“The Tiger Shanghai” – Paperwork and Time bars

AUTHOR / KEY CONTACT

Linda Jacques
Partner

Linda.jacques@LA-law.com
01202 702611

The importance of ensuring that any relevant paperwork is passed to a contracting party when dealing with a time bar has been highlighted by a recent decision in the English Commercial Court. In Mur Shipping BV v Louis Dreyfus Company Suisse S.A (“The Tiger Shanghai”). In the case, the Owners and the Charterers had entered into a charterparty on an amended NYPE form.

One of the agreed clauses stated:

“Owners shall be released and discharged from all liability in respect of any claim or claims which (charterers) may have under the charterparty and such claim should be totally extinguished unless such claims have been notified in detail to (owners) in writing, accompanied by all available supporting documents (whether relating to liability or quantum of both) and arbitrator appointed within 12 months from completion of charter.”

The clause demanded that the claim be notified in detail and that an arbitration should be commenced within 12 months of the completion of the charter.

The dispute under the charterparty:-

- The Charterer’s had wanted to cut new cement feeder holes into the hatch covers of the vessel, at the start of the charterparty.
- This was because the feeder holes on the hatch covers on delivery, were positioned in such a way that the Charterer’s loading crane was not quite long enough to reach those on the starboard side of the vessel.
- The Charterer’s had therefore made a request to the Owner of the vessel on 12 August 2016 to cut new holes in the hatch covers, in addition to those which were already there. This was pursuant to a charterparty clause which stated. "The Charterers, subject to the Owners’ and Master’s approval which is not to be unreasonably withheld shall be at liberty to fit/weld any additional equipment and fittings for loading… cargo. Such work shall be done at the Charterer’s expense and time, and the Charterers shall remove such equipment and fittings at their expense and time prior to re-delivery, if so required by the Owners …….”

Tel: 0344 967 0793 | Email: info@LA-Law.com | www.lesteraldridge.com

Lester Aldridge LLP is authorised and regulated by the Solicitors Regulation Authority (SRA ID: 463177). It is a limited liability partnership registered in England and Wales under number OC321318. Managing Partner: Tom Alder; Compliance Officer for Finance and Administration: Dan Baker-Mist (Financial Controller); Compliance Officer for Legal Practice: Joanne Clarke (Partner) - See more on the Lester Aldridge Privacy Policy

© 2026 Lester Aldridge

- The Owners had rejected the Charterer's request.

- In response to the Owner's refusal, the Charterer's appointed a survey firm CSS to assist them. That company issued a report dated 19 August 2016 which investigated the issues surrounding the cutting of new cement holes in the hatch covers.

- After the Owner's had refused the Charterers' request, the Charterer's had terminated the charterparty, relying on the Owner's unreasonable refusal to allow the cutting, and the Owner's repudiatory breach of the charterparty.

- Those events were followed by claim letter being sent by the Charterers to the Owners requesting the return of hire which had been paid in advance and attaching details of the claim. The CSS survey report was not included in that claim letter.

- A year later, on 8 August 2017, the Charterers appointed their arbitrator in respect of all disputes connected with the charterparty ie. Within the 12 month time bar.

- The Owners then appointed their arbitrator.

- However, it took the Charterer's lawyers nearly a year to serve claim submissions. Those submissions attached the original CSS Report which the Charter's relied upon to argue that there was no technical reason why the new cement holes could not have been created.

The time bar issue:-

- The Charterer's had not relied upon the CSS Report, nor had they given a copy of it to the Owners, with their claim letter sent in 2016 or before staring arbitration in 2017. The Owner's, in response to the claim submissions, argued that the original claim had not been presented in sufficient detail as required by the charterparty time bar clause. They argued that the CSS Report was at the heart of the issue of liability, and that it should have been presented to them with the claim letter or, before the arbitration was started. If that had been done, it was likely that the dispute could have been dealt with commercially, without the need for an arbitration.

- Naturally, the Charterers argued that the CSS Report had been a document compiled for arbitration and was therefore outside of the category of supporting documents in the classic sense. The original arguments were conducted before an arbitration tribunal. The arbitrators felt that the CSS Report was a vital document and that it should have been disclosed at some stage within the 12 month period. As it had not been they decided the Charterers' claim was time barred.

- The issue was then heard by the English Court. The Court decided that the case was an unusual one

Tel: 0344 967 0793 | Email: info@LA-Law.com | www.lesteraldridge.com

Lester Aldridge LLP is authorised and regulated by the Solicitors Regulation Authority (SRA ID: 463177). It is a limited liability partnership registered in England and Wales under number OC321318. Managing Partner: Tom Alder; Compliance Officer for Finance and Administration: Dan Baker-Mist (Financial Controller); Compliance Officer for Legal Practice: Joanne Clarke (Partner) - See more on the Lester Aldridge Privacy Policy

© 2026 Lester Aldridge

because of the width and depth of the time bar clause, but the Judge decided that there was no reason to bend the construction of the clause and render it unworkable. The CSS survey report was a vital piece of evidence and should have been disclosed before the expiry of the 12 month time bar. As it was not, the Judge agreed the claim was time barred.

If you would like more information, please contact our marine law solicitors in our Bournemouth and Southampton offices.

Tel: 0344 967 0793 | Email: info@LA-Law.com | www.lesteraldridge.com

Lester Aldridge LLP is authorised and regulated by the Solicitors Regulation Authority (SRA ID: 463177). It is a limited liability partnership registered in England and Wales under number OC321318. Managing Partner: Tom Alder; Compliance Officer for Finance and Administration: Dan Baker-Mist (Financial Controller); Compliance Officer for Legal Practice: Joanne Clarke (Partner) - See more on the Lester Aldridge Privacy Policy

© 2026 Lester Aldridge