



NOVEMBER 2020 EXAMINATION SESSION  
WEDNESDAY 11<sup>TH</sup> NOVEMBER 2020 – AFTERNOON

## SHIPPING LAW

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Company A owned vessel A, which was the subject of a cargo claim. Prior to the initiation of any legal proceedings by the cargo interests, Company A sold their vessel, and later purchased vessel B. During her first voyage, vessel B was involved in an accident and was salvaged successfully. Both the cargo claimants of vessel A, and the salvors of vessel B would like to know if they could arrest either vessel A or B to enforce their claims.

Critically discuss the rights of the cargo claimants and the salvors.

2. Can a stevedore invoke Article IV bis (2) of the Hague-Visby Rules, which provides that if a claim is brought against the servants and agents of the carrier in relation to cargo claims, the servant and agents are entitled to the same defences as are available to the carrier themselves, and that such defences are not available to independent contractors?  
Use suitable examples to support your answer.

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

In the case of the 'Timna' it was said "It is a good working rule...to give Notice of Readiness and to go on giving such notices in order that, when later the lawyers are brought in, no one shall be able to say; "If only the Master had given Notice of Readiness, laytime would have begun and the Owners would now be able to claim demurrage".

Discuss the following; using relevant case law to support your answer:

- a) When laytime starts for both port and berth charterparties
- b) What happens if the Notice of Readiness is invalid?

PLEASE TURN OVER

4. A vessel was chartered to Company B under the NYPE form of time charter for 12 months. During the period of the time charter, Company B sub-voyage chartered the vessel to Company C to carry cargo with a laycan of 1-5 April. The vessel arrived at the load port on 6 April and the inspectors refused to pass the vessel's holds as fit for loading. The owners wished to withdraw the vessel because of non-payment of hire by time charterers and sub-charterers wanted to cancel the time charterparty.

Advise the owners of their rights

5. Discuss the salvor's entitlement to reward under Article 14 of the Salvage Convention 1989 and his level of remuneration in comparison with a reward under Article 13. Use examples to support your answer.
6. Vessel 'A' was proceeding too fast in a narrow channel and had an inadequate lookout on board. Vessel 'A' failed to observe vessel 'B' until it was too late, resulting in a collision. Vessel 'B' was towed to dry-dock where extensive repairs were carried out. Advise the Owners of the vessel 'B' of their legal rights and remedies against the owners of the vessel 'A', particularly with reference to the quantum of their claim.
7. Answer **BOTH** parts of the question.

Discuss with reference to relevant case law:

- a) What is necessary in the case of a berth charter and a port charter in order to start the running of laytime;
  - b) In what circumstances can laytime start to run if the notice of readiness (NOR) is invalid when tendered?
8. On Friday, a vessel was arrested for non-payment of crew wages, while loading her cargo in Southampton, UK. On Monday another creditor of the vessel joined the action, claiming non-payment for repairs carried out while the vessel was dry-docked a year before.

The creditors are convinced that their claims are sustainable under UK Laws, but not sure about where the liens ranked. Discuss the procedures to be followed before the English Admiralty and the ranking of the liens, supporting your answer with suitable case laws