



# INSTITUTE OF CHARTERED SHIPBROKERS

APRIL 2010 EXAMINATIONS

TUESDAY 27 APRIL – MORNING

## SHIPPING LAW

Time allowed – Three hours

Answer any **FIVE** questions – All questions carry equal marks

1. The vessel "Star" was proceeding too fast and had an inadequate lookout on board. She failed to observe the vessel "Moon" until too late resulting in a collision. The vessel "Moon" was towed to dry-dock and extensive repairs were carried out.

Advise the Owners of the "Moon" of their legal rights and remedies against the Owners of the vessel "Star", particularly in relation to the quantum of their claim.

2. Discuss with reference to relevant case laws

(a) When laytime starts for both port and berth charterparties;

and

(b) What happens if the Notice of Readiness is invalid?

3. It is easier to arrest a vessel for a claim arising under a salvage operation than for a claim arising out of damaged/short delivered cargo in England.

Discuss with reference to the requirements of arresting a vessel and how this is achieved in practice.

4. The vessel 'Sky' was time chartered to company A under the NYPE form for 12 months. The hire was to be paid on the 4th of every calendar month. In the middle of the time charter, company A sub-chartered the vessel to load a cargo for a voyage between Boston, USA to Southampton and the *laycan* was 1-5 May.

The vessel arrived at Boston, USA on 6 May and the inspectors refused to pass the vessel's holds for loading as it still had some residue from the cargo carried on its previous voyage.

The charterers have paid the hire charges with a delay of 3 days. The owners wish to withdraw the vessel treating delayed payment as a default in payment and the sub-charterers want to cancel the voyage charterparty. Please advise both owners and sub-charterers of their respective rights and obligations.

5. The vessel "Ocean" was chartered to carry a cargo to *Kolkata*, India pursuant to a berth charterparty containing a *Wibon* and *Always Accessible Clause*. Upon the vessel's arrival the berth was occupied and a few weeks later the vessel proceeded to berth and discharged part of her cargo. Afterwards the vessel was ordered to the anchorage because the charterers/receivers had not paid customs dues on the remaining part of her cargo.

Seven weeks on the vessel is still at the anchorage with part of her cargo on board. The Owners are concerned, as they have not received any money from the charterers apart from freight. Please advise the owners as to their legal rights and remedies.

6. The Athens Convention (Merchant Shipping Act 1995) covers the law relating to carriage of passengers and their baggage by sea. Comment and discuss on the key provisions of the Convention.
7. Discuss the advantages/disadvantages of mediation, arbitration with a sole arbitrator and High Court proceedings.
8. Using case laws and illustration discuss how maritime liens arise and why is it preferred over any other type of liens.