



Free Questions for L4M8 by certscare

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Question 1

Question Type: MultipleChoice

Which Incoterm applies here?

The supplier is responsible for delivering the goods to a point alongside a water vessel (such as a dock or quay) as determined by the buyer at a named port. Once delivered, all risk is transferred to the buyer until the goods are transported and delivered to their name destination.

Options:

- A- DAT -- Delivered At Terminal
- B- DAP -- Delivered At Place
- C- DDP -- Delivery Duty Paid
- D- FAS -- Free Alongside Ship

Answer:

D

Question 2

Question Type: MultipleChoice

Which Incoterm applies here?

The supplier is responsible for delivering the goods to the buyer's premises include arranging any custom clearances that applies, bearing all risk up until this point.

Options:

- A- DAT -- Delivered At Terminal
- B- DAP -- Delivered At Place
- C- DDP -- Delivery Duty Paid
- D- FAS -- Free Alongside Ship

Answer:

C

Question 3

Question Type: MultipleChoice

Which Incoterm applies here?

The supplier is responsible for delivering the goods to the buyer's premises, bearing all risk up until this point.

Options:

- A- DAT -- Delivered At Terminal
- B- DAP -- Delivered At Place
- C- DDP -- Delivery Duty Paid
- D- FAS -- Free Alongside Ship

Answer:

B

Question 4

Question Type: MultipleChoice

The supplier is responsible for delivering the goods to a named port or destination (such as an air-port or warehouse), as well as unloading them from the terminal from this point, risk passes to the buyer.

Options:

- A- DAT -- Delivered At Terminal
- B- DAP -- Delivered At Place
- C- DP -- Delivery Duty Paid
- D- FAS -- Free Alongside Ship

Answer:

A

Question 5

Question Type: MultipleChoice

Which Incoterm applies here?

The supplier is responsible for delivering the goods to a carrier or to an intermediate agreed place and should ensure that the goods have at least minimal insurance cover until this point. Again, the buyer is responsible for ensuring these goods reach their named destination from here.

Options:

- A- EXW -- Ex Works
- B- FCA -- Free Career
- C- CPT -- Carriage Paid To
- D- CIP -- Carriage and Insurance Paid to

Answer:

D

Question 6

Question Type: MultipleChoice

What Incoterm applies here?

The supplier is responsible for delivering the goods to a carrier or to an intermediate agreed place. From this point, the buyer is responsible for ensuring these goods reach their named destination.

Options:

- A- EXW -- Ex Works
- B- FCA -- Free Career
- C- CPT -- Carriage Paid To
- D- CIP -- Carriage and Insurance Paid to

Answer:

C

Question 7

Question Type: MultipleChoice

What Incoterm applies here?

The supplier is responsible of placing the goods in the hands of a chosen carrier by the buyer, at which point the buyer takes on the risk.

Options:

- A- EXW -- Ex Works
- B- FCA -- Free Career
- C- CPT -- Carriage Paid To
- D- CIP -- Carriage and Insurance Paid to

Answer:

B

Question 8

Question Type: MultipleChoice

What Incoterm applies here?

The goods are considered 'delivered' at the point of release from the supplier's premises or another name place. The supplier is not responsible for loading or transporting the goods and does not have to arrange export clearance -- this must be arranged by the buyer. The risk is on the buyer from this point.

- a) EXW -- Ex Works
- b) FCA -- Free Career
- c) CPT -- Carriage Paid To
- d) CIP -- Carriage and Insurance Paid to

Options:

- A-** EXW -- Ex Works
- B-** FCA -- Free Career
- C-** CPT -- Carriage Paid To
- D-** CIP -- Carriage and Insurance Paid to

Answer:

A

Question 9

Question Type: MultipleChoice

Describe a situation where amendment or an addendum would need to be created

Options:

A- Explanation:

After all the due diligence is carried out, before awarding contract to the best supplier, sometimes procurement professionals find themselves in some problem solving situation; this might have been emanated from supplier facing a financial challenge or problems from external environment. Responding to this might require an amendment or an addendum, depending on the case in hand.

An amendment is for a physical change in the existing contract for example; if a contract contains a negotiated and agreed fixed price for the period of the contract but unexpected market forces such as an economic down turn or force majeure occur, the supplier may have to request an amendment order to continue to make a profit.

An addendum is when an additional document is added to the existing contract for example, If a contract have a schedule of rates and the market forces prices up, an addendum can be added to an existing contract with a revised schedule. Once accepted, the addendum becomes part of the contract. Addendum are physically used when the forecasted cost of a project rises and approval is needed to increase the contract spend.

Answer:

A

Question 10

Question Type: MultipleChoice

KPI should be written to match which area of an organization?

Options:

A- Explanation:

Key performance indicator (KPI) is another method of monitoring how a supplier is delivering on a contract.

When creating KPIs to manage suppliers and their contracts the areas monitored should be related to the organization's overall strategy that is where organization's success will be measured.

Answer:

A

Question 11

Question Type: MultipleChoice

What is contract performance review and continuous improvement?

Options:

A- Explanation:

Contract performance review and continuous improvement is the stage 11 of the CIPS procurement and supply cycle.

In order to effectively manage supplier performance and contractual obligations, the suppliers performance against key performance indicators (KPI) should be reviewed regularly. This KPI should have been agreed during the post contract award negotiation. In addition to review KPIs suppliers and the procurement team should work towards continuous improvement. This is a continuous effort to improve product or services within an organization. This may involve improving quality, reducing waste in the supply chain and focusing on innovation. It is an ongoing process that works toward perfection.

Answer:

A

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