Overall Comments

Pass rates were higher than last year and all candidates are to be complimented.

Unfortunately the legibility of answers was poor this year and I would ask candidates to remember that examination markers are human and they are not there to decipher answers. Please also remember the instruction to begin each answer on a new page.

Question 1 - Trade patterns and characteristics of cargoes

Most candidates chose Timber and Containers rather than Sulphur although those who did choose sulphur obviously had experience of the trade. This being a chartering paper, bonus marks were available for candidates who referred to the thriving time charter market for the smaller classes of container ships used by the major operators for their feedering operations.

Question 2 - Firm offer for a voyage charter

This was the most popular question but for some unknown reason several candidates commenced correctly by giving a firm off for a voyage charter but then forgot and started mentioning things like timecharter offshore and bunkers on delivery and redelivery.

Question 3 - Timecharter - areas of risks and disputes

Under the section on disputes the majority of candidates showed knowledge of the trade and the areas of dispute between owner and time charterer.

From the answers on risks associated with insubstantial time charterers it would appear that many candidates had had personal experience of such problems.

Very few candidates went for the bonus marks that were available for suggesting ways to circumvent problems of fixing to potentially insubstantial charterers.

Question 4 - Report on current market and future prospects.

The question specifically referred to the request coming from a particular owner-principal and it was disappointing to note how few candidates addressed their report to an individual and many did not address their report to anyone at all. Those who followed the question’s instructions generally scored reasonable marks.

Question 5 - Clean bills of lading against clauseds’ receipts

In general this question was well answered earning candidates reasonable marks. It was, however, disturbing to note how lightly some candidates treated the concept of a letter of indemnity from the shippers which is not only not worth the paper it is written on but is technically committing fraud.
Question 6 - Internet replacing brokers?

Despite being a very topical question very few candidates attempted it. Those who did so tended to receive favourable marks. Arguments in the answers generally suggested that the continuing need for a broker was reality rather than wishful-thinking.

Question 7 - Areas affected by ice

It was disappointing to see how few candidates attempted this question which offered so much scope from the Baltic Sea to the Great Lakes as well as the tried and tested ice clauses incorporated in almost all standard forms of charter party. Most of those who did answer this question proved their obvious knowledge and received satisfactory marks.

Question 8 - Laytime statement

The inclusion of actual laytime statement exercise in many past papers has obviously had the required effect. Students now realise that they neglect this important area of chartering at their peril. Even having use imaginary data rather than working a set exercise did not appear to cause any problems and most of the many candidates who attempted this question earned reasonable marks.

Conclusion

The praise included in the preamble to this report should not encourage complacency. The faster tempo of today’s markets demands knowledge of the subject to be virtually instinctive.

The usual warnings have to be repeated such as obeying the question’s instruction (Q4); planning one’s essay (Q2) and not ignoring geography (Q7).