



THURSDAY 28th NOVEMBER 2019 – MORNING

SHIPPING LAW

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. While discharging a cargo in London, a vessel is arrested for non-payment of bunkers. The action is later on joined by other claimants, namely, a dockyard for non-payment for repairs carried out a year earlier, and also by the members of a repatriated crew from the year before for unpaid crew-wages.

Discuss the ranking of the claims and liens brought before the Admiralty court by the various claimants, supporting your answer with suitable case laws.

2. A vessel while on a time charter suffered engine problems, and was anchored off the coast of Somalia to undertake repairs. While the vessel was being attended to, hostilities broke out between pirates and the government operatives. Progress on the repairs was difficult, as there was the constant danger of destruction. Eventually the vessel arrived at the discharge port 60 days behind schedule. The charterers do not wish to pay the owners any hire charges for the period covering the various delays – particularly the period when the vessel was delayed due to hostilities between the pirates and the government operatives.

Please advise the charterers.

3. The Athens Convention (Merchant Shipping Act 1995) has a significant impact on passenger claims. Discuss the carrier's right to limit liability under the convention.

PLEASE TURN OVER

4. When is a salvor entitled to reward under the Salvage Convention 1989, for saving or minimising damage to the environment? Discuss with suitable examples to support your answer.

5. Using examples of case law to support your arguments, discuss how the Himalaya Clause extends defences that are available to carriers to third parties.

6. Both the common law and The Hague-Visby rules require a shipowner to make the vessel seaworthy.

Compare and contrast seaworthiness under common law and the Hague-Visby rules. Use examples to support your answer. What consequences are there for a shipowner under the Hague-Visby rules if he fails to provide a seaworthy ship?

7. Payment of hire is viewed as the primary obligation under a time charterparty contract, and commercial shipping practice imposes the rule 'delayed payment is no payment'.

The courts have taken differing views on the subject, with one expressing the view that payment of hire is a 'condition' and another describing the term as 'innominate'.

Analyse critically the above observation, with reference to case laws.

8. Answer **BOTH** parts of the question.

When the NOR is accepted, laytime commences obliging the charterer to either commence loading or discharging at the port. Discuss, with particular reference to case law, the following:

- a) when laytime starts for both port and berth charterparties, and
- b) what happens if the Notice of Readiness is invalid.