



Time-bar and the Applicable Time-zone

The recent decision in *Euronav NV v Repsol Trading SA (The "Maria" – QBD (Comm Ct) (Henshaw J) [2021] EWHC (Comm)* has provided clarity as to whether the date of completion in a charter, is to be ascertained according to local time at the place of discharge or according to the time-zone which can be considered as having the "closest and most real connection with the provision in question".

In the case itself, the Maria had been chartered on 23 October 2019, under the Shellvoy 6 form for a cargo of crude oil to be delivered to a number of West US ports, including the port in question, Long Beach California.

The relevant clause in the charterparty stated "*Owners shall notify Charterers within 30 days after completion of discharge if demurrage has been incurred and any demurrage claim shall be fully documented and received by Charterers, within 90 days after completion. If Owners fail to give notice of or to submit any such claim with Documentation provided available, as required herein, within the limits aforesaid, Charterers' liability for such demurrage shall be extinguished.*"

The clarification was sought as the Owners presented a claim for demurrage for a value of US\$487,183.12 plus interest. The Charterers submitted that the Owners claim was time barred. The Court was asked to consider whether the time zone to be used for the discharge, which would then confirm the time-bar, was one of the below:

1. local time in California where the discharge took place; or
2. the time zone of the receiver of the notice, (in this case Spanish local time); or
3. the time zone of the giver of the notice (in this case Belgian time); or
4. GMT as the charterparty applied English Law.

The Owners submitted that a single time zone should be applied to both ends of the CP and to use one which had the "most real connection". They argued this should not be Californian time (in which case they claim would be time barred) as both Owners and Charterers giving and receiving the due notice were located in Europe, therefore confirming a European time zone. The Charterers disputed this stating that the local time at the place of discharge should be used. Primarily, as this is where both the statement of facts and owners' laytime

statement are produced. “Providing a clear, single date of discharge for use not only for clause 15(3) purposes but also in other contexts where the date of discharge was material.”

Mr Justice Henshaw sided with Charterers. He expressed that unless an alternative is detailed in the CP, a “day” is usually considered a calendar day, a period of 24 hours beginning and ending at midnight, not a period of 24 consecutive hours. He stated that again, unless specified otherwise in the CP, the “day” of an event should normally be determined using local time at the place where the event occurred, reasoning in agreement with the Charterers that this solution “avoids confusion and uncertainty, and tallies with the parties’ expectations”. Therefore the Californian time-zone was accepted, resulting in Owners claim being time barred.

If you have any questions regarding the above charterparty and logistics bulletin, please contact our specialist [LA Marine Lawyers](#) by emailing online.enquiries@la-law.com