



INSTITUTE OF
CHARTERED
SHIPBROKERS

MAY 2023 EXAMINATION SESSION

MONDAY 22nd MAY 2023 - 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. On the sale of a secondhand ship, the sale contract will require the vessel to be in a certain condition on delivery. Using a Saleform of your choice, identify and explain the contractual terms as to vessel condition.

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

Ship valuations are an important part of the sale & purchase broker's world. Describe and explain:

- a) Who would require an official valuation?
- b) What valuation approaches may be used, and what each valuation method involves.

3. Shipbuilding contracts for commercial vessels typically contain at least **FIVE** instalment payments. Describe at what stage in the shipbuilding project each such usual instalment would be due, what percentage of the total price each instalment could constitute and why such stages are important markers in the project.
4. Identify and describe the documents a seller will be required to provide on delivery – both at the documentary closing meeting and onboard the vessel.
5. A buyer of a secondhand vessel may wish to inspect a vessel's Classification Records. Explain why this is done and describe what information a buyer may be looking to find and who is best qualified to check such records.
6. Describe the steps in a demolition sale from a vessel's arrival at the outer anchorage to its beaching and identify the risks involved.

PLEASE TURN OVER

7. Answer **ALL** parts of the question.
- a) Provide a detailed description of a capesize bulker as would appear on a typical secondhand sale and purchase circular stating size, dimensions, machinery and other significant equipment and features
 - b) Draw a profile and cross-section of the vessel
 - c) Label the dimensions and other significant parts of the vessel
 - d) On the world map provided show **THREE** typical trade routes of the vessel.
8. Your client wants to make an offer for an MR product tanker on an outright basis. Draft a full term offer for their approval.