



INSTITUTE OF  
CHARTERED  
SHIPBROKERS

**POSTPONED MAY EXAMINATION SESSION**

**TUESDAY 7<sup>th</sup> JULY 2020 – AFTERNOON**

## **SHIPPING BUSINESS**

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Describe the different forms of charter party used in maritime transport. Select one of the charter party types and explain the reasons for its use.
2. A cargo has been sold internationally to a new buyer. Describe the methods of payment that may be used and the functions of the bill of lading in the process.
3. An existing client has contacted you in your role as a port agent. They are planning to export a container to Luanda, Angola from their factory near Bristol, UK. Describe two Incoterms 2010 for any mode of transport which may be used for this shipment and the reason for your choice. Suggest the payment terms that may be used for this established customer.
4. Discuss the advantages and disadvantages of appointing a charterer's nominated agent from the point of view of both the owner and charterer.
5. Write a report to your manager outlining the main functions of ship management and recommending which functions of ship management may be best to outsource to an independent ship management company and why.
6. The pre-dating of bills of lading and the issuing of clean bills of lading for damaged cargo are two examples of maritime fraud that owners, charterers and agents need to be aware of. Discuss the dangers of issuing pre-dated bills of lading and the issuing of clean bills of lading for damaged cargo.
7. Answer **BOTH** parts of the question;
  - a. Discuss the role of a sale and purchase broker in the second hand ship market
  - b. How do they ensure that they are able to offer suitable vessels?
8. What are the benefits and drawbacks of public and private companies compared with partnerships and sole traders? Comment on the advantages and disadvantages of each type of business organisation.