

FINAL EXAMINATION

Programme Name	:	BSC (HONS) MARITIME BUSINESS (LOGISTICS) 3+0 IN COLLABORATION WITH UNIVERSITY OF PLYMOUTH
Course Code & Name	:	MAL1041 INTRODUCTION TO SHIPPING BUSINESS AND LAW
Duration	:	2 HOURS

INSTRUCTIONS TO CANDIDATES:

1. Please read the instructions given in the question paper **CAREFULLY**.
2. Answer **ONE** question from **SECTION A** and **ONE** question from **SECTION B**.
3. Answers to the questions are to be written into the examination booklet.
4. Electronic dictionaries, lecture notes, files or any unauthorised materials except writing equipment are strictly prohibited.

This question paper must be submitted along with all used and/or unused rough papers and/ or graph papers (if any). Candidates are **NOT ALLOWED** to take any examination paper(s) used or unused out of the examination hall.

WARNING:

The Examination Board of Peninsula College Georgetown regards cheating as a very serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in the accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from Peninsula College Georgetown.

(This booklet contains 3 printed pages including this page)

DO NOT OPEN THIS BOOKLET UNTIL YOU ARE ALLOWED TO DO SO

Answer ONE question from SECTION A and ONE question from SECTION B. **[100 marks]**

Section A

1. Ship registration plays an important role in many aspects such as vessel purchases, newbuilding deliveries, financing, vessel leasing and different priorities of owners and mortgagees.

a) Explain **THREE (3)** types of ship registry. (15 marks)

b)

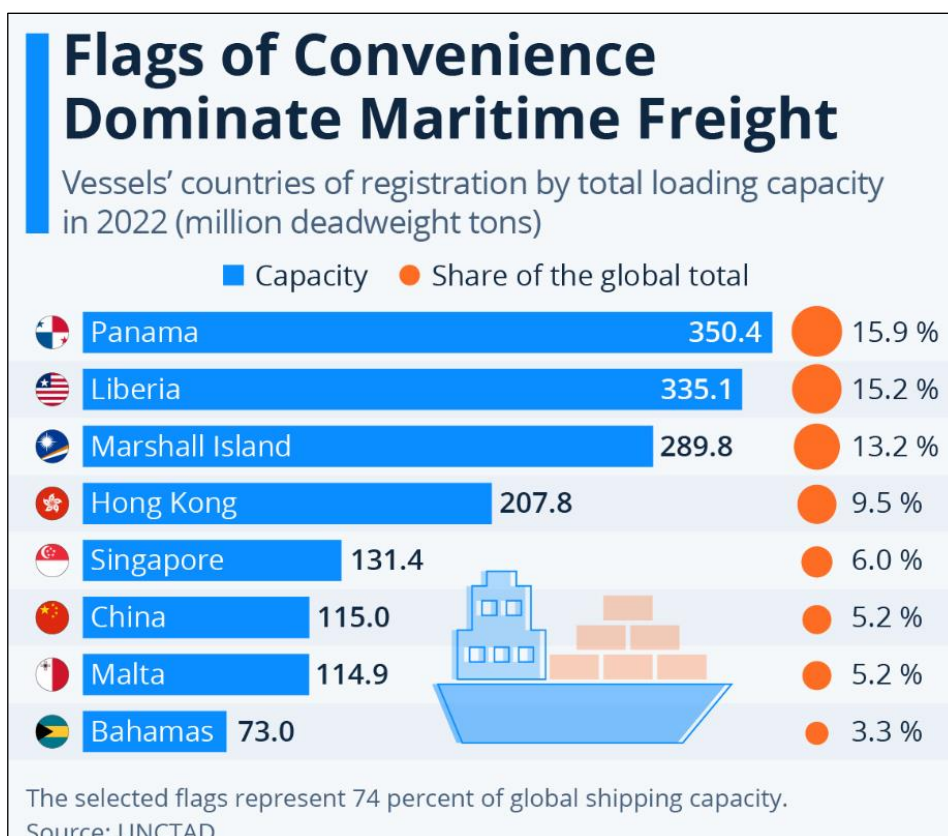


Figure 1: The flag of convenience dominate maritime freight

According to Figure 1 above, explain **THREE (3)** factors of the dominance of flag of convenience by these countries. (35 marks)

Total: [50 marks]

2. Liner shipping and tramp shipping are the terms that are commonly used to designate a type of ocean transport service.

a) Discuss **TWO (2)** fundamental differences between liner shipping and tramp shipping. (20 marks)

b) Distinguish the **THREE (3)** different types of ship chartering arrangements (time charter, voyage charter and bareboat charter) with regard to their characteristics and purposes. (30 marks)

Total: [50 marks]

Section B

3. English Law is commonly chosen for shipping contracts due to its established legal principles and precedence.

a) Compare contract law and tort law. Support your answer with appropriate examples. (25 marks)

b) A tugboat is assisting a large cargo ship, MV Starlight in navigating through a narrow and treacherous channel. During the towing operation, the MV Starlight collides with a moored fishing vessel; 'Moon Fishing'. The collision results in oil spillage, environmental damage, and injuries to the crew of Moon Fishing.

According to the scenario given above, analyse the legal aspects of the collision between both vessel with focus on the liability in tort law and salvage law. You can support your answer with related case law. (25 marks)

Total: [50 marks]

4. Marine Insurance Act 1906 is a UK Act of Parliament regulating marine insurance.

a) Examine **THREE (3)** types of marine insurance policy. Support your answer with appropriate example. (35 marks)

b) A large cargo ship is on a sailing voyage from the Port of Rotterdam to the Port of Los Angeles. The ship is carrying valuable cargo of electronics, machinery, and textiles. Passing through the Atlantic Ocean, the ship encounters severe storms, rough seas and heavy weather conditions which lead to a critical situation. To maintain stability and avoid the ship from capsizing, the ship's captain decides to jettison (throw away) some of the cargo, specifically the heavy machinery and equipment, overboard. Fortunately, the crew and the remaining cargo are safe, and the ship eventually reaches its destination. However, the jettisoned cargo is lost at sea.

According to the scenario given above, explain the principle of marine insurance involved. (15 marks)

Total: [50 marks]

- END OF QUESTIONS -