

**BINDURA UNIVERSITY OF SCIENCE**

**EDUCATION**

**FACULTY OF COMMERCE**

**DEPARTMENT OF ECONOMICS**

**BACHELOR OF SCIENCE HONOURS DEGREE IN PURCHASING  
& SUPPLY**

**SCM 402: GLOBAL SOURCING/**

**PAS 410: INTERNATIONAL PURCHASING1**

**DURATION: 3 HOURS**

**TOTAL MARKS: 100**

**INSTRUCTIONS TO CANDIDATES**

- i. Answer any 4 questions.
- ii. Begin a new answer on a new page.
- iii. All questions carry 25 marks.

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**QUESTION ONE**

What is meant by a bill of exchange? Discuss the life cycle of a bill of exchange.  
(25 Marks)

**QUESTION TWO**

Explain the different documents used in international purchasing. (25 Marks)

### **QUESTION THREE**

What factors affect the choice of a payment method in international purchasing.  
(25 Marks)

### **QUESTION FOUR**

(a) Discuss the factors to consider when determining the method to use in international shipping. (12 Marks)

(b) Before shipping, what key issues should the exporter check? (13 Marks)

### **QUESTION FIVE**

Assume that a buyer wants to make an insurance claim against damaged goods. Explain the documents that the buyer must produce and describe the process that the buyer must follow. (25 Marks)

### **QUESTION SIX**

Explain the following rules defined by Incoterms 2010 for any mode(s) of transportation.

- (a) DES – Delivery ex – ship (5 Marks)
- (b) DEQ – Delivered ex - quay (5 Marks)
- (c) DAF - Delivered at frontier (5 Marks)
- (d) DDP - Delivered Duty Paid (5 Marks)
- (e) DDU/ Delivered Duty Unpaid (5 Marks)

**END OF PAPER**