



EAST AFRICAN SCHOOL OF AVIATION

FINAL EXAMINATION

SUBJECT: AIR CARGO AGENCY

Duration: 2 HRS

DATE:

TIME: 1100 -1300hrs

INSTRUCTIONS TO ALL CANDIDATES

1. Answer all questions.

- 1) _____ until they have been cleared and duty paid.
 - A) Customs Authorities
 - B) Carriers
 - C) Customs Import agents
 - D) Consignees
- 2) Customs clearance usually involves four main steps:
 - A) 3
 - B) 4
 - C) 5
 - D) 6
- 3) Duty is assessed at the _____ on the total value of the goods plus the air freight charges.
 - A) place of importation.
 - B) place of exportation.
 - C) place of Transshipment.
 - D) Both A and B
- 4) Goods imported on a temporary basis for subsequent re-export after repair, demonstration or processing must be _____ at the time of re-export so that the duty paid on import can be refunded to the importer.
 - A) Screened
 - B) Secured
 - C) re-declared
 - D) opened
- 5) Government authorities in certain countries do not accept deferred payment of import duties. Immediate _____ is required, or at least a guarantee that these duties will be paid.
 - A) Cash settlement
 - B) Letter of credit
 - C) Bill of exchange
 - D) Both B and C
- 6) A _____ is the intermediate zone between arrival and delivery to the consignee in case of terminating traffic, or to the onward carrying transport carrier, in the case of transshipments.
 - A) free trade zone
 - B) free payment zone
 - C) free storage zone
 - D) free loading zone
- 7) National governments will specify a period of time during which goods may stay within the zone as in 17) above, usually a maximum of _____ month(s).
 - A) 1
 - B) 2
 - C) 3
 - D) 4
- 8) One of the following is not among the documents required prior to air cargo transportation.
 - A) SLI
 - B) AWB
 - C) Commercial invoices
 - D) DGD
- 9) Which one of the following is not among the supportive documents that are always required?
 - A) SLI
 - B) CITES Document
 - C) AWB

- D) DGD
- 10) _____ services relate to pick-up and delivery operations directly connected with air transportation.
- A) Packing
 - B) Trucking
 - C) Customs clearance
 - D) Both B and C
- 11) The SLI is used to transmit to the _____ all details and instructions concerning a particular shipment.
- A) Breakbulk agent
 - B) Consolidator
 - C) Shipper
 - D) Consignee
- 12) By definition, _____ is the movement of freight by means of air transportation.
- A) Air lifting
 - B) loading
 - C) air freight
 - D) Air transport
- 13) Subject to special Civil Aviation Authority approval, an aircraft may be _____ to fly to destinations not usually served, or infrequently served, by scheduled carriers
- A) Bought
 - B) Chattered
 - C) Leased
 - D) Both B and C
- 14) One of the following is not among the documents required due to the nature of goods.
- A) NOTOC
 - B) SLI
 - C) DGD
 - D) Both A and C
- 15) All but one of the following are among the documents required due to the nature of goods when shipping live animals by air.
- A) NOTOC
 - B) CITES document
 - C) Live animals' certification
 - D) Health declaration
- 16) A _____ is a document provided to the captain to inform him about any special loads on board the aircraft.
- A) NOTOC
 - B) SLI
 - C) DGD
 - D) Both A and C
- 17) The document that must always accompany a shipment of live animals is known as _____
- A) NOTOC
 - B) Certification for live animals
 - C) DGD
 - D) Both A and C
- 18) The document that must always accompany a shipment of dangerous goods is known as _____

- A) NOTOC
 - B) Certification for live animals
 - C) DGD
 - D) Both A and C
- 19) The documents required for payment purposes, include all but one of the following:
- A) Letter of credit
 - B) Bill of Exchange
 - C) Sight draft
 - D) NOTOC
- 20) A letter of credit is a document issued by a bank at the request of a _____
- A) Shipper
 - B) Consignee
 - C) IATA Cargo agent
 - D) Consolidator
- 21) The document issued by a bank in conjunction with shipping documents _____
- A) Letter of credit
 - B) Bill of exchange
 - C) Sight draft
 - D) Both B and C
- 22) _____ are appointed by the consignees/importers to handle customs clearance.
- A) Customs import agents
 - B) Customs brokers
 - C) Consolidators
 - D) Both A and B
- 23) Customs _____ is the process by which shipments are assessed by customs authorities for determination and payment of customs duties.
- A) Procedure
 - B) Brokerage
 - C) Documentation
 - D) Both A and C
- 24) _____ is responsible for handling all imported shipments at the destination.
- A) Inbound carrier
 - B) Outbound carrier
 - C) Consolidator
 - D) Break-bulk agent
- 25) Generally, a charterer will be charged on the basis of a _____.
- A) 1st leg of the trip
 - B) 2nd leg of the trip
 - C) Round trip
 - D) None of the above
- 26) There is a charge for delays to aircraft at origin or destination which are directly the fault of the charterer or his agent. This is termed '_____ '.
- A) Demurrage
 - B) Fine
 - C) Penalty
 - D) Both B and C
- 27) The contract of carriage between an airline and a charterer stipulates the conditions of the charter, including all but one of the following:
- A) Aircraft type;

- B) Point of transit;
 - C) Time and date of operation;
 - D) Airports between which the aircraft will operate;
- 28) The cancellation charge is usually based on a scale in _____, where the penalty increases depending on how close to the departure date the notification of cancellation is given.
- A) Weeks
 - B) days
 - C) Months
 - D) hours
- 29) One of the most important roles of the cargo agent is that of a neutral _____
- A) Supplier
 - B) distributor.
 - C) Exporter
 - D) Importer
- 30) The movement of cargo is a competitive commercial business with considerable scope for _____, and abundant _____ for mistakes that can escalate into near disasters.
- A) Mistakes, Errors
 - B) Errors, mistakes
 - C) Error, opportunities
 - D) Opportunities, error
- 31) If the cargo is mishandled and the deadline missed, the customer may be totally _____.
- A) Ununderstanding
 - B) Unforgiving
 - C) Unaccepting
 - D) Answerable
- 32) Each error in cargo handling can have far reaching effects, sometimes out of all proportion to the _____ or _____ of the shipment concerned.
- A) Value, Size
 - B) Size, Value
 - C) Nature, Quantity
 - D) Quantity, Nature
- 33) To acquire IATA accreditation to be an IATA Cargo agent, the applicant must provide evidence of his ability to develop air cargo business, and possess _____, adequate _____ and financial resources needed to undertake the marketing, security processing, handling and documentation associated with his activities.
- A) Qualified staff, facilities
 - B) Qualified staff, Trucks
 - C) Marketing skills, space
 - D) Both A and C
- 34) All but one of the following are the main rights and obligations of IATA Cargo Agents are:
- A) An accredited IATA Cargo Agent can obtain stocks of air waybills and credit facilities from airlines.
 - B) Accredited IATA Cargo Agent can also be appointed as agent by individual airlines who regard the agent's business activities as being of value to them, as well as by common consent or concurrence.
 - C) IATA Cargo Agents receive a commission from IATA airlines on import cargo.
 - D) IATA Cargo Agents must present shipments to the airlines "Ready for Carriage".

- 35) Cargo agents appointed by IATA Member airlines act on their behalf as a distribution network for the airlines' cargo_____.
- A) Facilities
 - B) Products
 - C) Handling
 - D) Both A and C
- 36) The IATA Cargo Agent offers services to the _____ in connection with the _____ of his goods and assists the _____ on the _____ side.
- A) Consignee, Export, shipper, import
 - B) Shipper, Export, consignee, import
 - C) Consignee, import, shipper, export
 - D) Shipper, Import, consignee, export
- 37) He must also understand the complex, _____ and _____ requirements and be aware of the physical conditions prevailing in a multitude of markets, each of them different
- A) Simple, legal
 - B) Complex, best
 - C) Best, simple
 - D) Complex, legal
- 38) The main document required for the transport of airfreight is known as _____
- A) SLI
 - B) Air waybill
 - C) Shipper's declaration for Dangerous goods
 - D) Shipper's certification for live animals
- 39) Any failure to comply or mistake in completing the documentation can result in_____ to the shipment, inconvenience, if not financial _____, to the shipper/exporter and to the consignee/importer, and eventual loss of the customer.
- A) Delays, Losses
 - B) Delays, Damage
 - C) Loss, Damage
 - D) Both A and C
- 40) Documents are not required:
- A) Prior to the transportation by air of the shipment;
 - B) For the transportation by air of the shipment; and
 - C) Subsequent to the transportation by air of the shipment.
 - D) At the point of transshipment
- 41) The shipper uses this document to transmit to the IATA cargo agent/consolidator all the details and instructions concerning a particular shipment. The document is referred to as_____
- A) Air waybill
 - B) Shipper's letter of instruction
 - C) Shipper's declaration for dangerous goods
 - D) Shipper's certification for live animals
- 42) One of the following is not among the contents of the SLI.
- A) Number of pieces
 - B) Weight and dimensions
 - C) Packing Methods
 - D) Method of payment of charges
- 43) Which one of the following is not among the documents required?
- A) For air transport
 - B) Subsequent to air transport

- C) Prior to air transport
 - D) At the warehouse
- 44) A _____ is a document provided to the captain to inform him about any special loads that are carried on board the aircraft.
- A) Air Waybill
 - B) NOTOC
 - C) Shipper's Letter of Instruction
 - D) Letter of Credit
- 45) This document is issued by a bank at the request of the consignee. It guarantees payment to the shipper, provided that certain conditions are fulfilled.
- A) Air Waybill
 - B) NOTOC
 - C) Shipper's Letter of Instruction
 - D) Letter of Credit
- 46) This is issued by a bank in conjunction with the shipping documents. The bill of exchange is presented to the buyer/importer by the bank, who pays the amount shown and obtains the shipping documents in exchange for payment.
- A) Air Waybill
 - B) NOTOC
 - C) Shipper's Letter of Instruction
 - D) Letter of Credit
- 47) Customs formalities for export shipments are usually completed by _____ on behalf of their customers.
- A) IATA Cargo Agents/consolidators
 - B) Shipper
 - C) Consignee
 - D) Carrier
- 48) All consignments arriving in a country must be formally presented to the_____.
- A) Customs Authorities
 - B) Carriers
 - C) Customs Import agents
 - D) Consignees
- 49) Depending on the regulations of individual countries, imports may be held at the airport of entry by
- 50) In order to reduce _____ costs to the minimum, the air cargo agent will sometimes use air transport on a certain part of the entire route. The remaining transportation may be performed by truck, rail or sea, whichever is feasible.
- A) Packing
 - B) Storage
 - C) Transportation
 - D) Both A and B
- 51) The _____ has a much wider scope of activities, services and operations than a cargo agent, because of the nature of his function.
- A) Consolidator
 - B) Break-bulk agent
 - C) Shippers
 - D) IATA FATA endorsed forwarder
- 52) Cargo Agent sells his own transport system at his own tariff and, consequently, he also assumes the liability of a carrier.

- A) Consolidator
 - B) Break-bulk agent
 - C) Shippers
 - D) IATA FATA endorsed forwarder
- 53) _____ issue house air waybills (HAWB) to their customers and receive master air waybills (MAWB) from the actual carrier.
- A) Consolidators
 - B) Break-bulk agents
 - C) Shippers
 - D) IATA Cargo agents
- 54) _____ dispatch, via scheduled airlines, single shipments that are documented and forwarded separately at normal published airline tariffs.
- A) Consolidators
 - B) Break-bulk agents
 - C) Shippers
 - D) IATA Cargo agents
- 55) National governments will specify a period of time, during which goods may stay within a free trade zone. Usually, this period is _____.
- A) 2 months
 - B) 1 month
 - C) 3 months
 - D) 4 months
- 49) _____ is also known as pick - up and delivery.
- A) Tracking
 - B) Trucking
 - C) Tracing
 - D) Both A and C
- 56) The _____ assembles a number of individual consignments and dispatches them as one bulk shipment on one airline air waybill.
- A) Consolidator
 - B) Break-bulk agent
 - C) Shippers
 - D) IATA FATA endorsed forwarder
- 57) _____ is the process by which articles and substances are prepared and protected so that they can be transported without loss or damage of goods.
- A) Packing
 - B) Packaging
 - C) Package
 - D) Both B and C
- 58) _____ packagings are packagings that do not need any other kind of protection.
- A) Single
 - B) Combination
 - C) Composite
 - D) Overpacks
- 59) _____ packagings consist of one or more inner packagings in an outer packaging.
- A) Single
 - B) Combination
 - C) Composite

- D) Overpacks
- 60) A _____ packaging consists of an outer packaging and an inner receptacle constructed to form one unit.
- A) Single
 - B) Combination
 - C) Composite
 - D) Overpacks
- 61) The complete product of the packing operation consisting of the packaging and contents prepared for transport is referred to as _____.
- A) Packing
 - B) Packaging
 - C) Package
 - D) Both B and C
- 62) The _____ will be either prepaid or charges collect (paid at destination).
- A) House Air Waybill
 - B) Master Air Waybill
 - C) SLI
 - D) DGD
- 63) The _____ plays no part in the terms of payment quoted on House Air Waybills.
- A) Consolidator
 - B) Break-bulk agent
 - C) Airline
 - D) IATA FATA endorsed forwarder
- 62) _____ packagings are enclosures used by a single shipper, to contain one or more packages and to form one handling unit for convenience of handling and stowage.
- A) Single
 - B) Composite
 - C) Combination
 - D) Overpacks
- 63) Packing for shipment by air must take into account all but one of the following factors:
- A) The value of the goods;
 - B) Newly developed packing methods;
 - C) Aircraft unit load devices
 - D) Handling equipment/facilities at points of origin and destination
- 64) Cargo identification labels affixed on the packages of the individual shipments in the consolidation will show _____.
- A) Master Air Waybill number.
 - B) House Air Waybill number.
 - C) Both Master and House air waybill number
 - D) Shipper's letter of Instructions
- 65) To operate _____ transport, the agent requires a good knowledge of the various means of transportation, the costs and the possible technical problems involved.
- A) Airfreight
 - B) Combined
 - C) Sea
 - D) Rail
- 66) The _____ responsibility goes beyond delivering the shipment to the airline at the airport of departure.
- A) Consolidator's

- B) Break-bulk agent's
- C) Shipper's
- D) IATA FATA endorsed freight forwarder's

67) _____ The use of combined transport is expected to increase in the years to come and students interested in this kind of operation should give serious and thorough attention to all legal and technical details related thereto.

- A) Single
- B) Composite
- C) Combination
- D) Overpacks

68) On short routes some airlines operate truck services instead of freighter flights. These truck services, also referred to as _____ services

- A) Route feeder
- B) Road feeder
- C) Express
- D) Courier

69) All but one of the following are factors that affect Packing

- A) Nature of goods
- B) Newly developed packing methods
- C) Handling facilities
- D) Type of aircraft

70) _____ will dictate whether or not there is a demand for high value or seasonal goods and therefore whether or not there is a need for their transportation by air.

- A) Reservations
- B) Market conditions
- C) Trade Patterns
- D) Trade partners

71) _____ refers to the business of hiring an aircraft for carriage of goods by air.

- A) Reservations
- B) Booking
- C) Chattering
- D) Both A and B

72) Due to their important role in selling air transportation, air cargo agents may require training in selling, marketing, _____, customer relations etc. from time to time.

- A) Product knowledge
- B) World geography
- C) Dangerous goods
- D) Packing

73) A _____ is the central part of a wheel into which spokes are inserted.

- A) Terminal
- B) Hub
- C) Ramp
- D) Bay

74) A _____ airport serves as a central point of origin and destination for a number of flights to/from a number of destinations.

- A) Terminal
- B) Hub
- C) Ramp
- D) Bay

75) An _____ is defined as a freight forwarder or an aircraft operator who controls the movement of the goods from door-to-door.

- A) Consolidator
 - B) Break-bulk agent
 - C) Integrator
 - D) IATA FATA endorsed forwarder
- 76) A customer may wish to insure his consignments against loss or damage occurring at any stage of the handling and transportation. All but one of the following are ways to do this:
- A) The customer (shipper or consignee) makes his own arrangements with the insurance company of his choice.
 - B) The shipper/consignee asks the IATA Cargo Agent/consolidator to make the necessary arrangements for him.
 - C) The shipper instructs the IATA Cargo Agent/consolidator to specify the amount to be insured on the air waybill.
 - D) The shipper instructs the carrier to specify the amount to be insured on the air waybill
- 77) Airlines do not collect C.O.D. amounts. This service is performed generally by_____.
- A) Shippers
 - B) Banks
 - C) Customs
 - D) agents
- 78) International trading is followed by payment in accordance with the agreement made between the _____ and the _____.
- A) Shipper, Agent
 - B) Bank, carrier
 - C) Customs, banks
 - D) Buyer, seller
- 79) Who is responsible for providing documentation that gives proof of dispatch or receipt of the goods in question, when payment for goods is being accepted?
- A) The seller
 - B) The buyer
 - C) The carrier
 - D) The air cargo agent
- 80) Lack of proper communication may result in
- A) a shipment arriving late or causing a delay in delivery of the goods to the client.
 - B) a shipment arriving early or causing a hurried delivery of the goods to the client.
 - C) a shipment arriving and being delivered to the client on the same day.
 - D) a shipment arriving unnoticed or causing a delay in delivery of the goods to the client.
- 81) The IATA Cargo agent needs a complete commercial knowledge covering product _____ at every stage, from manufacturing to marketing and selling.
- A. Production
 - B. Management
 - C. Distribution
 - D. Both A and
- 82) The IATA Cargo agent must avoid making mistakes. His errors may lead to a loss of a _____ whose traffic moves almost every day of the year.
- A. Cargo
 - B. Customer
 - C. Service
 - D. Truck
- 83) One of the following is not among the requirements on how to become and IATA Cargo agent. Name it.

- A. Qualified and duly trained staff
 - B. Suitable working premises
 - C. Marketing skills
 - D. All of the above
- 84) All but one of the following are rights and obligations of an IATA Cargo agent.
- A. Obtaining stocks of Air Waybills
 - B. Being appointed by IATA airlines
 - C. Receiving commissions from IATA airlines on Import Cargo
 - D. Presenting shipments "ready for carriage"
- 85) Airlines and IATA Cargo Agents, both being involved in the transportation scheme, might more rightly be considered as _____ in a common venture.
- A. Investors
 - B. Partners
 - C. Importers
 - D. Both A and C
- 86) All but one of the following are services provided by the IATA Cargo Agent.
- A. Arranging insurance for customers
 - B. Tracking and tracing of shipments
 - C. Assisting the shipping public with information in the importing countries
 - D. Preparing airline documentation
- 87) A _____ is a freight forwarding agent accredited under IATA/FIATA Air Cargo Program.
- A. Consolidator
 - B. IATA Cargo agent
 - C. Break bulk Agent
 - D. IATA/FIATA endorsed forwarder
- 88) The General criteria that must be met to become an endorsed Freight Forwarder include all but one of the following
- A. Appropriate business registration
 - B. Sound financial standing
 - C. Suitable working premises
 - D. Good communication skills
- 89) Under the new IATA/FIATA program, freight forwarders are now in a _____ relationship with the airlines
- A. Principal-to-Principal
 - B. Principal-to-Client
 - C. Client-to-Principal
 - D. Principal-to- Representative
- 90) A _____ is a freight forwarding agency that arranges shipping of goods for the benefit of the client, but doesn't operate or have his own airplane
- A. Break bulk agent
 - B. Consolidator
 - C. IATA Cargo agent
 - D. Both B and C
- 91) The consolidator needs to have costs incurred compensated by the _____ in the freight costs.
- A. Margin
 - B. Difference
 - C. Markup
 - D. Both B and C
- 92) Acting as a consolidator, the IATA/FIATA endorsed freight forwarder sells his _____ transport system at _____
- A. Goods, Tariff
 - B. System, Tariff

- C. Tariff, System
 - D. Both A and B
- 93) The carrier's _____ may vary from state to state depending on the applicable international convention or applicable domestic Law, on the contract of carriage.
- A. Capacity
 - B. Liability
 - C. Stability
 - D. Both A and C
- 94) For traffic to which the Montreal convention applies the liability limits of the carriage as from December 30, 2009, in the case of destruction, loss, damage or delay is _____ Special drawing rights.
- A. 17
 - B. 18
 - C. 19
 - D. 20
- 95) For countries that have not ratified the Montreal convention (1999) the liability limit of _____ SDR per kg applies
- A. 17
 - B. 18
 - C. 19
 - D. 20
- 96) Valuation charges are assessed by the carrier if the shipper is requiring the carrier to assume liability for an amount exceeding _____ SDR as the liability limit.
- A. 17
 - B. 18
 - C. 19
 - D. 20
- 97) In performing his services, the IATA FIATA endorsed forwarder/consolidator must ensure that documents are not misplaced or lost as this may result in serious _____.
- A. Delays and losses
 - B. Lose of job
 - C. Mistrust
 - D. Both B and C
- 98) Air cargo is a _____ business that transports _____ of the value of goods traded internationally.
- A. USD60.00/45%
 - B. USD70.00/50%
 - C. USD50.00/35%
 - D. USD80.00/40%
- 99) To acquire IATA Accreditation the applicant must provide evidence of all but one of the following:
- A. Financial resources
 - B. Qualified staff
 - C. Adequate facilities
 - D. Payment of airline charges is
- 100) All partners in air transportation (shippers, truckers, brokers, IATA Cargo Agents/consolidators, airlines and consignees) have a responsibility to correctly and completely fulfill all _____ obligations.
- A) Binding
 - B) Contractual
 - C) Legal

D) Both A and C

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