

Isolated Incident

Country: **ZANOOBIA**

Capital: Costown

President: Siaka Stevens

Financial Adviser to the President: Mr. Speer (German National)

Principal Resources:

MINERALS: Iron Ore, Gold, Diamonds,

PROJECT

The Government of Zanoobia aims to obtain a World Bank loan of \$75M to finance the acquisition of 6-8 Bulk Carriers and thereby create a national fleet. Draft Restrictions at Zannobian ports limit the size of the ships to @ 20,000 T.

As the Zanoobians lack the expertise to manage the fleet themselves they will need to sub-contract to a reputable ship-management company. Management fees are likely to be in the order of @ \$5,000 per month, per vessel, plus costs.

YOU ARE **CRYSTAL SHIPPING**, a third generation Greek owned shipowner based in London. You previously had a fleet of ten handy sized bulk carriers. The fleet is now down to four and you are severely affected by the recession in the market. The total loan outstanding on your vessels is \$12M repayable in quarterly instalments of \$1M. You have failed to meet the last three quarterly payments. You need new profitable business desperately.

A friend has suggested that you should attend a cocktail reception at the Zanoobian Embassy in London as the First Secretary there has an interesting proposal on behalf of his Government.

Mr. Johnson, the First Secretary, has sent you an invitation.