

THE ARREST news

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The Right to Re-Arrest by Harald Søndergard, Hafnia Law Firm (Denmark)

Ship arrests are sometimes described as a 'one shot action'. An arrest is a forceful weapon in the hands of a maritime claimant; however, it may only be fired once, and the claimant should caution itself to choose the time and place of arrest wisely. If the arrest does not yield the expected result, then the claimant may be barred from arresting again for the same claim.

However, re-arrests or second arrests are not impossible and may sometimes be justified. A recent decision by the Danish Maritime and Commercial High Court made in August 2021 provides helpful guidance as to when a claimant may be entitled to make two (or more) arrests for the same claim.

Legal framework

The 1952 Arrest Convention establishes the legal framework for arresting ships in the 71 contracting states – and many more which have not formally ratified the convention but apply similar rules. Article 3 (3) of the convention contains a prohibition against arresting more than one ship for the same claim. Nevertheless, the convention also states that this does not apply if there is a 'good cause' for pursuing another arrest.

What constitutes 'good cause' has been the subject of much debate, particularly whether the 'good cause'

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must consist of previously unknown circumstances and if the 'good cause' may be the result of the claimant's own actions e.g., a decision to voluntarily release the first security.

Facts of the case

The dispute was between a yard and a port agent (collectively referred to here as the "yard") on one side and a shipowner on the other. The yard had performed repair works on two vessels owned by the shipowner, and a dispute arose as to the amount of remuneration to which the yard was entitled.

Shortly before the vessels were ready to depart, the yard arrested one of the ships for the entire claim for repairs made on both vessels. A couple of days later, when this arrest did not cause the shipowner to post security, the yard also arrested the second vessel for the same claim following which the shipowner posted security.

The shipowner made a claim against the yard arguing that the arrest of the second ship was unlawful, because the value of the first ship was sufficient to cover the entire claim. The shipowner stated that at the time of the second arrest, the yard had sufficient security for its claim and there was no need for the second arrest. The representatives of the yard explained that when the first arrest had not caused the shipowner to post security, investigations had been made into the market price of the first arrested vessel including the scrap value, which indicated that the value might not be sufficient to cover the entire claim. Further, significant costs would need to be deducted to keep the ship until a forced sale auction could be made. On the other hand, the shipowner submitted evidence which indicated that the scrap value of the first vessel might have been sufficient to cover the entire claim. The shipowner also noted that after the arrests, the scrap market had increased significantly, making it more likely that the value of the first vessel might have been sufficient.

Decision by the Court

The Maritime and Commercial High Court found that there had been 'good cause' to arrest the second

vessel and that the arrest was therefore not wrongful. More particularly, the court noted that the assessment of whether the value of the first vessel was sufficient depends on the profit which could be obtained in a forced sale of the vessel. The evidence presented by the parties indicated that there was significant uncertainty as to the value of the first ship and what the cost would be to keep the vessel until an auction could be made. Under these circumstances, the yard had shown that good cause had existed to allow for an additional arrest.

The decision shows that it is possible to arrest a ship, even though a previous arrest has already been made in respect of the same claim. The decision recognizes that there is significant uncertainty as to what profit may ultimately be derived from an arrest and subsequent forced sale of a ship, and that uncertainty may constitute good cause which allows for subsequent arrests for the same claim.

The yard was represented by Harald Søndergard of Hafnia Law Firm.



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Maritime Disputes and the Avenues for Resolution by John Sze, JTJB (Singapore)

It's no secret that companies across the globe are contending with a myriad of commercial disputes as a consequence of the effects of the COVID-19 pandemic. Intrinsically intertwined with global supply chains, the shipping sector holds no immunity.

But disputes are costly by nature and parties may be stuck in a rock and hard place, trying to conserve resources and hold back from launching expensive legal proceedings during volatile times.

Arbitration

Thus far, arbitration has been a popular method of resolving disputes in the shipping sector.

Shipping contracts that typically provide for arbitration include shipbuilding contracts, ship sale, charter-parties and ship management agreements. Cost of court litigation aside, the relative ease of global enforceability of arbitration awards is key to the preference of arbitration over litigation.

Mediation

Also growing in popularity is the provision of mediation in shipping disputes. Mediation has the benefit of preserving commercial and business relationships, finding a creative solution (that awards via both litigation and arbitration cannot offer) to the conflict with the aim of achieving a common goal and thereby creating a win-win for the parties.

Mediation's increasing popularity is proven by the introduction of mediation clauses by maritime arbitral bodies. BIMCO redrafted its Standard Dispute Resolution Clause and carved out the mediation part into a stand-alone process.

More broadly, significant efforts have been made to promote mediation as the most cost-effective approach to resolving disputes. On 12 September 2020, the Singapore Convention on Mediation came into effect. The Convention, which has over 50 signatories including the U.S., China and India, addresses enforcement issues in dispute resolution, where breach of contract claims can be difficult to enforce in certain jurisdictions.

A hybrid

There is also possibly a "best of both worlds" hybrid mechanism which combines both arbitration and mediation.

At the start of arbitration, parties are typically entrenched in their positions. As arbitration progresses, parties gain a clearer picture of the merits, and may lean towards settlement. Arb-Med-Arb is a perfect tool for parties to pause arbitration and mediate with a firmer intention to settle. Where the contract allows parties to do this, the proposer is not seen as

surrendering or having "a weaker case". This is a huge psychological benefit.

Arb-Med-Arb is available to all disputes submitted to the SCMA for resolution under the Arb-Med-Arb Clause or any dispute which parties have agreed to submit for resolution under the Arb-Med-Arb Protocol.

To ensure impartiality, the arbitrator and mediator are separate persons. The Arb-Med-Arb Protocol, however, does allow the parties to agree on the appointment of one individual for both proceedings rather than two.

The most appealing benefit to the Arb-Med-Arb Protocol is that any settlement reached by the parties in a mediation would be enforceable, and it also provides a real opportunity for parties to negotiate in a constructive manner before taking it to arbitration.

Singapore has been a strong proponent of hybrid mechanisms, demonstrated by partnerships between the SIAC, the Singapore Chamber of Maritime Arbitration (SCMA) and the Singapore International Mediation Centre (SIMC) and the consequent offering of the [Arb-Med-Arb Protocols](#).



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Marine Insurer Refuses to Pay Yacht Repair Bill - and It Proves Costly by Kenra Parriswhittaker, Parriswhittaker (Bahamas)

Repairing any significant damage to a ship or yacht will usually mean the involvement of the vessel's insurer. When making a claim for repair, honesty is of paramount importance. We've explored previously the idea that even the suggestion of fraud on the part of the person seeking to claim under a marine insurance policy can result in the entire claim being rejected.

But what happens when an insurer refuses to settle an apparently honest, reasonable repair bill? This is what happened in the English High Court case of *ABS Company Ltd. v. Pantaenius UK Ltd. and others* (2020) where a £250,000 repair bill for a high-end yacht was disputed. We examine the case below, and as we'll see, ultimately the yacht owner was successful in having the repairs paid for. The case is a cautionary tale for any marine insurer when disputing a repair bill. ParrisWhittaker is a leading shipping and maritime law firm based in the Bahamas. Our specialist team regularly advise ship owners and insurers on their rights and obligations under specialist marine insurance contracts.

ABS Company Ltd. v. Pantaenius (2020): What Was The Dispute About?

The case arose after a luxury yacht designed to sail at high speed ran aground in the Bosphorus Strait in Turkey as it returned to its home port following a day trip. The owners spent £250,000 repairing damage caused by the collision.

The yacht was built to a very specific design and a significant amount of the repair bill reflected the cost of shipping damaged parts back to specialist technicians in Italy for repair. The insurers argued that this was unreasonable – they believed the parts could have been inspected and repaired much more cheaply locally in Turkey.

The High Court judge (whose decision will have persuasive authority here in the Bahamas) agreed however with the yacht owner. In his opinion, the damaged parts (highly specialised computer controlled drive systems) were integral to the correct operation and performance of the vessel. It was 'plain' that they needed to be removed and inspected by the manufacturer in Italy. The judge did include the proviso that if the work could have been done locally then it should have been. But he had found no evidence from any repairer in Turkey that it was capable of repairing the units to the standard required by the policy.

The precise terms of the policy were as follows:

'claims for.. damage to the yacht should be settled on the basis of reasonable repair and/or replacement costs necessary to reinstate the yacht as nearly as is reasonably possible to its pre-accident condition. Where a claim is recoverable under this insurance these necessary costs will include the cost of transporting the yacht to the nearest appropriate repair facility.'

Referring back to an earlier English case the judge confirmed that whether the cost of repairs is reasonable or not is an objective consideration, And if the cost is objectively reasonable then that cost is recoverable by an insured party – irrespective of the insured's motives.

Comment

The success of the yacht owner in *ABS Company Ltd.* having his repair bill met more or less in full (some deductions were made for anti-fouling and tenting measures which the judge saw as excessive) is a stark warning to insurers. They will, in reasonable cases, be held to their obligations under a marine insurance contract.

The case has also garnered attention for another reason: the legal costs involved. Almost a quarter of the 80-paragraph judgment deals with objections made by the insurers to the claimant's legal costs. The claimed costs amounted to £213,000 – a significant total given the repair bill that was the subject of the case itself was £250,000.

While the costs claimed were not paid in full the yacht owner did overcome many of the objections of the insurer. The level of legal fees is a clear demonstration – if it were necessary – of the importance of trying to reach agreement ahead of court in cases like this, and to consider arbitration and other forms of ADR. While mediation was attempted in this case, it was unsuccessful.



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Panama Updates 2022 by Joaquín de Obarrio, Patton, Moreno & Asvat (Panama)

The past few months have seen quite a few advancements in the maritime law practice and regulations in the Republic of Panama. We highlight some of the most relevant updates:

Maritime Courts enable the usage of electronic dockets and files

As of December 13, 2021, all new cases filed before the Maritime Courts of Panama will be recorded and available electronically to the intervening parties. This new system allows the processing and review of legal proceedings at any time, including outside of court hours, from any device with internet access, allowing real-time management and interaction between the judicial office and the attorneys and parties.

The use of these electronic judicial files complements the already extensive practice of conducting virtual hearings in the maritime courts. The incorporation of new technologies effectively guarantees the uninterrupted availability of the Maritime Courts of Panama for ship arrests and maritime dispute resolution.

New Cabotage Law

Through Law 266 of December 23, 2021, in force on the same date, the Republic of Panama seeks to regulate cabotage and inland trade activities in jurisdictional waters. Cabotage is defined as *“maritime transportation of cargo, passengers and services, with origin and final destination within the jurisdictional waters of the Republic of Panama, for which an operating license is required”*.

The law also establishes a special process for declaring a “wreck” any vessel, regardless of its flag, that is stranded in the jurisdictional waters of the Republic of Panama, as well as those under the Panamanian flag that are stranded in international waters, which according to a report from the Panama Maritime Administration, constitute a risk to maritime activities, navigation, human life, maritime

environment, obstruct maritime traffic or pose a risk or danger to maritime safety.

Once the process has been completed, vessels that are declared wrecks will not be subject to any privileged maritime liens, encumbrances, commercial claims or debts. Consequently, it will lose its status as a ship and may not be subject to any claim before the maritime courts.

Merchant Marine Notices on Ukraine

As of March 2022, the Panama Maritime Administration has issued guidance to Panama-flagged vessels and seafarers on board of these, in regards to the ongoing Russia-Ukraine conflict. Through Merchant Marine Notice MMN-03/2022 - UKRAINIAN AND RUSSIAN WATERS IN THE BLACK SEA AND SEA OF AZOV, the Panama Maritime Administration *“strongly encourages all Panama Flagged vessels to avoid transit on Ukrainian and Russian waters in the Black Sea and Sea of Azov”*. Through Merchant Marine Notice MMN-04/2022 - REPATRIATION OF SEAFARERS DUE TO THE SITUATION IN UKRAINE, the Panama Maritime Administration has informed that *“due to the events in Ukraine and taking into account the views of the Maritime Transport Workers Trade Union of Ukraine (MTWTU – ITF affiliate) and guidance of Paris Memorandum of Understanding (MoU) and Tokyo MoU, the Panama Maritime Administration has considered it necessary to apply flexibility and pragmatism on the issue of extending periods of service on board ships in these circumstances, taking into account the difficulties that may be encountered in the repatriation of Ukrainian seafarers”*.



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Stowaways: Legal Implications by Jotham Scerri-Diacono, Ganado Advocates (Malta)

Introduction

This article discusses stowaways on board ships and vessels generally. Since time immemorial, stowaways have been an ever-present concern for the international community and particularly the shipping industry. In more recent time, we have seen controversy arise as to the manner in which stowaways are treated, by both ship operators and the authorities concerned. For the master and crew, a case of stowaways on board their vessel is always trying, as difficult decisions need to be taken, which, on the one hand respect the human dignity of the stowaway whilst on the other hand, respect both the law and the security and safety requirements of the vessel concerned. In this article, we explore the legal obligations that come into play in such cases and how stowaways are dealt with under Maltese Legislation.

Stowaways and the shipping industry

Stowaways found aboard commercial vessels make it challenging for the shipping industry from both a practical and legal point of view.

Such incidents are mainly a problem for operators of ships, who are likely to incur economic losses, since these are the ones responsible for arranging and financing the maintenance, disembarkation, and repatriation of the stowaway. Moreover, certain States enforce fines for having stowaways onboard when the vessel arrives in their port and further fines if the stowaway escapes. However, it's significant to note that these costs are usually covered by Protection and Indemnity ("P&I") Insurance.

Additionally, delays and diversions of the planned route may ensue, which not only incur more expenses for the ship operator but may potentially damage the cargo. There also lies the risk of cargo contamination. Moreover, the safety of the crew on board is also disputed, especially if stowaways outnumber the crew. Thus, it is evident that stowaways create massive

liabilities on the shipping industry and present a risk to the safety and security of the ship.

Legal problems mainly arise when the States involved, these being, the State of embarkation, the State of disembarkation, the flag State of the ship, the State of apparent, claimed or actual nationality/ citizenship or right of residence of the stowaway, and States of transit during repatriation, must decide where to disembark and repatriate the stowaway. This process is never an easy task, it is often a lengthy procedure which is difficult to solve in a timely manner due to the different national legislations of the States involved, thus creating additional difficulties to the shipping industry.

Legal position at international level

The United Nations High Commissioner for Refugees ("UNHCR") and the International Maritime Organisation ("IMO") have over the years, established measures to reduce risks of unauthorised persons boarding ships.

At International level, the Convention that governs this subject is the SOLAS Convention, which has been signed by 164 states and more specifically the IMO's Convention on Facilitation of International Maritime Traffic ("FAL Convention"), which has 115 contracting state parties. More recently, the Revised FAL Guidelines were released in 2018. Malta is party to all the above-mentioned Conventions.

Although stowaway incidents have decreased throughout the past few years, proving measures to be effective, there are nonetheless a large number of incidents taking place each year, thus signalling the need for new guidelines to be released. In light of this, the revised FAL Guidelines amending the 1965 FAL Convention were introduced in 2018. The FAL Convention sets out preventative measures, addresses the handling of stowaways aboard the vessel and provides recommendations on the disembarkation process. Moreover, it also defines a 'stowaway' as "a person who is secreted on a ship, or in cargo which is subsequently loaded on the ship, without the consent of the shipowner or the Master or any other responsible person and who is detected on board the

ship after it has departed from a port, or in the cargo while unloading it in the port of arrival, and is reported as a stowaway by the master to the appropriate authorities.”

Therefore, the main elements which need to be satisfied for a stowaway to be called as such are;

- a. The person must have boarded the vessel stealthily;
- b. Without attaining the consent of the ship operator;
- c. Having been discovered in the midst of the voyage or upon arrival in the next port;
- d. Whereby the master reports such person as a ‘stowaway’ to the authorities.

Additionally, the FAL Convention also delves into the main security arrangements which are to be carried out in order to prevent stowaway incidents. It obliges the ship master and crew to conduct thorough searches before leaving a port with the aim of preventing stowaways from boarding.

However, the many successful stowaway occurrences seem to suggest that the searches being carried out are not entirely effective. In fact, when a stowaway succeeds in advancing on the vessel without being noticed by the crew and is discovered or comes out of hiding once the ship is at sail, then additional procedures, listed in the 2018 FAL Guidelines, are initiated. Thus, proving that the 2018 FAL Guidelines are useful in nature especially since they provide more detailed provisions, give definitions of the main terms in question and outline the duties of the ship master and the ship operator.

On this note, the 2018 FAL Guidelines oblige the ship master to order his crew to perform a thorough search of the vessel to ensure that no other stowaways are aboard. The ship master must then question the stowaway and determine a safe port of embarkation, whilst adhering to the non-refoulement principle. Following the discussion with the stowaway, a statement must be drawn up. In this case, language barriers are a common occurrence, therefore communication may be quite tedious. The ship master

is to notify the ship operator about the discovery of the stowaway on board the vessel. Furthermore, the ship master is to treat the stowaway in a humanely manner, provide him with accommodation and food and brief him on emergency procedures.

Besides the obligations imposed on the ship master, the ship operator also has several responsibilities, as provided for in the FAL Convention and 2018 Revised Guidelines. The principal obligation of the ship operator is that of communicating the stowaways’ presence on the vessel to the appropriate authorities at the port of embarkation, the next port of call and the flag state. He is also responsible for informing the P&I club. These provisions clearly highlight the importance of cooperation amongst all States.

Stowaway incidents in Malta

Despite the transposition of International Conventions into Maltese law, the position on the ground is somewhat different. Since a number of vessels sail close to the Maltese coastline, this increases the chances of Maltese authorities having to deal with stowaway incidents. Malta’s handling of stowaways has been particularly challenging due to the island’s size and resources. The burning question as to what should be done with the stowaways once they reach the island is always the main point of contention.

The governing national law dealing with stowaway incidents is the Merchant Shipping Act, Chapter 234 of the Laws of Malta, particularly under articles 184 to 189 titled ‘Stowaways and Seamen carried under compulsion’. It is important to point out that the Merchant Shipping Act makes reference to “any ship arriving at any port in Malta with any stowaway on board”, thus one can denote that the law is not only applicable to Maltese Flagged Vessels, but also to any other vessel.

In the case of a stowaway being found aboard a vessel (whether Maltese flagged or not), Transport Malta takes a number of measures and requires extensive information, including, a copy of the crew list, statements from the ship master, copies of the vessel’s logbook, details of procedures adopted by the vessel to

prevent stowaways from boarding, date and place of embarkation, details of stowaway and date and place of disembarkation. The ship master must advise if declaration of security had been completed at the previous port, he must also provide a complete list of activities carried out at the previous port and advise on procedures as to how they access the ship, control embarkation, monitor and report security incidents. Lastly, the way forward and intention of management to either carry out evaluation of the incident or not must be divulged.

In the case that a Stowaway is found aboard a Maltese flagged vessel, away from the Maltese Coastline, Transport Malta must:

- a. Assist the master/ship operator or the appropriate authority at the port of disembarkation in identifying the stowaway and determining his or her nationality/citizenship or right of residence;
- b. Make representations to the relevant authority to assist in the removal of the stowaway from the ship at the first available opportunity;
- c. Assist the master/ship operator or the authority (amongst which Consulates and Embassies) at the port of disembarkation in making arrangements for the removal or repatriation of the stowaway; and
- d. Report incidents of stowaways to the International Maritime Organization

Although the articles in the Merchant Shipping Act mirror those highlighted in the Conventions mentioned earlier, it can be noted that the present legislation lacks the critical elements which are needed to handle stowaway incidents, as our law does not mention the wellbeing of the stowaway and relevant duties of the ship master and ship operator.

One must keep in mind that our law was drafted many years ago, in a very different context to today's world which is experiencing serious humanitarian issues with mass migration caused by climate change, poverty, corruption and wars. It is clear that the rules set out are antiquated and in need of an update and overhaul as they do not reflect the current situation.

Stowaway incidents apprehended in Malta

A handful of cases have been reported to the media, including the incident which occurred in December 2020 where eight stowaways were found hiding on a ship at the Malta Freeport. Police said that a report was received from crew members, claiming migrants were found aboard. The stowaways joined the ship in Casablanca, Morocco and passed through Spain before reaching Malta and being found. This is not the first time that this has happened, in January 2006, seven Algerian stowaways were intercepted and marched back to their vessels as the Freeport's security grappled once again with illegal immigrants. The men, aged between 18 and 25, offered no resistance after they tried to enter Malta on board two ships from Algeria. A week earlier, five stowaways were caught at the Freeport leaving a container from aboard a ship. They were immediately rounded up and kept in custody. The illegal immigrants were marched back to the vessels under escort and guarded by the police after the captains signed a declaration admitting the men had left their ships. The arrival of north African stowaways has become a problem, especially during the winter months. "There's a racket taking place out there, without the knowledge of the ship captains," a Freeport official said. It's not unusual for the captain to argue that the immigrants were rounded up on land and demand proof that they had travelled on his ship.

Although we speak a lot of stowaways reaching the Maltese islands, there are also cases whereby such persons try to flee the islands and stow themselves away on vessels at the Malta Freeport in Birzebbuga or at the Marsa Terminal. This was the case in July 2020, whereby a stowaway was arrested in Malta after trying to hide on top of a container on the Sicily Catamaran. This is not a rare occurrence and had also occurred a few weeks earlier with a Sundanese man who attempted to flee to Sicily by hiding under a truck on the same Catamaran. Most of the stowaways leaving the island do so after having escaped detention in Malta. It has been reported that the treatment of migrants in Maltese Detention Centres is not entirely humanitarian, however it is significant to point out that

oftentimes when a stowaway is sent back to the country which they fled, they are likely to face torture and death.

Stowaways utilize different techniques to gain access onto a commercial vessel. These may pose as stevedores and more often than not are aided by port officials. Research shows that most stowaway incidents encountered are on board container vessels since the screening of the many containers is not always done thoroughly.

A more recent case is that which occurred in April 2021, whereby a stowaway was found aboard a Maltese flagged vessel. The stowaway boarded the vessel from Senegal on the 1st April, 2021 which had as its final destination Brazil. He pled that he escaped his hometown due to the numerous death threats he was receiving.

Conclusion

Until economic disparities between states are eradicated, unless wars and political oppression are done away with, stowaways will continue to be found on board ships. For the time being, the problem is here to stay. Since we lack international uniformity and a superstructure at international level to police states does not exist, we will continue to see states taking different positions and adopting different approaches to stowaways, resulting in a maze of uncertainty and with the consequential result of stowaways being caught in legal lacunae.

State cooperation and international effort is essential since ultimately at the heart of the matter lie human beings, who may be desperate to escape after having experienced some form of persecution, as defined under Article 9 of the Qualifications Directive.

The subject of stowaways falls within the larger context of illegal migration and needs to be discussed within such. A balance of considerations must be analysed by States when dealing with this situation, as on the one hand the humanitarian aspect is to be placed at the forefront of discussions whilst on the other hand, the rules and policies regulating illegal migration must be respected. This would at times require practical

approaches to be adopted, rather than strictly legal ones, with the view of respecting human dignity whilst not burdening the State in question excessively.

It is the view of the authors that it is through the increase of States ratifying the FAL Convention together with the 2018 FAL Revised Guidelines can legal certainty be attained, since it is these Regulations that deal comprehensively with the situation at hand. A collective effort must be made to decrease disparities in opinions and prompt state cooperation further!

The author would like to thank Giannella Vella, currently an intern at Ganado Advocates, for her support during the preparation of this article.



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Maximising Sale Value at Auction by Paul Willcox & Alexandra Willcox, CW Kellock & Co. Eggar Forrester Shipbrokers (UK)

Appointing a specialist auction broker greatly enhances the price achieved for an arrested vessel. This was amply demonstrated by the US Marshal's sale of 'Marine Princess', a bulkcarrier whose arrest in New Orleans had been instigated by Bank of America.

CW Kellock & Co were chosen for their experience in this field by all the parties to the action, whose attorneys included Phelps Dunbar for the plaintiffs and Murphy, Rogers, Sloss, Gambel & Tompkin for the defendants, and were appointed by the US District Court for the Eastern District of Louisiana.

The price achieved, US\$ 16,400,000, was considerably higher than expected by many observers – the ship had been independently valued the day before the sale at only US\$ 15,000,000. The successful outcome was perceived to be due to the large number of potential bidders whom CW Kellock had encouraged to attend. 19 parties registered at the courthouse to take part: for those representing many of them it was a welcome reunion of the local community of maritime lawyers, and they remarked that they had never known so many buyers attend an auction.

CW Kellock & Co are shipbrokers, auctioneers and valuers. Recent unsolicited testimonials have included:

- *'Not only do Kellocks have knowledge, experience and contacts in the shipping markets but they also have experience of operating with the court and its processes'* - Admiralty Marshal
- *"Congratulations on setting the standard with the online video conference auction."* – Bidder
- *"CW Kellock's services for the sale (from start to finish) is greatly appreciated. We have reached up to 19 bidders and achieved an outstanding price at the end. I would like to take this opportunity again to thank you and your colleagues for all the efforts and*

hard work put into this sale and for finalizing it without any issues." - Ship Owner

- *"The way the auction was managed was so professional."* - Turkish lawyer
- *"Thank you for all your assistance in achieving the sale of the vessel yesterday in difficult circumstances."* - UK lawyer
- *'We could not have done it without you'* - US lawyer
- *"It was a very good experience, and you handled the process perfectly"* - Bidder

CW Kellock & Co have been engaged as brokers and auctioneers for ship sales in US courts in Delaware, Charleston, Corpus Christi and Louisiana, and in court sales worldwide including Singapore, India, Fujairah, Jamaica, Nigeria, the Netherlands, Turkey and Malta. They are the exclusive brokers for the Admiralty Marshal in London.



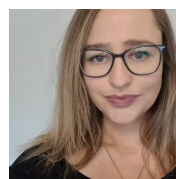
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Alexandra Willcox



Federal Court in Delaware Confirms Marshal's Sale of Heavy Load Carrier, Semisubmersible, Roll-On/Roll-Off OCEAN FORCE and its Cargo to Alexander Navigation

The United States District Court for the District of Delaware has confirmed the US Marshal's sale of the of heavy load carrier, semisubmersible, roll-on / roll-off OCEAN FORCE and its cargo to Alexander Navigation, Inc., of Majuro, Marshall Islands. The sale was the result of an order directing to Marshal to auction the vessel and cargo on February 18, 2022, by both live and virtual attendance through Zoom. The sale was conducted by live video internet auction where the bidders could alternatively attend in person with the US Marshal at the United States District Court. The troubled vessel had been detained under maritime arrest and attachment in Delaware since February of 2021.

Centrally located on the East Coast of the United States, the Delaware River and Bay contains port terminals and facilities for containers, ro/ro, bulk, breakbulk, and liquid bulk. The Delaware River Main Channel, a 102.5-mile stretch of federal navigation channel, from Philadelphia and Camden to the mouth of the Delaware Bay, has been maintained at a depth of 45ft (14m). Ports include Philadelphia & Fairless Hills, Pennsylvania; Wilmington, Delaware the Delaware Bay and Gloucester & Camden, New Jersey.

Arresting vessels in the Delaware River and Bay Region is not a difficult procedure to accomplish assuming the firm retained to arrest the vessel has expertise in doing so and is familiar with the local rules and quirks of the United States District Court in which the arrest is being sought. The territorial jurisdiction of the courts in the Delaware River and Bay, however, is a little complicated due to its location between three states. Ports on the Pennsylvania side of the river fall within the Eastern District of Pennsylvania located in Philadelphia. Ports in New Jersey fall within the

jurisdiction of the District of New Jersey with court houses in Camden and Trenton, New Jersey. The Delaware Bay and ports falling in Delaware are dealt with in the District of Delaware located in Wilmington.

Alexander Navigation was represented in the auction and sale process by Gary Seitz from the Wilmington law firm GSBB Law (Gellert Scali Busenkell & Brown).

CW Kellock & Co Ltd. acted as the exclusive appointed brokers to assist the US Marshal in the sale process.



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A MESSAGE OF SOLIDARITY

Anyone who has attended a Shiparrested.com network event will have surely noticed the friendly, almost familial atmosphere of the event and interactions amongst members. Many of our members have developed personal relationships that reach beyond business and go back over 20 years of the network’s existence.

For these reasons and more, it deeply pains us to see many of our fellow members suffering the effects, directly and indirectly, of the ongoing war in Ukraine.

Although our words will come up short, we wish to send a message of solidarity, hope, and encouragement to all of those affected. We express our strong hope for hostilities to cease and for negotiations to bring a speedy end to the war.

Most importantly, we pray for the safety and wellbeing of you and your families, and for peace.

This newsletter does not purport to give specific legal advice. Before action is taken on matters covered by this newsletter, specific legal advice should be sought. On www.shiparrested.com, you will find access to international lawyers (our members) for direct assistance, effective support, and legal advice. For more information, please contact info@shiparrested.com.