

# CIPS L4M3 Exam | L4M3 New Dumps Free - Assist you to Pass L4M3 Exam One Time



CIPS Level 4 – Diploma in Procurement and Supply

## Commercial Contracting [L4M3]

Sample Exam Questions (Objective Response)

The correct answer will be listed below each question

L4M3 Sample Questions V5 Sept 2020

BTW, DOWNLOAD part of DumpExam L4M3 dumps from Cloud Storage: <https://drive.google.com/open?id=1pZvuQ2XtxjVPTYXGTo-ZeLaB1Q3O6Xfz>

There are rare products which can rival with our products and enjoy the high recognition and trust by the clients like our products. Our products provide the L4M3 test guide to clients and help them pass the test L4M3 certification which is highly authorized and valuable. Our company is a famous company which bears the world-wide influences and our L4M3 Test Prep is recognized as the most representative and advanced study materials among the same kinds of products. Whether the qualities and functions or the service of our product, are leading and we boast the most professional expert team domestically.

CIPS L4M3 Certification is a valuable qualification for procurement and supply chain professionals who are looking to enhance their knowledge and skills in commercial contracting. It provides a comprehensive understanding of the legal and commercial aspects of contracting, and is designed to equip professionals with the skills required to effectively negotiate and manage contracts with suppliers and other external parties.

>> L4M3 New Dumps Free <<

## Verified CIPS L4M3 New Dumps Free Strictly Researched by CIPS Educational Trainers

CIPS L4M3 dumps may be the best method for candidates who are preparing for their exam and eager to clear exam as soon as possible. People's success lies in their good use of every chance to self-improve. Our CIPS L4M3 Dumps will be the best resources for your real test. If you choose our products, we will choose efficient and high-passing preparation materials.

The Chartered Institute of Procurement and Supply (CIPS) is a globally recognized professional body that provides training and certification in procurement and supply management. One of the most popular courses offered by CIPS is the CIPS Commercial Contracting course, which enables professionals to develop their skills and knowledge to become effective negotiators and contract managers. The CIPS Commercial Contracting course is accredited by CIPS and it is an internationally recognized qualification in procurement and supply chain management.

## CIPS Commercial Contracting Sample Questions (Q122-Q127):

### NEW QUESTION # 122

A tire manufacturer entered into a contract with a distributor. In the contract, the distributor is prohibited from selling the tire under the price list. The distributor must pay \$5 for each tire sold in breach. The amount of \$5 is known as...?

- A. Penalty
- B. Liquidated damages
- C. Quantum meruit
- D. Caveat Emptor

**Answer: B**

Explanation:

This scenario is in fact based on a famous case law: Dunlop Pneumatic Tyre Company v New Garage & Motor co [1915] AC 79. In this case law, the House of Lords identified the clause as liquidated damages, and therefore enforceable.

However, if this case had happened in 2015 or afterwards, there would be some legal issues:

- The price agreement is prohibited by Competition Act 1998
- If the agreement is allowed by Competition Act, as in the case Cavendish Square Holding BV (Appellant) v Talal El Makdessi (Respondent), the clause can also be identified as a penalty and it is still enforceable.

Reference: CIPS study guide page 158-159

LO 3, AC 3.2

### NEW QUESTION # 123

Which of the following are most likely to be liabilities of suppliers under a guarantee clause? Select

- A. TWO that apply
- B. Upgrading
- C. Installation
- D. Decommissioning
- E. Repair
- F. Replacement

**Answer: E,F**

Explanation:

A guarantee is an agreement given by a trader to a consumer, without any extra charge, to repair, replace or refund goods that do not meet the specifications set out in the guarantee. A guarantee is usually issued by the manufacturer of goods or by a trader that provides goods as part of a service - replacement windows, for instance. Generally, a guarantee provider undertakes to carry out free repairs, for a set period of time, for problems that can be attributed to manufacturing defects.

Reference:

- Guarantees and warranties
- CIPS study guide page 157-159

LO 3, AC 3.2

### NEW QUESTION # 124

CMS Corp goes into a gainshare agreement with the contractor, EIP Ltd. Both parties agree that the final fee will be calculated on target cost - target fee basis. Which of the following will affect the final fee payable in this gainshare agreement? Select TWO that apply:

- A. Supplier share
- B. Final price
- C. Purchaser goodwill

- D. Actual cost
- E. Accrual expense

**Answer: A,D**

Explanation:

An incentive contract is a sub-segment of a fixed-price or cost-reimbursement contract when there are specific cost or time commitments that are desired for a project. The standard incentive contract will allow for a fixed price to be paid for work to be completed by a specific deadline and at a specific cost.

There are two major types of incentive contracts: Cost-plus-incentive fee and Fixed-price incentive (firm target) contracts. Both types have the same formula for calculating final fee and final price.

The target fee is the amount that will be paid if the actual costs (which can be proven) match the target costs. The actual fee will be adjusted in proportion to the difference between the target cost and the actual cost. The usual calculation is:

Target fee + ((target cost - actual cost) x Supplier share) = final fee The final price then becomes:

Actual cost + final fee = final price

Reference: CIPS study guide page 185

LO 3, AC 3.3

#### **NEW QUESTION # 125**

A company is considering entering a new market. Which of the following are the external factors that influence the difference between cost and price of this company? Select THREE that apply

- A. Competitiveness of the market
- B. Procurement policy
- C. Process efficiency
- D. Threat of substitution
- E. Business strategy
- F. Relative bargaining power of supplier and purchaser

**Answer: A,D,F**

Explanation:

The difference between cost and price is profit. According to Michael E. Porter, the profitability of an industry is shaped by five forces:

1. Competition in the industry
2. Potential of new entrants into the industry
3. Power of suppliers
4. Power of customers
5. Threat of substitute products

The Question: only mentions external factor, then business strategy is not accepted.

Reference:

LO 3, AC 3.3

#### **NEW QUESTION # 126**

Which of the following is most likely to reduce ITT preparation time while maintaining the clarity of tendering documents?

- A. Eliminating pre-qualification stage from all tendering processes
- B. Standardising documentation whenever possible
- C. Monitoring usage
- D. Using request for quotation

**Answer: B**

Explanation:

One of the major disadvantages of tendering process is that it is lengthy, bureaucratic and slow. To reduce the preparation time, buying organisation can:

- Plan forward
- Standardise tendering documents (such as notices, terms and conditions,...) whenever possible

- Train procurement staff
- Write down policies for tender-waiver

Buying organisation should not eliminate the pre-qualification stage from all tendering processes. This stage is used as a filter to select the most competent suppliers for next stage in restricted tendering. To save time in this process, you can design a model questionnaire.

Reference: CIPS study guide page 5  
LO 1, AC 1.1

## NEW QUESTION # 127

.....

**Reliable L4M3 Test Experience:** <https://www.dumpexam.com/L4M3-valid-torrent.html>

- 2026 L4M3 – 100% Free New Dumps Free | Trustable Reliable CIPS Commercial Contracting Test Experience □ Search on □ www.pdfdlumps.com □ for ➤ L4M3 □ to obtain exam materials for free download □ L4M3 Latest Materials
- Study L4M3 Group □ L4M3 Valid Exam Practice ➡ □ Study L4M3 Group □ □ www.pdfvce.com □ is best website to obtain □ L4M3 □ for free download !!L4M3 Mock Test
- L4M3 Mock Test □ Interactive L4M3 Course □ L4M3 Brain Dump Free □ Search for ➤ L4M3 ↳ on 《 www.prepawayexam.com 》 immediately to obtain a free download □ L4M3 Authorized Certification
- L4M3 Latest Dump □ L4M3 Exam Revision Plan □ Interactive L4M3 Course □ Download “L4M3” for free by simply entering ✓ www.pdfvce.com □ ✓ □ website □ Study L4M3 Group
- Valid L4M3 Test Syllabus □ Free L4M3 Test Questions □ L4M3 Latest Dump □ Search for ➤ L4M3 □ and download it for free immediately on □ www.exam4labs.com □ □ L4M3 Latest Dump
- Study L4M3 Group □ Reliable L4M3 Test Sample □ Reliable L4M3 Test Online □ Search for ➡ L4M3 □ □ □ and download it for free on □ www.pdfvce.com □ website □ Interactive L4M3 Course
- 2026 L4M3 New Dumps Free | Efficient CIPS L4M3: CIPS Commercial Contracting 100% Pass □ Download □ L4M3 □ for free by simply searching on { www.troytecdumps.com } □ L4M3 Authorized Certification
- Pass Guaranteed L4M3 - CIPS Commercial Contracting –The Best New Dumps Free □ Search for ⚡ L4M3 □ ⚡ □ and easily obtain a free download on 《 www.pdfvce.com 》 □ Study L4M3 Group
- L4M3 New Dumps Free Free PDF | Professional Reliable L4M3 Test Experience: CIPS Commercial Contracting □ Go to website ➡ www.vce4dumps.com □ □ □ open and search for ➡ L4M3 □ to download for free □ L4M3 Valid Mock Test
- L4M3 Testking □ L4M3 Testking □ L4M3 Testking □ The page for free download of □ L4M3 □ on ➡ www.pdfvce.com □ will open immediately □ L4M3 Authorized Certification
- Study L4M3 Group □ L4M3 Study Dumps □ L4M3 Study Dumps □ The page for free download of □ L4M3 □ on □ www.examcollectionpass.com □ will open immediately □ L4M3 Valid Exam Practice
- myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, eaudeviedifie.com, www.stes.tyc.edu.tw, paidforarticles.in, dl.instructure.com, elearnzambia.cloud, skillsharp.co.in, www.stes.tyc.edu.tw, www.stes.tyc.edu.tw, www.stes.tyc.edu.tw, Disposable vapes

P.S. Free & New L4M3 dumps are available on Google Drive shared by DumpExam: <https://drive.google.com/open?id=1pZvuQ2XtxjVPTYXGTo-ZeLaB1Q3O6Xfz>