



INSTITUTE OF
CHARTERED
SHIPBROKERS

May 2023 EXAMINATION SESSION

TUESDAY 23rd May 2023 – AFTERNOON

DRY CARGO CHARTERING

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

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

A potential new shipowner has asked you to explain what is meant by the term 'minor bulks'

- a) Draft a letter to the client explaining the term and give **THREE** examples of minor bulks and any particular issues and precautions related to their shipment.
 - b) Using the world map provided, draw a typical route for each minor bulk naming ports and other geographic features.
2. You have been advised by the master of a gearless vessel, fixed under a clean Gencon 1994 charter party on FIO terms, that one of its hatch covers has been damaged by stevedores dropping a grab on the closed hatch cover when loading the adjacent hold. The master has not been able to obtain an admission of liability from the stevedore. As charterer's broker draft a message explaining what the consequences could be for your principal and where this is detailed in the charter party.
 3. Your principal is interested in buying a series of five-year old Capesize vessels that have just become available for purchase. Write a detailed report on the current market conditions and future trends. Include your recommendations for what action should be taken in view of your report.

PLEASE TURN OVER

4. Your principal (the owner) is seeking advice from you as broker, for one of their vessels which arrived at the discharging port, but the original Bills of Lading are not available. Write a message to your principal explaining the main functions of the B/L and the steps, which an owner can and should take under these circumstances.

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

a) Neo or New-Panamax tonnage is increasing in importance in the dry bulk trades. Using the graph paper provided draw a fully labelled profile and cross-sectional diagrams of this class of ship. Give full details of the main technical parameters for the ship you have drawn.

b) Describe the main features of the ship and the cargoes it would carry and then describe **ONE** typical trade route for **ONE** of the cargoes identified, detailing loading and discharging ports, voyage conditions and any hazards associated with cargo being transported.

Use the world map provided to support your answer.

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

a) Describe fully the role of a shipbroker when it comes to negotiating charters.

b) Explain the significance of “warranty of authority” and define potential breaches of this clause.

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

a) The Baltic Dry Index is reported daily by the Baltic Exchange in London. Explain the Baltic Dry Index and how it is compiled.

b) In early February 2023 the Cape 5TC average fell from \$4,400 to \$2,200, As a Capesize owner’s broker, write a brief report to your principal stating your view why this had happened.

8. Prepare a Time Sheet Statement based on the below given information, and calculate Demurrage/Despatch:

The following C/P terms to apply:

Discharging rate: 10,000 Mts pwwd of 24 consecutive hours SSHEX. Time from Friday 1700 hours until Monday 0800 hrs not to count even if used.

NOR to be tendered only within official working hours being Monday to Friday 0800-1800 hrs. Time to count 1400 hrs same day if NOR is tendered before or at 1200 hrs, and 0800 next working day if NOR is tendered after 1200 hrs.

Cargo to be discharged with vessel's cranes with 4 gangs. Vessel has four cranes serving all four holds.

Time used before commencement not to count.

Shifting from the anchorage to the first discharging berth not to count as Laytime. Shifting between two berths to be for Charterers' time and expense.

Demurrage: USD 14,000 pdpr / fd bends

Once on Demurrage always on Demurrage to apply

Details.

The MV 'ICS' arrived at the discharging port on Sunday 14th May 2023 and tendered NOR at 1600 hrs, for discharging 30,000 Mts of steel products. NOR was accepted same date at 1900 hrs. Vessel was granted Free Pratique and Customs Cleared on Sunday 14th May 2023 1900 hrs.

Vessel was shifted to the berth for discharging on Monday 15th May 2023 0630 hrs and discharging commenced on Monday 15th May 2023 1000 hrs.

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Actual Working periods:

15th May 2023 Mon 1000-1300 / 1400-1800 / 2000-2400

16th May 2023 Tue 0800-1300 / 1400-1800 / 2000-2400

17th May 2023 Wed 0800-1300 / 1400-1800 / 2000-2400

18th May 2023 Thu 0800-1300 / 1400-1500 / 2000-2400

19th May 2023 Fri 0800-1300 / 1400-1700

20th May 2023 Sat 1400-2100

Non-working periods:

- Port meal breaks:

Monday to Friday from 1300-1400 hrs and from 1800-2000 hrs.

- Rain periods:

Tuesday 16th May 2023 0100-0300 hrs, Wednesday 17th May 2023 1500-1800 hrs and Friday 19th May 2023 2100-2300 hrs.

- Breakdown of vessel's crane No.1 & 3 on Tuesday 16th May 2023 1000-1600 hrs.

- Shifting between two berths on Thursday 18th May 2023 0930-1030 hrs.

- No discharging due to lack of trucks: Thursday 18th May 2023 1500-1800 hrs

Discharging completed on Saturday 20th May 2023 2100 hrs and vessel sailed on Saturday 20th May 2300 hrs.