



TECHNICAL UNIVERSITY OF MOMBASA

School of Business

UNIVERSITY EXAMINATION FOR:

DIPLOMA IN SHIPPING

BSP 2207: SHIPPING LAW

END OF SEMESTER EXAMINATION

SERIES: AUGUST 2019

TIME: 2 HOURS

DATE:

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of FIVE questions. Attempt Question ONE (Compulsory) and any other Two questions

Do not write on the question paper.

Question ONE

As a shipowner, you want to ensure that you will not bear the risk of a delay in berthing at a destination port which you know is often congested.

- (a) What voyage charterparty provisions can you opt for and why would you do so? [4 marks]
- (b) Analyse and evaluate three different clauses you could demand be included in the charterparty to shift the risk of such a loss. [12 marks]
- (c) Analyse and evaluate the validity of the WIBON clause in the case of a pilot not being available to berth the ship once it arrives at port. [4 marks]
- (d) You've been asked to prepare a worksheet for trainees about the legal problems associated with combined transport. Explain:
- (i) The purpose of a Multimodal Bill of Lading [4 marks]
- (ii) What is meant in common law by a tort [4 marks]
- (iii) The main purpose of a Himalaya clause [2 marks]

Question TWO

You've been asked to write an article on Remoteness of Damage in Contact for a training manual. Explain the loss and damages in each of the following cases in your article:

- (a) Breach of voyage charterparty obligations [4 marks]
- (b) Failure of the carrier to deliver goods [4 marks]
- (c) Goods damaged in transit [4 marks]
- (d) Goods delivered short of destination [4 marks]
- (e) Delay in delivery of goods [4 marks]

Question THREE

Outline the provisions of the Merchant Shipping Act CAP 389 of the Laws of Kenya on Bareboat charters form. [20 marks]

Question FOUR

An importer has asked for your advice. They have bought and paid for goods from a regular supplier who has, for the first time, now offered them a Sea Waybill instead of a Bill of Lading.

- (a) Highlight the key difference between a Sea Waybill and a Bill of Lading. [4 marks]
- (b) Discuss the similarities between the two. [4 marks]
- (c) Evaluate the potential benefits and drawbacks of a Sea Waybill in this case. [4 marks]
- (d) Explain the potential benefits and drawbacks of a Bill of Lading in this case. [4 marks]

Question FIVE

The Master of one of your line's ships (currently inbound to UK and carrying six 40ft containers of materials to be used at a prestigious exhibition in London) has advised that the vessel will arrive later than expected because he stopped to rescue crew and passengers from a cruise liner that had gone aground and was breaking up. As a result of the delay, the ship will arrive after the exhibition has started and the owners of the exhibition materials have said that they will suffer significant economic loss as a result.

Discuss the likelihood that they will be awarded damages. [20 marks]