



# MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY

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## University Examinations 2015/2016

THIRD YEAR SECOND SEMESTER EXAMINATION FOR DEGREE OF  
BACHELOR OF PURCHASING AND SUPPLIES MANAGEMENT

### BBS 3380: CLEARING AND FORWARDING

DATE: NOVEMBER 2015

TIME: 2 HOURS

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INSTRUCTIONS: *Answer question one and any other two questions*

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#### QUESTION ONE (30 MARKS)

- a) Discuss any five INCOTERMS used to source raw materials internationally (10Marks)
- b) Discuss the main activities of a clearing and forwarding agent (10Marks)
- c) Discuss the advantages of multi modal transport (10Marks)

#### QUESTION TWO (20 MARKS)

- a) International Air Transport Association (IATA) is an association of air transport operations with the members carrying the bulk of scheduled air traffic under the flags of over 20 nations. Discuss the major roles of IATA (10Marks)
- b) Explain the major challenges experience when clearing goods and services (10Marks)

**QUESTION THREE (20 MARKS)**

a) Discuss the major organizations that are concerned with transport and documentation  
(10Marks)

b) Explain the major roles of freight forwarders in clearing and forwarding  
(10Marks)

**QUESTION FOUR (20 MARKS)**

a) Import documents shall be submitted to custom not later than 3 months from the date of arrival of vessel which transported the goods to the country. Discuss  
(20Marks)

**QUESTION FIVE (20 MARKS)**

a) Discuss the procedure that a procurement manger at Standard university would follow when importing a photocopier machine  
(20Marks)