



INSTITUTE OF  
CHARTERED  
SHIPBROKERS

**NOVEMBER 2022 EXAMINATION SESSION**  
**WEDNESDAY 16<sup>th</sup> NOVEMBER 2022 – AFTERNOON**

## **SHIPPING BUSINESS**

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Crude oil is loaded and discharged from the following 15 ports.

Using the World Map provided in the centre of your answer booklet clearly identify by marking the position and name of the following ports:

- i. Offshore Luanda, Angola
- ii. Mina Al Ahmadi, Kuwait
- iii. Mumbai, India
- iv. Das Island, UAE
- v. Offshore Kharg Island, Iran
- vi. Bonny, Nigeria
- vii. LOOP, USA
- viii. Fujairah, UAE
- ix. Durban, South Africa
- x. Fos, France
- xi. Qingdao, China
- xii. Chennai, India
- xiii. Shanghai, China
- xiv. Rotterdam, Netherlands
- xv. Busan, South Korea

Add the following Seas/Gulfs/Straits

- xvi. Red Sea
- xvii. South China Sea
- xviii. Yellow Sea
- xix. Gulf of Aden
- xx. Malacca Strait

**PLEASE TURN OVER**

2. 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?

3. Answer **ALL** parts of the question.

A company has purchased a bulk shipment of grain from Rio de Janeiro. As this is a new trading relationship for both the buyer and the seller:

- a. Discuss the best method of finance for this purchase;
  - b. Discuss issues that may arise during the payment process;
  - c. Recommend an appropriate Incoterm to be used for the payment including when risk and title pass.
4. Discuss **FOUR** ways in which a company can protect itself from foreign exchange fluctuations.
  5. Discuss the advantages and disadvantages to both the owner and the charterers in appointing of the Charterer's nominated agent. How should the nomination be stated in the charter party and legally who does the agent represent?
  6. For various reasons countries look to limit their imports or exports. Discuss and give an example of each situation, the reasons for this action and the advantages and disadvantages of such action.
  7. There are **FOUR** Incoterms relating specifically to sea and inland waterways. Name these and explain how they work and at what point risk and property pass.
  8. The IMO plays an important role in shipping. Discuss the origins of the organisation, its development and its current structure. Comment on **THREE** important conventions for which it is responsible.