



**MONDAY 21<sup>ST</sup> NOVEMBER 2016 – MORNING**

## **DRY CARGO CHARTERING**

**Time allowed – three hours**

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

**Please read the questions carefully before answering**

1. Your owner's vessel was expected to finish loading on 31<sup>st</sup> March but is running late, through no fault of the ship. The charterers are asking the master to sign the bills of lading anyway and date them 31<sup>st</sup> March. They are offering you a Letter of Indemnity (LOI).

Write to your owner:

- explaining why you think charterers are making this request;
- giving detailed reasons for your advice for what the master should do and whether the LOI should be accepted (Use the functions of the bill of lading to support your advice);
- explaining the possible outcomes for any actions contrary to your advice;
- providing a solution to the problem.

2. Answer **BOTH** parts of the question.

Using the quote below for guidance:

- a) Draft a firm voyage offer for your owner on a vessel of your choice and draw the intended trade route on the world map provided, showing all relevant ports.
- b) Calculate the potential voyage earnings for the vessel if the freight rate is US\$10.00/mt.

Quote:

Tubarao/Qingdao

1/15 December

180,000 tonnes iron ore 10% moloo

6 days SHINC AP

Show all workings in your calculation, distances may be approximate.

**PLEASE TURN OVER**

3. Answer **BOTH** parts of the question.
- Draw a labelled profile and labelled cross section for a bulk carrier of your choice.
  - Describe at least two main trade routes for this vessel, including any weather conditions that may be encountered and any precautions the master should carry out to ensure safe carriage of the cargo. Use the world map provided to support your answer.
4. In the context of laytime explain **ALL** the following terms and draft appropriate clauses for their use in a charter party.
- Commencement
  - NOR
  - Interruptions
  - Demurrage
5. Answer **BOTH** parts of the question.
- You have a 54,000dwt, 65,900m<sup>3</sup> grain/bale Handymax vessel on time charter with three months plus/minus 14 days to run until the end of the charter. The vessel which has a service speed of 14 knots is currently open in Japan and you need to find employment in the spot market until the charter ends and you must redeliver the vessel off Singapore/Japan. The head charter party forbids subletting the vessel on time charter terms.
- Describe the suitable voyages that the vessel could make including commodity with expected quantity loaded, load and discharge ports, suitable bunkering points, time for loading and discharging and time at sea and any hazards that might be expected on route or with the carriage of the cargo.
  - Using the world map provided draw the routes showing also any ballast legs that the vessel may make. For each voyage the cargo should be different and you must also name a suitable charter party form that might be used in each case.
6. Your owner has fixed a vessel on a year's time charter. Provide the owner with an analysis of the most common reasons why that vessel might be considered as being off-hire during that period, explaining the consequences to the hire payment.
7. Answer **BOTH** parts of the question.
- Draft a typical time charter party clause covering all aspects of bunkers on delivery and redelivery.
  - Using data of your choice, draft a typical first hire payment calculation for a vessel being delivered to charterers.
8. The opening of the larger Panama Canal has changed the market for Panamax ships. As an owner of Panamax vessels, outline your strategy for dealing with the added risks and competition from this development.

Describe in detail the trades and commodities where you see opportunities for this tonnage.