

First of all, this course is the most useful course throughout your study in NTU so please take this exam seriously. Working harder in distinguish the differences between different version of GENCON, NYPE and Norwegian sales form will definitely help you do better in the exam. Content for this course is quite heavy but working harder, you will receive better score. Pay attention to your laytime calculation, do not make error, 20 marks for laytime calculation is free gift in the exam. Secondly, I am under exchange in Norway during the time I write out this answer and I do not bring my notes here so there might existing minor error. Sorry for that but I will try my best to put the answer as standard answer. Best wishes for your exam!

## Q1

- (a) Requirements for a valid notice of readiness to be served:
- The vessel is an arrived vessel which involved specific location stated in the charter parties. For example, WIBON and WIPON
  - The vessel is ready to receive or discharge the cargo (Ready in all aspect for example WIFPON and WCCON.
  - The notice of readiness is tendered to and received by the proper person according to the charterparty
  - The notice of readiness is tendered in a contractual way
  - The notice of readiness is tendered at a time that is allowed by the charterparty.
- (b) (i) Not Always Afloat But Safely Aground  
(ii) Whether In Berth Or Not  
(iii) Proforma Disbursement Account  
(iv) Free In/Out and Trimmed  
(v) All Day to Night Sundays and Holidays Included (actually for this small question we suspect prof put it wrong due to we never see those kind of chartering term before. The suspected correct form should be ATDNSHINC which means “Any Time Day Night Sundays and Holidays Included”)

## Q2

- (a) All changes are included in this explanatory notes. There are countless changes being specified and lecturer did not go through them so we do not know which one is more important. When we do the exam, the lecturer just ask us to write as much as possible. Due to time constraint, I put only 6 new and changed clauses which I think is important inside which is clause 9(bunkers clause), clause 12 (speed and consumption), clause 18 (pollution), clause 19 (dry docking), clause 37 (Stevedore Damage) and clause 38 (Slow steaming)
- [https://www.bimco.org/~media/Chartering/Document\\_Samples/Time\\_Charter\\_Parties/Explanatory\\_Notes\\_NYPE\\_2015.ashx](https://www.bimco.org/~media/Chartering/Document_Samples/Time_Charter_Parties/Explanatory_Notes_NYPE_2015.ashx)
- (b) All clauses with explanation can be found under the link below, just list two of them will be fine. I list clause 6 (Laytime) and clause 7 (Demurrage).
- [https://www.bimco.org/Chartering/Clauses\\_and\\_Documents/Documents/Voyage\\_Charter\\_Parties/GENCON\\_94/Explanatory\\_Notes\\_GENCON94.aspx](https://www.bimco.org/Chartering/Clauses_and_Documents/Documents/Voyage_Charter_Parties/GENCON_94/Explanatory_Notes_GENCON94.aspx)

**Q3**

5500mt/1600mt per day for loading=3.4375 day which is 3D10H30MIN

**LAYTIME CALCULATION**

DATE	DAY	TIME USED			TOTAL TIME COUNTED			TIME LOST / SAVED			REMARKS
		D	H	M	D	H	M	D	H	M	
22nd Nov	Thur	0	8	0	0	8	0				1400 NOR tenored 1600 Laytime comenece due to UU (loading commence)
23rd Nov	Fri	1	0	0	1	8	0				
24th Nov	Sat	0	21	30	2	5	30				Rain from 0800-1030, WWD
25th Nov	Sun	0	0	0	2	5	30				SHEX
26th Nov	Mon	0	0	0	2	5	30				SHEX
27th Nov	Tues	1	0	0	3	5	30				
28th Nov	Wed	1	0	0	3	10	30	0	19	0	Laytime expored 0500 once on dumurrage always on dumurrage
29th Nov	Thur	0	10	30				1	5	30	
<b>TOTAL</b>								<b>1</b>	<b>5</b>	<b>30</b>	<b>Dumurrage Payable</b>

Therefore, demurrage payable=1D5H30MIN X 1800 Per day=\$2212.5

There are 2.5% of commission which paid from owner to broker so owner will pay 2270.89 USD in total and net demurrage is 2212.5 USD.

**Q4(At last the very good lecturer will give out his standard answer to this question at the end of the semester in an extra review lecture. Please attend the lecture. This answer is for your usage before he give out standard answer which might be different from my answer)**

- (a) Requirement=350000/[45000x(30/23)]=5.96 which is 6 vessel needed  
You have 10 vessels which is bigger than 6 so you have the ability to carry out the voyage.
- (b) Breakeven TCE=(Operating cost+Capital cost)/calendar day

Operating cost=operating cost+insurance cost+opening letter of credit cost  
Operating cost=3500x23+10x45000x0.1%+10x45000x0.125%=\$81512.5

Capital cost can compute from financial calculator using :  
(PV=-10000000,FV=3500000,I=r=10%,YR=n=10, then use (PMT/365)X23, but in the exam you are required to write how you use formula(will be given in exam) to find the PMT)

$$\text{Payment of Ordinary Annuity} = \left( PV + \frac{PV + FV}{(1+r)^n - 1} \right) \times r$$

Therefore, using the same data stated, PMT=\$1407845.067, PMT for 23 day=\$88714

Total BETCE=(81512.5+88714)/23=\$7401

- (c) Freight=(CIF-FOB Price)xquantity=(25-10)x45000=\$675000  
From freight perspective, if Freight-VC>BETCE x Calendar day, the deal is valuable

VC=bunker cost+port cost=IFO Cost+MGO Cost+port charge  
IFO Cost=415x185=\$76775

MGO Cost=295x5=\$1475

Port charge=(loading cost+discharging cost)xquantity=(1.5+0.5)x45000=\$90000

VC=76775+1475+90000=\$168250

Freight-VC=675000-168250=\$506750

We know that BETCE x Calendar day=7401x23=\$170223 which is smaller than Freight-VC

Therefore, it's good for shareholder if decided to enter this deal.

## Q5

(a) Port agent's duty in voyage charter including

- INWARD/OUTWARD Clearances - Booking the vessel in and out of the port, and arranging the pilot and tug boat services, Customs declarations etc.
- SHIP HUSBANDING – Tending to vessel's needs in ports ( Crew medical, stores , repairs , bunkers etc )
- Preparing which provides details on the crew, the ship's previous route and any deaths or illnesses which may have occurred during the voyage
- Advising Customs of the ship's arrival and reporting the cargo on board
- Providing the stevedore's ship planner with the manifest which gives detailed information on the cargo to be handled
- Liaising with stevedores and terminal operators regarding the safe handling of containers, break-bulk and bulk liquids, and ensuring that the ship's master is aware of shore requirements
- Organising crew changes, any associated immigration documentation and arrangements such as booking flights etc
- Handling ship services including repairs and maintenance
- Protecting vessel's interests during port stay
- look for a berth for the incoming ship;
- arrange for the pilot and the tugs if necessary;
- make-up the documents for the customs and harbour services;
- assist the master in making the necessary contacts with the local authorities and the harbour authorities;
- arrange for the necessary ship provisions;
- arrange for the bunkers if needed;
- arrange for the necessary repairs;
- convey instructions to and from the owner;
- organize the supply, transport and the handling of the goods;
- organize the necessary contacts with the stevedores;
- collect the freights;
- contact the shippers and receivers of the goods;
- in case of damage, make the necessary contacts (only at the master or owner's request) with the insurance company, the P & I club, the classification society, the nautical inspection, the experts or surveyors, et

- (b) Differences between owner's nominated agent and charterer's nominated agent is that: "Protective" function as to the specific interests of owner if it is owner's agent. Duty of Owner's agent including:
- Reporting vessel's loading operation to ship owner so as to verify Charterers agent's data as reported to Charterers side
  - Verification of Charterers' Time sheets and SOF
  - Controlling charterers' nominated agent in terms of port charges, performance and financial status from ship owner's interest aspects.
  - Handling owners matters such as Crew Replacement, Bunkers, Spares, Provision, Mail, CTM and other usual husbanding
- Chartering agents, are mainly focused and undertake the import and/or export of Cargoes. They act as Charterers Representative to expedite Cargo loading / discharging including all necessary clearance documentation works etc.
- (c) The Federation of National Associations of Ship Brokers and Agents is the full name of FONASBA. The Federation of National Associations of Ship Brokers and Agents and its member cover more than 50 maritime nations. Roles of FONASBA is:
- To "promote and protect the professions of ship broker and ship agent worldwide".
  - To interact in relevant international and regional bodies / organisations .

**BEST WISHES FOR YOUR EXAM!**

Answer key provided by Lin Hanye