



MONDAY 25<sup>th</sup> NOVEMBER 2019 - MORNING

## SHIP SALE & PURCHASE

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. What are the functions of the seller's and buyer's mortgagees on a vessel sale?
2. All shipbuilding contracts have liquidated damages provisions. Explain the purpose of these provisions and identify what types of deficiency are usually covered by such provisions.
3. Using a Saleform of your choice, assess how the buyer's default and seller's default clauses operate.
4. Discuss the considerations that a broker should raise with his principal when recommending a flag state for a 15 year old bulk carrier operating in the Indian Ocean and Australasia.
5. Discuss the role of the supervisors in a newbuild contract and the factors that need to be taken into account when appointing them.
6. Analyse the impact of environmental issues in ship recycling contracts. Use examples to support your answer.
7. Answer **ALL** parts of the question.
  - a) Provide a detailed description of a handymax bulk carrier including size, dimensions, machinery and other significant equipment and features.
  - b) Draw a profile and cross-section of the vessel labelling the dimensions and other significant parts of the vessel.
  - c) On the world map provided show **THREE** trade routes for appropriate cargoes for this vessel type. Show load and discharge ports.
8. Your principal wants to make an offer for a Suezmax tanker on an outright basis. Draft a full terms offer for their approval.