



INSTITUTE OF  
CHARTERED  
SHIPBROKERS

MONDAY 8<sup>TH</sup> MAY - AFTERNOON

## SHIP SALE & PURCHASE

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Explain the advantages and disadvantages of the options available to resolve a dispute under a second hand ship sale and purchase contract.
  
2. Answer **ALL** parts of the question.
  - a) Provide a detailed written description of a Medium Range product carrier, stating size, dimensions, tank configuration, cargo handling and machinery.
  - b) Draw a profile and cross section of a typical Medium Range product carrier, labelling your drawing with the dimensions, cargo and ballast tank configuration and other areas of interest to a buyer.
  - c) On the world map provided, for **THREE** different cargoes of your choice show a typical trading route for this vessel, using different loading and discharge ports in each case.
  
3. Choosing either a dry bulk carrier or a tanker, identify and briefly describe the documents sellers should provide to buyers both at the documentary closing meeting and on board at the time of delivery.
  
4. Using a Saleform of your choice, identify the situations when a classification society is involved in the sale of a secondhand ship, and explain their role at those times.
  
5. Explain the usual downpayments by buyers under newbuilding contracts and analyse why the timing and proportions may vary under different market conditions.

**PLEASE TURN OVER**

6. Using a Saleform of your choice, explain the obligations of the buyers when lodging a deposit and paying the balance of the purchase price in the sale of a secondhand vessel.
  
7. Your client has inspected a secondhand containership and wants to make an outright offer, having accepted the vessel. Draft a full terms offer for their approval.
  
8. Shipbrokers are often contracted to provide valuation certificates. Identify the different parties who would pay for this service, and explain the reasons why they would require such a certificate.