EXAMINATION QUESTION PAPER - Written examination

# EXC 21211
# International Commercial Law

Department of Law and Governance

| | | |
|---|---|---|
| **Start date:** | 28.05.2018 | Time 15.00 |
| **Finish date:** | 28.05.2018 | Time 18.00 |

| | |
|---|---|
| Weight: | 100% of EXC 2121 |
| Total no. of pages: | 3 incl. front page |
| No. of attachments files to question paper: | 0 |
| Examination support materials permitted: | • All printed and handwritten support materials<br>• BI-approved exam calculator<br>• Simple calculator<br>• Bilingual dictionary |
| Max no. of answer paper attachment files: | 0 |
| Allowed answer paper file types: | pdf |

Exam International Commercial Law

1. (10%)

Outline the common stages of an international sales contract. Would you consider any of the stages to be more crucial than the others?

2. (10%)

Explain what a political risk and a payment risk is in international sales.

3. (10%)

Provide three examples of what can be considered “transnational law”.

4. (10%)

What is the UCP 600?

5. (10%)

Describe the difference between arbitration and court procedure. (10%)

6. (A total of 50%)

The company ”Ladieswear” in Barcelona negotiated a contract for selling 1000 trousers and 2300 blouses for ladies to the shop ”Ladies fashion” in Bergen. The Norwegian company was a whole seller of exclusive clothes for women. The contract was signed on August 5th 2017 in a meeting in Barcelona. The company in Barcelona would also make a limited edition of handmade blouses, a total of 200. The Norwegian company supplied the silk and buttons bought from Thailand. There was a clause in the contract stating that Spanish law would be the applicable law. The cargo was sold FOB. The buyer stressed that the clothes had to be received well in advance of the Christmas season, preferably before November 1st.The trousers were in 5 different sizes and half of them in black and half of them in white. The blouses were to be all white and in 5 different sizes. The clothes were all packed in cartons. On 21st October the truck ordered by the seller picked up the cargo at “Ladies wear`s” premises. The truck came at the agreed time and loaded the boxes unto the car. The road transportation was uneventful. However, during loading unto the vessel there was a problem, as one of the boxes of trousers was left in the port and later disappeared. The invoice value of the clothes inside the box was NOK 83.000

Upon arrival in Bergen, it was noted that three boxes of blouses and one with trousers had become water damaged on board. On the way to the consignee the truck had an accident and two of the boxes of blouses (200 blouses) fell of the truck and got run over by another car. The box containing the handmade blouses was one of them. The blouses were dirty and ripped and considered a total loss. When the cargo arrived at “Ladies fashion” it was discovered that all the trousers were black and that for the blouses only three different sizes had been delivered instead of five. On top of this it was discovered that an error had been made with regards to customs in Norway. The proper papers had not been filed and the customs imposed an additional fee of NOK 23.000. Clothing Export had an annual cargo insurance policy and had sent notification to their insurers regarding this particular sale. But “Ladieswear” had forgot to insure the shipment of clothing.

“Ladieswear” claimed Clothing Exporters for:

a) The missing box of trousers
b) The water damaged boxes of trousers and blouses
c) The error in colours
d) The error in sizes
e) The customs fee

Questions:

1. Will CISG apply to this sale and purchase?

2. Discuss and decide whether Clothing Exports can be held liable for the losses mentioned above.

3. If liable, what may the buyer claim from the seller?

4. Will the cargo insurance cover the losses?

Do the same exercise but use CIF.