# CHARTERING & BROKERAGE PRACTICE TEST (SAMPLE)

## STUDY GUIDE



## SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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# Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

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# How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

### 1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

### 2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

### 3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

### 4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

### 5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

### 6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

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# Questions

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**1. Which broker is responsible for making a recap in a Voyage Charter?**

A. Charterer's broker

B. Owner's broker

C. Ship Broker

D. Insurance Broker

**2. Which scenario best describes a Time Charter arrangement?**

A. The charterer hires the ship for a period and pays fuel costs and port fees

B. The owner hires the cargo space

C. The charterer leases only a single voyage's cargo space

D. The broker acts as principal

**3. Which statement correctly identifies the meaning of 'Vessel Cost' as provided?**

A. Total time and market value of the ship

B. Crew wages and insurance costs

C. Port charges and canal tolls

D. Cargo value and freight rate

**4. On a tanker, the furthest aft and centerline tank would most likely be designated as the:**

A. Slop Tank

B. Fore Tank

C. Cargo Tank

D. Ballast Tank

**5. In a Demise Charter, which is the charterer's responsibility?**

A. Full operational control, maintenance, insurance

B. Deliver a seaworthy vessel

C. Freight cost

D. Crew wages

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**6. Which description best defines an implied-in-fact contract?**

A. A contract formed by conduct rather than explicit words

B. A contract formed solely by a written document

C. A contract that is illegal and void

D. A contract that requires notarization

**7. Which of the following is a requirement for a Sale and Purchase agreement?**

A. Written form

B. Oral form allowed

C. No agreement needed for small vessels

D. Only unsigned copy

**8. In the Chartering Story told in class, what type of inventory control system does Ron use?**

A. Perpetual inventory system

B. Fixed Interval System

C. Just-in-time system

D. Economic order quantity system

**9. What does CQD stand for?**

A. Customary Quick Despatch

B. Cargo Quality Declaration

C. Current Quotation Date

D. Common Data Description

**10. Which document is typically used to finalize a ship sale?**

A. Norwegian Sale Form

B. Bill of Lading

C. Charter Party

D. Cargo Manifest

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# Answers

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1. A
2. A
3. A
4. A
5. A
6. A
7. A
8. B
9. A
10. A

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# Explanations

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## 1. Which broker is responsible for making a recap in a Voyage Charter?

A. Charterer's broker

B. Owner's broker

C. Ship Broker

D. Insurance Broker

*In voyage chartering, the recap is a precise summary of all terms agreed for the voyage, including ship, cargo, loading/discharging ports, laydays/laytime, demurrage, freight, and any special conditions. It serves as the fixture's formal statement that the parties review before the charter party is drawn up. The Charterer's broker is responsible for making this recap because they represent the party negotiating the terms on behalf of the charterer and must present a faithful, concise reflection of those terms to the owner's side. This broker then submits the recap to the Owner's broker for review and confirmation; once both sides agree, the charter party can be prepared accordingly. The Owner's broker's role is to review, negotiate any proposed changes, and ensure the owner's interests are protected, but the drafting of the recap itself typically comes from the charterer's representative. The Insurance Broker isn't involved in fixing voyage terms. A ship broker may facilitate negotiations, but the specific recap document is driven by the party negotiating the charter, i.e., the charterer's broker.*

## 2. Which scenario best describes a Time Charter arrangement?

A. The charterer hires the ship for a period and pays fuel costs and port fees

B. The owner hires the cargo space

C. The charterer leases only a single voyage's cargo space

D. The broker acts as principal

*In a Time Charter, the charterer uses the vessel for a set period and pays for the running costs to operate it, while the owner provides the ship and crew. The charterer has control over the commercial use of the vessel during that time, including what cargo to carry and where to go, but the owner remains responsible for crewing, maintenance, and insurance. The scenario that best describes this arrangement is the charterer hiring the ship for a period and paying fuel costs and port fees. This captures the essence: a period-based hire with the charterer covering running costs like bunkers and port charges, while the owner keeps the vessel managed and crewed. The other descriptions reflect different charter types or arrangements. For example, owning the cargo space or leasing only a single voyage's cargo space aligns more with a voyage charter or space charter, and a broker acting as principal describes a brokerage role rather than the chartering structure itself.*

## 3. Which statement correctly identifies the meaning of 'Vessel Cost' as provided?

A. Total time and market value of the ship

B. Crew wages and insurance costs

C. Port charges and canal tolls

D. Cargo value and freight rate

*Vessel Cost is understood here as the combination of the time the vessel is committed and the asset's value. The total time reflects how long the ship is tied up or in service, while the market value represents the capital cost or opportunity cost of owning that vessel. Together, they capture the cost side of deploying the vessel, incorporating both how long it's in use and how much the vessel is worth. This is why the statement listing total time and market value is the best fit. The other options describe operating expenses (crew wages and insurance), voyage charges (port charges and canal tolls), or cargo-related economics (cargo value and freight rate), which are not the vessel's cost.*

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## 4. On a tanker, the furthest aft and centerline tank would most likely be designated as the:

A. Slop Tank

B. Fore Tank

C. Cargo Tank

D. Ballast Tank

*On a tanker, how a tank is designated depends on its location and its function. The furthest aft tank that sits on the centerline is typically the slop tank. This tank is intended to hold oily water, washings, and cargo residues collected during cargo operations. Placing it at the extreme stern along the centerline makes drainage from other cargo tanks into a single, centralized receptacle easier and keeps these residues away from the main cargo spaces. It also aligns with the ship's processing setup, where the slop contents can be directed to separators or treatment systems. The other options don't fit this specific location and purpose as well. A forward tank is at the front, not the aft. Cargo tanks are the primary spaces used to carry product and aren't defined by being at the stern centerline. Ballast tanks hold ballast water and are located where ballast distribution is needed, not designated by being the aft centerline tank.*

## 5. In a Demise Charter, which is the charterer's responsibility?

A. Full operational control, maintenance, insurance

B. Deliver a seaworthy vessel

C. Freight cost

D. Crew wages

*In a demise (bareboat) charter, the charterer takes full control of the vessel and becomes responsible for running it. This includes handling and paying for maintenance and repairs, arranging and paying for hull and machinery insurance, and generally managing day-to-day operations. The owner's role is to provide a vessel that is seaworthy at the start and to remain the legal owner, but not to manage the vessel's operation during the charter. Therefore, the charterer's responsibilities center on operational control, maintenance, and insurance.*

## 6. Which description best defines an implied-in-fact contract?

A. A contract formed by conduct rather than explicit words

B. A contract formed solely by a written document

C. A contract that is illegal and void

D. A contract that requires notarization

*Implied-in-fact contracts are created by conduct rather than explicit words. When one party provides services or goods and the other accepts them with an understanding that payment will be made, there's an agreement even though no spoken or written promise exists. The terms are inferred from the surrounding circumstances and the parties' actions, so the contract is enforceable to prevent unjust enrichment. This contrasts with a contract formed solely by a written document or explicit promises, and it doesn't hinge on notarization or legality.*

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## 7. Which of the following is a requirement for a Sale and Purchase agreement?

A. Written form

B. Oral form allowed

C. No agreement needed for small vessels

D. Only unsigned copy

*The requirement being tested is that a Sale and Purchase agreement for a vessel must be in writing to be enforceable. In ship transactions, a written contract is typically required by law (often under the Statute of Frauds) to create binding rights and obligations. A written agreement clearly records essential terms such as vessel identity, agreed price, payment terms, delivery date, and any conditions like surveys or encumbrances, and it provides solid evidence of the parties' intentions, which is crucial for transferring title and handling registrations or mortgage releases. Relying on an oral agreement is risky and often not enforceable for a vessel sale, because the essential terms may be disputed or omitted, leading to disputes over what was agreed. The idea that small vessels can be sold without a contract is also not generally correct in formal practice, as even smaller transactions benefit from a written record. An unsigned copy wouldn't bind the parties either; signatures (or authorized equivalents) are typically required to validate a contract. So, the best answer is that a Sale and Purchase agreement must be in written form.*

## 8. In the Chartering Story told in class, what type of inventory control system does Ron use?

A. Perpetual inventory system

B. Fixed Interval System

C. Just-in-time system

D. Economic order quantity system

*The situation hinges on how and when inventory levels are reviewed and replenished. In a fixed interval (periodic) system, stock is counted and reviewed only at regular, scheduled intervals rather than after every single transaction. Then, at each interval, you determine what to order to bring inventory back up to a desired level for the next period. This approach fits a story where Ron isn't updating records with every buy or sale but is instead performing planned checks and replenishments on a set timetable. This contrasts with a perpetual system, where inventory is updated in real time with every transaction, requiring continuous tracking. Just-in-time aims to minimize on-hand inventory almost to zero, which usually needs very reliable suppliers and tight lead times. The economic order quantity concept focuses on calculating an optimal order size, not on how often inventory is reviewed. The narrative emphasis on regular, scheduled counts and replenishment aligns with the fixed interval approach.*

## 9. What does CQD stand for?

A. Customary Quick Despatch

B. Cargo Quality Declaration

C. Current Quotation Date

D. Common Data Description

*In chartering and brokerage, CQD is a term used to indicate an instruction for dispatch to happen quickly in line with standard practice. It signals that the cargo should be despatched promptly, following customary industry procedures, to keep the schedule tight and minimize delays. The other options don't fit this operational intent: cargo quality declaration is about cargo standards, current quotation date refers to the validity of price quotes, and common data description describes general data fields rather than a dispatch directive. So the best interpretation in this context is Customary Quick Despatch.*

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## 10. Which document is typically used to finalize a ship sale?

A. Norwegian Sale Form

B. Bill of Lading

C. Charter Party

D. Cargo Manifest

*In ship sales, the document used to finalize the deal is the Norwegian Sale Form. This standard instrument acts as the formal agreement that the seller transfers ownership to the buyer, and it records essential details like the vessel, the sale price, delivery terms, and conditions for completion. It provides a clear, widely accepted record that supports the transfer of title and related steps such as mortgage or lien releases. The other documents serve different purposes: a Bill of Lading relates to the cargo being carried, a Charter Party is the contract for hiring the vessel, and a Cargo Manifest lists the cargo onboard. The Norwegian Sale Form directly captures the sale itself, making it the most appropriate document to finalize a ship sale.*

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# Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

https://charteringbrokerage.examzify.com

We wish you the very best on your exam journey. You've got this!

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