operates and examine the role of the Sale and Purchase Broker in the transactions which take place.

3. Why should an exporter choose to sell on CIF terms, when DES offers a far more straightforward alternative?

4. The last quarter of the 20th century has seen a steady increase in the size and capacity of ocean-going container vessels. Consider the reasons for this and examine the factors which might limit this trend in the future.

5. The International Maritime Organisation is responsible for much of the law covering maritime safety. Explain how its conventions are implemented and enforced.

6. Dry cargo brokers’ principals expect them to be ‘in touch with the market’ in order to maintain their competitive edge. Explain how brokers achieve this in practice.

7. Analyse the range of risks to which a charterer buying a cargo on FOB terms is likely to be exposed, and discuss the means by which he can limit his exposure or protect himself against such risks.

8. The membership of BIMCO (the Baltic and International Maritime Council), represents 60% (470 million deadweight tons) of the world merchant fleet. Examine the reasons for the existence of such an organisation and discuss the benefits of membership.