

NOVEMBER 2021 EXAMINATION SESSION WEDNESDAY 24TH NOVEMBER 2021 – AFTERNOON

SHIPPING LAW

Time allowed – three hours Answer any FIVE questions – all questions carry equal marks Please read the questions carefully before answering

- 1. Discuss the shipowners' rights and immunities under Article IV Rule 2 of the Hague-Visby Rules, with reference to statute and case law.
- 2. A time charter party provides for a duration of minimum 180 days, 15 days more or less, in the charterers' option. On the 179th day of the charter party, the charterers declared that they would exercise the option to extend the charter period by 15 days and carry out a final voyage. At the time of communicating the decision to exercise the option, it was estimated that the vessel would depart on its voyage immediately and the voyage would be completed in time for the vessel to be re-delivered at the agreed charter party location in 16 days.

Due to the charterer's fault, the vessel could only proceed on its last voyage with a further delay of 3 days. The owners state that they have lost a valuable fixture due to the delay in re-delivery and claim the lost profit. Critically analyse with reference to case law, the options available to the owners of the vessel in respect of the charterers' voyage instructions.

- 3. Answer **BOTH** parts of the question, using suitable case law reference.
 - a) How did the decision in *The Nagasaki Spirit* change the course of compensation to be paid for salvage services?
 - b) What is the legal relationship between a tug and a tow under a towage contract?

PLEASE TURN OVER

4. A vessel was voyage chartered to carry coal with a laytime of 8 days to load and 7 days to discharge. An NOR given when the vessel berthed was accepted, and the discharge operations commenced.

After 6 days of discharging, heavy rains led to the suspension of all operations. Two days later, the discharge operation resumed but had to be suspended within hours as the major generators of the ship malfunctioned. While waiting for the generators to be fixed a port strike ensued and all activities were suspended. The shipowners have now put the vessel on demurrage. The port strike was eventually called off after 6 days and the charterers were able to resume and complete the discharge and leave port.

The shipowners are now claiming demurrage for 6 ½ days, and the charterers dispute the calculation. Please advise the charterer of their options.

- 5. Answer **BOTH** parts of the question with suitable case law reference.
 - a) What is 'hire' in time charters, and when is it payable?
 - b) How is 'freight' in voyage charters different from hire and when is it payable?
- 6. Answer **BOTH** parts of the question with suitable case law reference.
 - a) In what circumstances is a safe port warranty implied in time and voyage charter parties?
 - b) To what extent is the element of danger relevant for the assessment of a salvage claim?
- 7. Answer **BOTH** parts of the question with suitable case law reference.
 - a) What defines an arrived ship in relation to port and berth charter parties?
 - b) How do damages for detention differ from demurrage and the circumstances in which damages for detention can be claimed by a shipowner?
- 8. Compare and contrast seaworthiness under common law and The Hague-Visby rules. Use case law examples to support your answer.