



Module 5

Cargo Risks

Sample questions

Match the description with the document.

Order bill of lading	Sea Waybill
Cell 1	Cell 2

⌘ Consignee will be named in the document

⌘ Consignee will not be named in the document

⌘ Does not have to be presented to obtain delivery of the goods

⌘ Does have to be presented to take delivery of the goods

⌘ Is negotiable

⌘ Is not negotiable

Decide which statements are true and which are false.

	True	False
Rotterdam rules are a true multi modal convention	☐	☐
Under Rotterdam the defences under the Hague Visby rules are now only presumptions	☐	☐
Under Rotterdam the limitation amounts are the same as the Hamburg rules	☐	☐
The Rotterdam rules are not in force	☐	☐



Which country requires SCAC codes on bills of lading?

- ☐ China
- ☐ UK
- ☐ US
- ☐ France
- ☐ Australia

A shipper decides to use a freight forwarder to organise the transportation of their goods and gives the freight forwarder the express flexibility to subcontract the carriage on any terms required. The freight forwarder subcontracts the carriage to a shipping line whose own contract of carriage contained a very narrow dispute resolution clause.

If the cargo interests decide to make a claim against the shipping line directly, against whom is the dispute resolution clause enforceable if at all?

- ☐ Neither unless they expressly agreed to it beforehand
- ☐ Both the cargo interests and the freight forwarder
- ☐ Just the cargo interests
- ☐ Just the freight forwarder

A containerised cargo arrived at a hub port but due to operational issues the vessel that it was due to be loaded onto for the final part of the journey did not arrive for 10 days. By the time it arrived at final destination the cargo had deteriorated in quality.

The Member had issued a combined transport bill of lading. If a claim is made against the Member will the Club respond under the cargo rule?

- ☐ No because liability only starts at the point of loading
- ☐ Yes, as all cargo damage is covered under the Cargo rule
- ☐ No because it was not the Member's negligence that directly led to the damage to the cargo
- ☐ Yes, as the responsibility had already started on issuance of the CTO bill

In what particular situation might a deviation be justified but the carrier still find themselves liable for any cargo damage?

- ☐ If the deviation was caused by the ship being unseaworthy
- ☐ If the deviation is not for saving life then the ship will be liable for any cargo damage
- ☐ If the deviation is justified then there will never be liability for cargo damage
- ☐ if the cargo interests were not consulted about the proposed deviation first



When considering a claim on behalf of an owner for damage to 5,000 boxes of automotive parts stowed on 50 pallets each weighing 10 metric tons, why should both limitation amounts under the Hague Visby Rules be calculated if they are applicable?

- ☐ As the carrier can only limit to the higher amount of the two calculations
- ☐ The carrier can choose which one to use
- ☐ The two amounts are never applicable together, they are alternatives for different types of cargo
- ☐ As the carrier is allowed to limit to the lower amount of the two calculations

Decide which statements are true and which are false

	True	False
A cargo is only dangerous if it is listed in the IMDG code	☐	☐
The shipper is responsible for notifying the carrier of any dangerous cargo	☐	☐
If a Master finds undeclared dangerous cargo on board they can land it, but they cannot destroy it	☐	☐
A charterer will be liable to the owner if they knowingly load goods that are excluded under the charter	☐	☐

Water found in a crude oil cargo can come from a number of sources. Choose all that might apply.

- ☐ Water leaking in through rusty tanktops
- ☐ Water leaking in from heating coils
- ☐ Water in the cargo separating out
- ☐ Water leaking in from sounding pipes

There are a number of practical reasons why cargo might appear to be short delivered, thus incurring a fine when all the cargo is actually there in reality. Choose all that might apply.

- ☐ Having to discharge into multiple shore tanks
- ☐ Badly calibrated weighbridges
- ☐ Inaccurate arrival surveys
- ☐ Poor counting by tally clerks