



INSTITUTE OF
CHARTERED
SHIPBROKERS

MAY 2025 EXAMINATION SESSION
TUESDAY 13TH MAY 2025 – AFTERNOON

LEGAL PRINCIPLES IN SHIPPING BUSINESS

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Discuss ALL of the following in the context of international conventions and organisations:
 - a) MARPOL
 - b) Port State Control
 - c) International Maritime Organization

2. Answer ALL parts of the question.

With respect to Bills of lading, discuss the following:

- a) Letter of Indemnity for clean bills
- b) Clause Paramount
- c) Straight Bill of Lading

3. Answer ALL parts of the question.

With respect to voyage charterparties discuss the following:

- a) Notice of Readiness
- b) Despatch
- c) Deadfreight

4. A vessel caught fire while loading cargo at Piraeus (Greece). After the incident, the vessel was shifted to a dockyard for repairs. The vessel had to be towed to a nearby dockyard from the berth at which it caught fire. Discuss the concept of General Average relating to the above circumstances.

PLEASE TURN OVER

5. A vessel departing from the load port of Dalian (China) enroute to Dar es Salaam (Tanzania) was caught in heavy seas due to monsoon winds in the month of July in the Indian Ocean. At the discharge port, it was discovered that there was ingress of water in hold No. 1 of the vessel during the voyage. The vessel's hold bilges could not be operated for 4 days due to a few problems in the engine room of the vessel. As a result, at the discharge port, cargo was found damaged in this hold. A bill of lading receiver issued a claim against the ship owner. A Clause Paramount is incorporated in the bill of lading.

Identify the legal issues arising from the above circumstances in the context of the bill of lading in accordance with English Law.

6. Answer **ALL** parts of the question.

There is an ongoing dispute between an owner of a vessel and a time charterer. The time charter contains an arbitration clause in the charterparty that provides for arbitration pursuant to London Maritime Arbitrators Association ("LMAA"). The charterparty also provides for English law and jurisdiction. Answer the following:

- a) Advise the ship owner whether he can enforce the arbitration award in a jurisdiction where the time charterer has assets, but the arbitration is pursuant to jurisdiction of England & Wales.
 - b) Advise the time charterer of the advantages of arbitration over litigation in courts.
 - c) Advise the owner whether he can still pursue mediation in parallel to arbitration to resolve disputes.
7. A vessel is on a time charter trip for a voyage from Chennai (India) to Port Khalifa (UAE) for 35 days. The vessel arrived at the load port of Chennai to load break bulk cargo. While entering a port, the vessel hit an uncharted floating buoy and was taken to a repair berth. As a result, the vessel suffered an extensive delay of 5 days. After repairs, the vessel was shifted to Berth No. 4 for cargo operations. While loading the cargo, the vessel's cranes stopped working for 5 hours. At the discharge port, the vessel's hatch coaming for hold no. 3 was damaged by stevedores. The vessel was redelivered by the charterers to the owners later than the 35 days. The delay in redelivering the vessel was 36 hours beyond the agreed charter period.

Identify the legal issues arising from the above circumstances in accordance with English Law.

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

In the context of the voyage and time charterparty, discuss **ALL** of the following

- a) Safe port warranty
- b) Anti-technicality Clause
- c) Off-hire