



EXAMINER'S REPORT NOVEMBER 2025

SHIPPING LAW

Q1. Answer BOTH parts of the question: A liner shipment from Felixstowe to Boston is carried under a 'straight' bill naming Company A as consignee. While the face of the bill is signed 'as carrier' by the charterer's agent, the reverse contains both an identity-of-carrier clause (naming the shipowner) and a demise clause. On arrival, the cargo is damaged. Company A (who financed the purchase and now holds the straight bill) are suing the shipowner. Using suitable case law reference, critically discuss (a) who is the carrier under the bill of lading, and (b) whether a straight bill is a 'bill of lading or similar document of title', under the Hague-Visby Rules would apply.

A two-part essay type question on a) the identity of the carrier under the H-Visby Rules and b) whether a straight bill is a 'bill of lading or similar document of title' under the H-Visby Rules. Students were expected to be familiar with establishing the carrier's identity and the relevant statutory framework under the Hague-Visby Rules and the Carriage of Goods by Sea Act 1924. Students were to carry out a detailed discussion on **a)** who is the carrier – where bills often contain conflicting indicators (signatures, identity of carrier clause, demise clause); and **b)** if a straight bill of lading is a 'bill of lading or similar document of title' under the Hague-Visby Rules? Students were to discuss **a)** how the information contained in the face of the bill prevails over printed terms on the reverse when determining who is the carrier (see *The Starsin* [2003]). In answer to the second issues, it was to be noted that a straight bill (made out to a named consignee) is still a "bill of lading or similar document of title" under Art I(b) of Hague-Visby Rules and COGSA 1974.

Case laws and examples cited in the study material/ textbook and student's own choice. Case Laws: *The Starsin* [2003] UKHL 12; *The Rafaela S* [2005] UKHL 11. Answers are to be well structured, dealing with the issues individually and critically using relevant case laws and references.

Q2. Green coffee beans shipped in unventilated containers arrive with condensation damage. The shipper contends that the carrier is in breach of their obligation as they failed to properly care for cargo while in their custody, which has led to damaging the cargo. The carrier pleads 'inherent vice' as defence. Critically discuss with suitable case law reference, the rights of the parties and the burden of proof where the carrier invokes inherent vice as a defence.

A problem scenario touching upon the carrier's duty under Articles III(2) and IV(2)(m) of the H-Visby Rules. Students were expected to be familiar with the relevant provisions of the Hague-Visby Rules in relation to the carrier's duty under Article III(2), and Article IV(2)(m). Students were to carry out a detailed discussion on the obligation of the carrier under Article III(2) to 'properly and carefully load, handle, stow, carry, keep, care for and discharge the goods', and the exception of 'inherent vice' as identified in Article III(2)(m). Answers were to include discussion on the duty of the carrier, and the exception, and how the carrier bears the burden of disproving negligence under Article III(2) once damage is proved, and how they took reasonable care to protect the cargo. In contrast the cargo owner is to establish that goods were shipped in good order and were damaged while they were in the custody of the carrier (see *Volcafe Ltd [2018]*).

Case laws and examples cited in the study material/ textbook and student's own choice. Case Laws: *Volcafe Ltd v Compania Sud Americana de Vapores SA [2018] UKSC 61*; *Coggs v Bernard (1703)*. Answers are to be well-structured, addressing the issues individually and critically, using relevant case law and references.

Q3. Answer BOTH parts of the question: A vessel runs aground off X-Harbour. The passage plan omitted the published warnings about charted depths outside the fairway. Cargo interests sue in contract under the Hague-Visby Rules. Using suitable case law reference, critically discuss a) the scope of the carrier's *due diligence* obligation, and b) causation.

A two-part essay-type question on a) the scope of the carrier's *due diligence* obligation, and b) causation. Students were expected to be familiar with the carrier's obligations to make the vessel seaworthy under the Hague-Visby Rules. A detailed discussion is to be carried out outlining how liability rests on establishing if the vessel was unseaworthy at the commencement of the voyage, **a)** whether the carrier exercised due diligence, and **b)** if the defect caused the casualty. The students were to present the legal framework, *i.e.*, the definition of seaworthiness (Article III Rule 1 H-Visby Rules); how a defective passage plan tantamount to unseaworthiness (see *Alize 1954 [2021] UKSC*); and the 'non-delegable' due diligence obligation of the carrier to make the vessel seaworthy under the Hague-Visby Rules. The students were to emphasise that the carrier obligations are personal and cannot be delegated, including navigational preparation, and that the defect led to the casualty.

Case laws and examples cited in the study material/ textbook and student's own choice. Case Laws: *Alize 1954 v Allianz Elementar Versicherungs AG (CMA CGM Libra) [2021] UKSC 51*; *McFadden v Blue Star Line (1905)*. Answers are to be well structured, dealing with the issues individually and critically using relevant case laws and references.

Q4. Answer BOTH parts of the question. A tanker was voyage chartered (berth charter) for the carriage of petroleum from Rotterdam, The Netherlands to Milford Haven, UK on the following terms: *Laytime*: 72 hours reversible, running continuously, excluding "Sundays and holidays unless used." *Demurrage*: USD 25,000 per day, payable per charterparty terms. At Rotterdam, delays occurred due to a 24-hour strike by terminal workers, and due to the vessel's pump failure, which reduced discharge rates. The pump was repaired the following day. At Milford Haven, discharge was delayed due to port congestion (berth unavailable for 2 days), and due to charterers' slow cargo documentation (36 hours). The vessel finally completed discharge 8 days later than the total laytime allowed. Owners presented their demurrage claim 68 days after completion of discharge. The charterparty included a clause requiring "all demurrage claims to be submitted with supporting documents within 60 days of completion of discharge, failing which all such claims shall be deemed waived." The owners claim full demurrage for the excess time. The charterers deny liability for the strike delay arguing it is an excepted cause, that the pump breakdown was the fault of owners, and the congestion delay cannot be for their account as laytime had not started to run as no berth was available. The charterers further argue that, in any case, the time-bar clause prevented any demurrage claim. Discuss critically using relevant case law reference a) what may count as laytime and demurrage under the given circumstances, and b) whether the owners right to claim demurrage under English law was extinguishing due to the 60-day time-bar clause.

A problem scenario touching upon lay-time and demurrage claim. Students were expected to be familiar with the voyage charter party operations and when could a vessel be deemed to be on demurrage and their legal position. A detailed discussion was to be carried out to determine if the vessel could be deemed to be on demurrage taking into consideration the factual details of the port congestion; strike action at the port of loading and discharge; and further the possibility of the claim being time-barred (see *The Oltenia* [1982]; *The Sabrewing* [2008]). The total time allowed is 72 hrs (3 days); time to be excluded – the 24-hour strike + pump delay (owner's fault) + congestion (berth unavailable); time to be included – 36-hrs documentation delay. Regardless of the above calculation, the time-bar clause could be decisive.

Case laws and examples cited in the study material/ textbook and student's own choice. Case Laws: *The Spalmatori* [1983]; *The Maratha Envoy* [1977]; *The Oltenia* [1982]; *The Sabrewing* [2008]. Answers are to be well structured, dealing with the issues individually and critically using relevant case laws and references.

Q5. Company A chartered the vessel *Sea Breeze* to carry a cargo of fruit juice. The charterparty contained a clause stipulating that the contract was to be governed by Argentine Laws. The cargo was discharged upon arrival at the discharge port. Later, company A discovered that the cargo had become contaminated while being carried on board the *Sea Breeze*. Company A has now issued a writ *in rem* against the *Fruits of the Sea* when she called into port at Southampton, England, seeking security and claiming damages. *Fruits of the Sea* also belongs to the owners of the *Sea Breeze*. The owners of the *Sea Breeze* and *Fruits of the Sea* argue that the English Admiralty courts do not have any jurisdiction over the alleged claim, as the contract was governed by Argentine laws. Discuss critically the legal rights of charterer and the shipowner in the given circumstances.

A problem scenario on sister-ship arrest. Students were expected to be familiar with UK laws with regards to arrest of vessels (Arrest Convention 1952/Merchant Shipping Act UK) and maritime claims, and the procedures involved before the UK Admiralty courts. A detailed discussion on the *in rem* procedure to be followed before the Admiralty courts to effect a sister ship-arrest with reference to the facts at hand is to be presented. Reference is to be made to Sections 20 & 21 of the Senior Courts Act 1981 with regards to arrest, together with relevant case laws. The Senior Courts Act lists the types of claims for which a vessel could be arrested. It is to be noted that the UK is a signatory to the Arrest Convention 1952, and not to the Arrest Convention 1999.

Case laws and examples cited in the study material/ textbook and student's own choice. Case Laws: ***The Bold Buccleugh (1851)*; *The Eschersheim [1976]*; *The Fajal [2000]***. Answers are to be well structured, dealing with the issues individually and critically using relevant case laws and references.

Q6. Company A, entered into an agreement with Company B to transport a consignment of steel coils from Izmir, Türkiye to Tilbury, UK aboard MV Atlantic Voyager which was witnessed under a bill of lading. Upon arrival Company A discovers the cargo severely damaged due to improper stowage and seawater ingress. Company A has claimed for damages from Company B for mishandling of cargo and/or lack of care for the cargo while being carried. Company B, on the other hand argues that a) the damage resulted from an "act of God" and is therefore not their responsibility, and that b) the bill of lading contains an exclusion clause that limits their liability. Discuss critically the extent of Company B's liability under UK laws, and whether Blue Ocean Shipping can rely on the 'act of God' defence and exclusion clause. Support your answer with relevant legal principles and case law reference.

A problem scenario on immunities available to the carrier under the Hague-Visy Rules. Students were expected to be familiar with the provisions of the Hague-Visby Rules, and on how the Hague-Visby Rules grants a set of rights and immunities to the shipowner in return for a set of obligations towards the cargo interest. Answers were to contain a) a detailed discussion on responsibilities of a carrier under Article III, Rules 2 in respect of care for cargo, issuance of Bf/L, and b) the rights and immunities conferred on the shipowners under Article IV Rule 2 of

the Hague-Visby Rules, and the particular exception of *acts of God, perils of the sea*. Discussion was also to focus on how it creates a system of 'checks and balances' by obligating the shipowner to care for the cargo carried on board the vessel.

Quality of illustrations, both case laws (*Albacora SRL v Westcott & Laurence Line Ltd [1966]*; *Volcafe Ltd v CSAV [2018]*) and examples – the cited in the study material/ textbook and student's own choice. General structure and quality of answers - dealing with the issues individually and critically using relevant case laws and references.

Q7. Describe the debate from *The Astra* [2013] to the Court of Appeal's resolution in *Spar Shipping* [2016] and analyse if there is legal clarity on the issue of the punctual payment of hire under a time charterparty contract.

An essay type question on the debate surrounding the case *The Astra* and *Spar Shipping* regarding the issue of punctual payment of hire. Students were expected to be familiar with time-charterparty operations, and in particular, with the legal status of late payment of hire. The students were to present a detailed discussion of the decisions arrived at in *The Astra* [2013], where it was held that punctual payment of hire term was a condition and a breach of which could see the withdrawal of the vessel, and the subsequent decision of Court of Appeal in *Spar Shipping* [2016], where it was held that the term was not a condition, and emphasised caution against extending 'condition' classification beyond recognized categories. The students were to evaluate if there is legal clarity on the issue of punctual payment of hire under a time charterparty contract.

Case laws and examples cited in the study material/ textbook and student's own choice. Case Laws: *The Astra* [2013]; *Hong Kong Fir Shipping v Kawasaki Kisen Kaisha [1962]*; *Spar Shipping* [2015]; *Spar Shipping* [2016] (CA). Answers are to be well structured, dealing with the issues individually and critically using relevant case laws and references.

Q8. Under a time charter the charterers redeliver late, causing owners to miss a profitable follow-on fixture fixed at a higher market rate. Owners claim the lost profits on the next fixture. Charterers say damages are limited to the difference between market and charter hire during the overrun. Who is right, and why? Critically discuss the remoteness test and assumption of responsibility in the time chartering context.

A problem scenario on redelivery of a time-chartered vessel. Students were expected to be familiar with redelivery of a time-chartered vessel, and the potential damages that could arise due to later redelivery. The students were to present a detailed discussion of the legal issues arising from the scenario presented and measure of damages for late redelivery and if the owners can recover follow-on profits or only the market-charter rate differential. The key issues to be covered were remoteness of damage under a contract (see *Hadley v Baxendale* standard), foreseeability in commercial shipping, and the adoption of 'assumption of responsibility test' a broader test introduced by the House of Lords in *The Achilles* [2008].

Case laws and examples cited in the study material/ textbook and student's own choice. Case Laws: *Hadley v Baxendale* (1854); *Transfield Shipping Inc v Mercator Shipping Inc (The Achilles)* [2008] (HL); *The Heron II* [1969]. Answers are to be well structured, dealing with the issues individually and critically using relevant case laws and references.