



# **INSTITUTE OF CHARTERED SHIPBROKERS**

**APRIL 2011 EXAMINATIONS**

**THURSDAY 14 APRIL – MORNING**

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## **SHIPPING BUSINESS**

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**Time allowed – Three hours**

**Answer any FIVE questions – All questions carry equal marks**

1. In the development of the modern maritime industry it could be argued that the classification of vessels has emerged as an essential contributor to the safe-guarding of life, property and the marine environment.

Examine the existing system for the classification of ships and, if the system is considered to be less than perfect, what alternatives might be adopted.

2. Chambers of Commerce throughout the world provide a wide range of commercial services to business. Discuss their role and examine the reasons for the establishment of the International Chamber of Commerce. Identify those services which are of particular interest to international shipping.
3. Selecting a port of your choice, discuss the varying factors which have influenced its past development and comment upon its future prospects in maintaining its position in international maritime trade.
4. Most merchant ships will change hands during their operational lifetime.

Analyse the essential elements for success as a Sale & Purchase Broker and comment on the risks involved in this discipline of shipbroking.

5. Discuss the main functions of the Bill of Lading and explain the concept of a 'clean' Bill of Lading and its significance to both the Buyer and Seller in international trade.

6. There are a large number of national and international organisations directly or indirectly connected with the business of shipping.

Choose **TWO** of the following organisations and discuss the methods by which they carry out their roles and comment upon their achievements since their inception:

(a) The Baltic Exchange

(b) FONASBA

(c) Intertanko

(d) IMO

7. Examine the circumstances in which a Shipowner might consider appointing a 'Supervisory' or 'Protecting' Agent and outline the duties which such an Agent could be expected to perform, including comment upon the level of remuneration expected for carrying out such a service.
8. The traditional contract of carriage for the movement of seaborne cargoes is the charter party and a chartering contract is probably one of the clearest examples of a transaction entirely governed by market forces.

Using the examples of a voyage charter and time charter, discuss the main similarities and differences between each type of contract.