



INSTITUTE OF
CHARTERED
SHIPBROKERS

MAY 2025 EXAMINATION SESSION

TUESDAY 13th MAY 2025 - 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. Explain why a buyer would need to register their vessel on delivery and discuss the different factors that may influence a buyer's choice of flag, giving examples.
2. Answer ALL parts of the question.
 - a) Provide a detailed written description of a Panamax container carrier stating size, cargo capacity, dimensions, machinery and other significant features.
 - b) Draw a profile and cross-section of the vessel showing the layout of the vessel clearly labelling the dimensions and other significant parts of the vessel.
 - c) On the world map provided show one typical trading route showing ports of call.
3. Your client physically inspected a secondhand vessel during which they noted a spare propeller on board. Following negotiations the Buyers and Sellers both signed a Memorandum of Agreement which included the following wording:

"All spare parts and spare equipment including spare tail-end shaft(s) and/or spare propeller(s)/propeller blade(s), if any, belonging to the Vessel at the time of inspection used or unused, whether on board or not shall become the Buyers' property, but spares on order are excluded."

The Buyers subsequently lodged the deposit, but prior to delivery their representatives discovered that the spare propeller was no longer on board the vessel.

Referring to a Saleform of your choice, write an email to your client outlining their rights and suggest what course of action they should take.

PLEASE TURN OVER

4. Identify and briefly explain the function of the documentation that the Sellers would be reasonably required to provide at the documentary closing meeting of the sale of a secondhand Kamsarmax bulk carrier.
5. Buyers and Sellers have agreed all terms for the sale of a secondhand vessel on an outright basis, and both parties have signed and exchanged a Memorandum of Agreement, and the Buyers have lodged the deposit. Prior to delivery however the Sellers notify the Buyers that the vessel will be delayed and will miss her cancelling date. Using a Saleform of your choice explain the Buyers options and rights.
6. Answer **ALL** parts of the question.
 - a) Identify the **FIVE** main countries that carry out ship recycling.
 - b) Explain how the price of a ship sold for demolition is calculated and identify what documentation is normally required as proof.
 - c) Detail what technical information about the vessel the Buyers would require from Sellers in a demolition sale, prior to offering on a full terms basis.
 - d) Explain why the price offered for dry bulk carriers is usually less than the price offered for tankers.
7. Your client is showing interest in investing in either an Ultramax bulk carrier or an MR product tanker. Prepare a report for your client highlighting the advantages and disadvantages for **ONE** of these types of vessels, referring to current market conditions, concluding with your own personal recommendations.
8. Describe the provisions of Clause 18 of Saleform 2012 and discuss its implications.