

Disputes on Charter Parties

20 - 22 June 2018

Hotel Novotel • London Paddington

Seminar Moderator

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organised by



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Course Programme

DISPUTES ON CHARTER PARTIES

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Wednesday 20 June 2018

Time Session Lecture

09.00-09.15 1 Welcoming Remarks and Introduction

09:15-10:30 2 Introduction to English Maritime Law

As an introduction to the theme of this seminar, this session and the one following will provide a foundation for the programme through a review of the basics of English maritime law covering in turn: origins of maritime law followed by the principles of contract law. If time permits, the law of tort will get a very brief mention as it has little impact on bills of lading. The more detailed sessions which follow will develop the law as it applies to a number of bills of lading issues which are regular sources for disputes. In this, the first of the foundation lectures, the topics to be presented are:

- The Origins and Sources of English Law
- The Common Law and Equity
- The Civil Justice System and the Hierarchy of the Courts
- The Concept of Precedence

10:30 *Coffee*

10:45-12:30 3 Introduction to Contract Law

Topics for consideration:

- Elements of a Contract
- Terms of a Contract
- Factors Invalidating a Contract
- Termination of a Contract
- Remedies for Breach of Contract

12:30-13:30 *Lunch*

Time	Session	Lecture
13.30-14.45	4	Voyage, Time & Bareboat Charters + Contracts of Affreightment An overview of the characteristics and differences between various types of charter party. Careful consideration will also be given to law cases which affect the way in which the industry conducts its negotiations prior to a fixture.
15.00-16.30	5	Bills of Lading under Voyage and Timecharter The session will begin with a look at some general issues, including: <ul style="list-style-type: none">– How can a charter party and a bill of lading sit side-by-side as the contract of carriage?– Who is the carrier under the bill of lading?– How can the charter party, or parts of it, be incorporated into the bill?– Which charter party and what clauses have been incorporated? Also reviewed will be those areas in which bills of lading and charter parties come into conflict and other areas where the two documents relate more successfully.
16.30		<i>Tea</i>
16.45-18.15	6	Safe Ports and Safe Berths Given the potential financial consequences of a vessel going into an “unsafe” area, it is most important for the parties to a contract to know on whom the responsibility for safety falls. This session will review the following main points relating to safety issues: <ul style="list-style-type: none">– when is there a warranty as to safety?– when do the charterer’s obligations regarding safety arise– what is the definition of safety– physical versus political safety– duration of the obligation to safety owner’s rights and remedies in the case of an order to an unsafe port.

09.15-10.45 7 Practical Laytime and Demurrage

Laytime is one of the most disputed areas of Charter Party operations. Practical solutions to laytime problems avoid having to resort to arbitration or litigation. The purpose of this session is to show how such problems arise and how commercial compromise usually works

10.45 *Coffee*

11.00-12.30 8 Comparison of Charter Party Terms

Each charter party brings with it a set of rights and obligations for the two parties, with some clauses conferring responsibility upon the owner and others conferring responsibility upon the charterer. While the parties are free to agree variations to the standard printed clauses, it is important that at the outset they know who would be responsible under an un-amended clause before seeking to vary it. During this session, the lecturers will focus on a number of commonly used charter parties. Participants will be asked to establish which party to the contract is responsible for certain functions/actions, identifying the relevant clause(s) which determine their respective positions.

12.30-13.45 *Lunch*

13.45-15.15 9 The Defaulting Timecharterer - Late and Non-Payment of Hire

This session will deal with perhaps the most important problem faced by an owner when fixing his vessel on timecharter: the late or non-payment of the hire. The paper will cover what constitutes a late payment and the remedies available under the charterparty for which many different clauses have been brought into use. The owner will always have to take the commercial factors into account before either terminating the charter or embarking on long-term recovery proceedings against the charterer.

15.15 *Tea*

15.30-17.00 10 Time Charters: Period and Redelivery

The law relating to the duration of a time charter and the legitimacy or otherwise of orders given under a time charter to perform the final voyage has been developing relatively quickly during the last few years. These issues are important since ultimately, the Courts have to decide whether it is owners or charterers who have to bear the risk if, through the fault of neither party, their estimate of the charter duration is undermined by circumstances over which they have no control. Therefore, any event that affects the duration of the period may have important repercussions for both parties, the consequences of which will be considered here.

- 09.00-10.30** **11** **Timecharter Performance Claims and Off-hire Consequences**
- One of the most commonly encountered disputes between owners and Charterers relates to the speed and consumption of the vessel whilst under time charter. It is this type of dispute that can very quickly led to the end of co-operation between owners and Charterers (particularly since owners often take personally criticism of the performance of their vessels. This lecture begins with the basic legal principles involved and then deals with certain practical claim handling aspects before finally looking at remedies other than a straightforward claim for damages.
- 10.30** *Coffee*
- 11.00-12.30** **12** **Liens in Charter Parties and Bills of Lading**
- This session will include the rights of the shipowner to lien cargo, freight/sub-freight and hire/sub-hire and will include an examination of the practicalities of exercising the lien.
- 12.30-13.45** *Lunch*
- 14.00-15.15** **13** **Solving Charter Party Disputes**
- A practical view is given in the solving and case handling of Charter Party disputes. Using an arbitration as a Case Study example to highlight the problems associated with charter parties and bills of lading, the lecturer will invite participants to resolve the dispute, taking alternately the position of the shipowner, then the charterer.
- 15.15** *Tea*
- 15.30-16.30** **14** **Workshop**

Please note this is a provisional timetable; there could be changes to either the programme content or the speakers