SHIPPING

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The business of relationships.

THE EFFECT OF INSOLVENCY ON A CHARTERPARTY

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Thor Maalouf, an Associate in the London Shipping Group, considers some of the issues which may arise where a party to a charterparty becomes insolvent.

INSOLVENCY ALONE IS NOT ENOUGH TO JUSTIFY TERMINATION

The insolvency of a party, the commencement of insolvency-related proceedings or the appointment of liquidators or receivers will not on its own amount to a repudiation or a renunciation of a contract subject to English law (see for example *Re Agra Bank* (1867) LR 5 Eq 160). There will, therefore, be no right to terminate a charterparty because of an event of insolvency affecting an owner or charterer. That is unless, of course, such an express right is reserved in the contract.

In order to have a right to terminate, the innocent party will either need to be able to show that the inevitable consequence of the event of insolvency is a repudiation of the charterparty, i.e. that there has been an anticipatory repudiatory breach, or that a liquidator (or similar officer or court) has stated clearly and unequivocally that a charter will not or cannot be performed in some respect going to the root of the contract i.e. there has been a renunciation (*see Pacific and General Insurance Co. Ltd v. Hazell* [1997] 1 L.R.L.R. 65 at 83).

It should be noted that an anticipatory breach must be proven in fact; having 'reasonable grounds' for believing a certain situation to be the case will not be enough. Whereas, the test in respect of a renunciation is whether a reasonable person in the position of the innocent party would consider that the insolvent party has clearly and absolutely evinced an intention not to perform (*SK Shipping Pte Ltd v Petroexport Ltd* [2010] 2 Lloyd's Rep 158).

In some situations it may be clear beyond doubt that an insolvent party's repudiatory breach of contract has become unavoidable, or that the contract has been renunciated. This could be the case, for example, where the insolvent party has been prevented by a court order from making any payments at all, or where notices are issued to all counterparts by the relevant officers making it clear that contracts will not be performed or adopted.

However, in many cases the situation will not be clear immediately. It is not thought that a failure by the relevant officer to confirm, when questioned, that a contract will be performed is enough where investigations and information gathering by the appointed officer are ongoing. However, such a failure may be renunciatory where it is clear that the relevant officer has all the necessary information at their disposal (as in *SK Shipping*). It is thought that where an insolvent party must apply to a court for permission to make any payments and where the contract in question is loss-making (and therefore permission would not be granted), or where the insolvent party has made it clear that no such application will be made, there may be sufficient grounds for terminating.

In such circumstances it should be noted that an innocent party would be entitled to rely, in support of a decision to terminate, on evidence of matters which were not known to them at the time although they already existed in fact.

NON-PERFORMANCE AS A RESULT OF INSOLVENCY – NO AUTOMATIC RIGHT TO DAMAGES ON TERMINATION

Of course, most time charters include an express right of termination for non-payment of hire. However, it is not clear in English law whether the non-payment of hire under a charterparty is in itself repudiatory. Therefore it will not follow that the fact that an owner has exercised his express right to terminate a charterparty for non-payment will mean that he has a claim for damages.

There is some indication in authority that an express right to terminate for a particular breach is indicative of the parties' intention to treat that breach as repudiatory i.e. as going to the root of the contract (*Stocznia Gdynia SA v Gearbulk Holdings Ltd* [2009] 1 Lloyd's Rep 461). Such an argument may be assisted by the fact that time is of the essence with respect to payments of hire under charterparties. However, that a claim in damages follows a failure to pay a single instalment of hire remains only arguable.

To remain on firmer ground with respect to a claim for damages, it will be necessary to establish a renunciation or repudiation of the charterparty, as discussed above. It is thought that a repeated failure to pay hire, either deliberately or through inability to pay, will also be sufficient to found a claim in damages.

PERFORMANCE BY A THIRD PARTY, FOR EXAMPLE A GROUP COMPANY

Several recent insolvencies have involved one or more companies belonging to a larger group of companies, many of which have themselves remained in operation, apparently unaffected by the insolvency. Can a charterparty continue to be performed by a group company of an insolvent charterer?

In general, a debt will be discharged on payment by a third party if the payment is made as an agent of the debtor with either his prior authority or subsequent ratification. So, for example, payments of hire under a charterparty made by a charterer's group companies will stand as contractual hire payments so long as there has been authorisation by the charterer.

However, the appointment of a liquidator has the effect of extinguishing directors' powers and revoking prior authorities of agents. See for example

Pacific and General Insurance v Hazell, where this was held to be the effect of the court order that *"places the provisional liquidator in control of the company's assets and operations (whether with or without power to carry on its business)".* So from that point onwards it would be up to the liquidator or receiver to authorise or ratify any third party payments and a creditor would have the right to reject a payment from a third party where they were aware that it had been made without authority.

EFFECT OF RECOGNITION ON ARBITRATION AND ENFORCEMENT PROCEEDINGS

When a winding up order is made or a provisional liquidator is appointed, no proceedings may be commenced or continued against the relevant company or its property, except by leave of the court and subject to such terms as the court may impose (section 130(2), Insolvency Act 1986). This applies equally to arbitration proceedings (see *Enron Metals & Commodity Limited v HIH Casualty & General Insurance Limited* [2005] EWHC 485). A similar restriction will apply in respect of foreign insolvencies recognised by the English court pursuant to Article 20(1), Schedule 1 of the Cross-Border Insolvency Regulations 2006 (SI 2006/1030).

It is likely that the court has the power to grant leave retrospectively where proceedings have been commenced without leave (see *Re Linkrealm Ltd* [1998] BCC 478).

THE BRIBERY ACT 2010

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Alexandra Allan, an Associate in the London Shipping Group, considers the contents and potential effects of the Bribery Act 2010

The UK's Bribery Act 2010 (the "Act") came into force on 1 July 2011 and introduces a new set of criminal offences for bribery. The Act brings wide-ranging changes to the UK's anti-corruption regime, and has extensive extra-territorial effect. A survey conducted by the City of London Corporation in 2010 identified the shipping industry as "high risk" as regards corruption, and as one of the sectors most likely to be affected by the Act.

THE MAIN OFFENCES

The Act sets out two general bribery offences: active bribery (i.e. bribing someone) and passive bribery (i.e. offering or taking a bribe). While these offences are not new, and simply clarify the existing law, the Act does create a new offence for companies failing to prevent bribery within their organisation. This is an absolute, strict liability offence: all payments, no matter how small, will be classified as a bribe if made with the requisite intention. The company will be liable for failure to prevent the payments being made on its behalf, even if these payments are made by individual employees without the management's knowledge.

The "requisite intention" referred to above means that the person attempting to bribe another intends that the person being bribed perform his/her duties in an improper manner. Such improper performance will occur if a person performs their duties in a manner which is anything other than impartial, in good faith, or in accordance with a position of trust (if their duties import such a position). It is important to note that such expectations are judged by UK standards. Payments made to a port authority, for example, may result in improper performance even if such actions are routine in that particular area.

PENALTIES

A company can face unlimited fines if found guilty of any of the offences under the Act, and any turnover generated by deals involving an element of corruption can be confiscated. A director who is found guilty of active or passive bribery, or of bribing a foreign public official, could be imprisoned for up to ten years.

An accusation of having committed an offence under the Act could also have a serious detrimental effect on a company's commercial reputation.

DEFENCE: "ADEQUATE PROCEDURES"

There is only one defence under the Act for the corporate offence of failure to prevent bribery, which is that "adequate procedures" have been put in place to prevent it. The term "adequate procedures" is not actually defined in the Act: whether a company's procedures are adequate or not will depend very much on the context. The definition of "adequate" will, for example, be very different for a small company than for a large, international one.

It is essential that companies' anti-corruption procedures are carefully designed and implemented. All employees must be made aware of their provisions and of the potential consequences of breaching them. It will be expected that organisations adopt a zero tolerance attitude to corruption, which is supported by those who run the company and which is implemented at all levels of the organisation.

EFFECT ON THE SHIPPING INDUSTRY

The shipping industry has been highlighted as a "high risk" sector for corruption. This is largely due to its considerable activity in corrupt environments, interactions with public officials, provision of services to high risk sectors such as defence and natural resources and the use of intermediaries, such as agents. A shipping company's foreign subsidiaries often act as intermediaries. For example, they may charter vessels for specific jobs, finance trade or buy and sell small amounts of commodities.

The extra-territorial effect of the Act is likely to be of particular concern to the shipping industry. An offence can be committed by any company which carries on business or part of its business in the UK, even if the act of bribery took place outside the UK. The UK part of the business does not have to have been involved in the bribery for the company to be found liable. This emphasises the need for anti-corruption procedures to be implemented

throughout an organisation, and not just in the UK-based part of the business.

One particular problem area is that of facilitation payments, which are common in many parts of the world. These may be used, for example, to cross borders quickly, to reduce tariff payments or to ensure that operations at a port run quickly and smoothly. Some companies may consider such payments 'customary', however this is not a defence unless the specific practice is permitted or required by local written law.

INTERTANKO MODEL CLAUSE

In June 2011, INTERTANKO launched a model clause for both time and voyage charterparties. This clause is designed to recognise shipping companies' obligations under the Act, together with the practical issues faced by a Master who is asked to make a facilitation payment.

The clause includes requirements for both Owners and Charterers that they will have in place a policy to prevent bribery, as defined by the Act. It also includes a specific definition of facilitation payments. The clause also provides for an agreement by Charterers that their schedules allow time for any requests for facilitation payments to be tested by Owners and/or the Master, and for such requests/demands to be resisted where appropriate.

There are also provisions which enable the Master to issue a protest if required to pay a bribe or make a facilitation payment, and which deal with the consequences of any subsequent delay. Under voyage charters, all time lost as a result of a refusal to pay shall count as laytime or demurrage, as appropriate. Under time charters, any such delay shall not be considered as time lost for the purpose of any off-hire provision.

That INTERTANKO has seen fit to produce a model clause indicates the potentially serious effect that the provisions of the Act could have. Whilst the Act is widely drafted, and subsequent clarification by the courts will be required on some aspects, it is essential that shipping companies look closely at their operations to ensure that they have adequate anti-corruption procedures in place.

FEDERAL MARITIME COMMISSION EASES RATE FILING REQUIREMENTS

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Matt Thomas, a Partner in the Washington D.C. Shipping Group, considers the recent regulations published by the US Federal Maritime Commission relating to rate-filing requirements

On February 25, 2011, the US Federal Maritime Commission (FMC), which regulates U.S. international shipping services, published new regulations substantially reducing longstanding rate-filing requirements on US-licensed Non-Vessel-Operating Common Carriers ("NVOCCs").

Up to this point, common carriers in US trades (both vessel operators and NVOCCs) have been required by the Shipping Act of 1984 to publish rate tariffs. Rates charged to shippers have been required to be set out in those tariffs or in regulated service contracts that must be submitted electronically to the Commission prior to shipment.

The new rule, *46 CFR Part 532 - NVOCC Negotiated Rate Arrangements*, establishes an instrument called a "negotiated rate arrangement," dispensing with the burdensome filing requirements and providing more contracting flexibility to NVOCCs and their customers. NVOCCs who enter into negotiated rate arrangements with their customers are exempted from the requirement of publishing their rates in tariffs or filed contracts, if certain conditions are met.

To qualify for the exemption, NVOCCs must be licensed by the FMC. Currently, licensing is mandatory for US NVOCCs, but elective for overseas entities. (Currently, there are over 3300 FMC-licensed NVOCCs authorized to operate in the US trades, and over a thousand non-licensed carriers, according to FMC records.) The FMC will launch follow-on proceedings to determine whether and how similar exemptions might apply to unlicensed NVOCCs based outside the US.

Under the new system (effective from mid-April 2011) NVOCCs must continue to publish "rules tariffs" containing terms and conditions (but not rates) for shipments. Rates charged by NVOCCs must be agreed to and memorialized in writing by the date cargo is received for shipment, and the carrier must retain documentation of the agreed rate for a period of five years.

The rule contains a few idiosyncrasies that could be traps for the unwary in future rate disputes. In general, the new regulation indicates that general contract law should control in case of disputes. Presumably, the contracting parties may select the law of New York, England, or any other jurisdiction with suitable maritime contract law. But in certain regards, the regulation seeks to supplant ordinary contract law principles. Most

significantly, the rule contains a prohibition on parties cancelling or modifying the contract after the cargo (or the first in a series of multiple shipments) is received by the carrier (see 46 CFR § 532.5(e)).

Beyond the major impact for NVOCCs, the rule is significant because it represents a first step by US shipping regulators to reexamine and reduce unnecessary regulatory burdens on business, responding to a government-wide mandate from President Obama. This rulemaking raises the possibility that other shipping sectors seeking relief from unnecessary FMC rate-filing requirements, such as regulated ro-ro, breakbulk and heavy lift carriers, might find the agency newly willing to discuss and consider similar deregulatory reforms.

UPDATE: SANCTIONS REGIMES

Mark Church, Senior Associate, and Alexandra Gordon, Trainee, both in the London Shipping Group, provide an update on the sanctions regimes currently in place.

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The last eighteen months has seen numerous new sanctions regimes introduced by the EU, UN and the U.S. Among the shipping community, there has naturally been a heavy focus on Iranian and Libyan sanctions. It is important to understand, however, that there are now a whole host of countries facing sanctions from the EU, UN and U.S.

The foundations of EU sanctions regimes are the lists of "designated persons". Those subject to the EU Regulations cannot make funds or economic resources directly or indirectly available to or for the benefit of designated persons, who are also subject to an asset freeze. The US has also frequently updated its list of Specially Designated Nationals ("SDNs"). "US persons" and non-US financial institutions should not have any dealings with SDNs. "US persons" is defined as US citizens, permanent resident aliens, persons physically in the US, US organised entities and foreign branches. Of course, even if not a "US person", many entities take the view that they should not in any event have business dealings with SDNs.

The attached table identifies the various sanctions regimes and includes links to the relevant list of "designated persons" for that country.

It is of course the fact that the sanctions often go beyond the targeting of specific entities and individuals to focus also on particular sectors and activities.

For more details, see our Sanctions Regimes chart on page 10.

CASE STUDY: REFUSAL OF ORDERS TO PROCEED TO YEMEN

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Lucy Longmore, an Associate in the London Shipping Group, considers the situation where Charterers have ordered a vessel to Port of Aden in Yemen, and Owners wish to refuse these orders on the grounds that the voyage is unsafe.

THE SCENARIO

Head Owners have time-chartered the Vessel to Disponent Owners, who have in turn employed the Vessel under a contract of affreightment (the "COA") to Charterers. Charterers have ordered the vessel to proceed to Port of Aden, in Yemen, which orders have been passed up the line to Head Owners.

Head Owners have refused these orders, on the basis that they will not perform operations in the Gulf or Port of Aden. Disponent Owners have, in turn, refused Charterers' orders. The refusals are made on the grounds that the voyage is unsafe, and puts the vessel and its crew at risk.

Charterers have offered to deploy armed guards on board the Vessel, in an attempt to ally fears regarding the safety of the proposed voyage. Head Owners have refused to allow such guards on board the vessel, on the basis that it is against their company policy.

TIME CHARTER TERMS

The time charter provides that the Vessel must trade via safe ports or berths, and that it will not call in "war or war risk areas". A piracy clause, based on the BIMCO 2009 clause, is incorporated, as is a war risks clause which provides that Charterers shall be notified if, in the Master's or Head Owners' reasonable opinion, it becomes dangerous or impossible for the Vessel to enter or reach any place to which it has been ordered owing to, *inter alia*, "war, hostilities, warlike operations, civil war, civil commotions or revolutions".

COA TERMS

The COA provides that the Vessel must trade via safe ports or berths, within institute warranty limits, always excluding "all war risk and warlike areas" as declared by hull and machinery underwriters. The CONWARTIME 2004 clause is also incorporated.

THE POSITION UNDER THE TIME CHARTER

Prima facie, Yemen is within the trading limits under the charter, and as such orders to proceed there would be legitimate. However, in light of the recent unrest in Yemen, there may be an argument that Yemen is excluded, having become a "war risk" area.

Considering the piracy clause, the key issue is the reference to the "reasonable judgment" of the Master and/or Owners. This is an objective test which must be satisfied before orders can be refused. It would not be necessary to show that every Owner or Master would refuse to call at Aden. Rather, if it can be shown that some Masters or Owners, acting prudently, would refuse the orders then this would be sufficient. Where piracy attacks are ongoing, such as in the Gulf of Aden, this test may well be satisfied.

The war risks clause, similarly, is not unqualified. The Master or Owners are entitled to refuse Charterers' orders if, in their "reasonable opinion", the Port of Aden had become dangerous to reach or enter on account of an act of civil war, civil commotions or revolutions.

Yemen is currently in a state of civil strife, which has been said to be bordering on civil war. Depending on the extent to which this affects the Port of Aden, this could entitle Head Owners to refuse orders to proceed there on the basis of the war risks clause as well as the piracy clause.

THE POSITION UNDER THE COA

There is a good argument that the trading limits specified in the COA exclude areas for which hull and machinery underwriters require additional war risk premiums to be paid. The JWC lists Yemen as a Listed Area.

In any event, the COA states that the CONWARTIME 2004 clause is also incorporated. This clause states that a vessel, unless Owners' written consent has been obtained, shall not be ordered to any port where it appears that "the Vessel, her cargo, crew or other persons on board the Vessel, in the reasonable judgment of the Master and/or the Owners, may be or are like to be, exposed to War Risks". Such risks are defined as "war; act of war; civil war; hostilities; revolution; civil commotion … acts of piracy".

This clause gives Disponent Owners the right to refuse orders subject to the "reasonable judgment" of the Master and/or Owners. This is most likely to be satisfied in circumstances where there are ongoing acts of piracy and continuing civil unrest.

PROVISION OF ARMED GUARDS

As regards the provision of armed guards, in this situation Charterers do not have a contractual right to insist upon armed guards being used. There is no provision under the COA that would allow them to take such a position. Further, it is generally accepted that the use of armed guards on board a vessel, and the consequential risks and problems which may arise, are Owners' matters.

COMMENTS

A consideration of whether Owners are entitled to refuse Charterers' orders will depend very much on the specific facts of the situation. No matter the situation, however, Owners' refusal must always be within the terms of the charterparty, which should be carefully considered prior to any refusal being communicated.

Where standard clauses such as the BIMCO piracy clause and CONWARTIME 2004 are incorporated, the key point is that any decision must be made according to the Master and/or Owners' "reasonable judgment". This should be exercised after an objective consideration of all of the facts in existence at the time that the orders are given.

CASE NOTES

TTMI SARL V STATOIL ASA [2011] EWHC 1150 (COMM)

The Commercial Court has allowed a Disponent Owner's appeal against the striking out of its demurrage claim by an arbitrator. The grounds for striking out were that there was no contract between the Disponent Owner and Voyage Charterer, and as such there was no arbitration agreement between them.

The Claimant Disponent Owners, who had time chartered the vessel in question, instructed shipbrokers to sub-charter the vessel to the Defendant. In the fixture recap, the shipbrokers mistakenly named the Claimant's parent company, rather than the Claimant itself, as disponent owners of the vessel.

The voyage under the charterparty between the Claimant and Defendant was fully performed. All notices of readiness were correctly tendered and accepted. They referred to the terms and conditions of the charterparty and identified the Claimant as disponent owner. The freight invoices stated that an amount was due to the Claimant, and specified the Claimant's bank account details for payment.

The Claimant commenced arbitration, and claimed demurrage from the Defendant. The arbitrator found that there was no contract between the parties, and as a result there was no arbitration agreement. On that basis, he struck out the claim on the grounds that he had no jurisdiction to decide it.

CLAIMANT'S APPEAL

The Claimant appealed to the High Court. It argued that the Defendant had contracted with the Claimant and/or its parent company, which had instructed to shipbrokers to negotiate the sub-charter. The shipbroker's mistake in recording the disponent owners' name in the fixture recap did not mean that there was no contract.

The Claimant also submitted that, in any event, a contract had come into existence by conduct: the voyage had been performed by, and the freight paid to, the Claimant, and not the entity named in the fixture recap.

COURT'S FINDINGS ON APPEAL

The High Court allowed the Claimant's appeal, set aside the arbitrator's award and remitted the matter to the arbitrator.

In doing so, the Court noted that it is common for charterparties to be concluded by an exchange of communications, with the terms being set out again in a fixture recap. Charterparties could also be concluded orally

and recapitulated in this way. In this case, however, there was no evidence of an oral contract coming into existence prior to the recap. Indeed, the charterparty had not been agreed, either fully or substantially, before the issue of the name of the disponent owners arose.

Even if a written fixture recap was preceded by an oral agreement, the terms of the fixture recap itself were still very important. In this case the fixture recap was the main, indeed possibly the only, expression of the agreement between the parties. It could, therefore, for all material purposes be regarded as the charterparty. The identity of the disponent owners was specifically set out in that document, and the Claimant's argument was at odds with and undermined by the express terms of the fixture recap.

However, the Court ultimately found that a contract had been formed by the parties' conduct. This contract was formed when the freight was paid, although other possible points of formation included when the first NOR identifying the Claimant as disponent owners was accepted, or when the cargo was loaded. The contract so created was on the terms set out in the correspondence, and in the circumstances it did contain an arbitration agreement.

COMMENT

This case exemplifies two important points. The first is that a contract can be created between two parties by their conduct, regardless of what is contained in the documentation. Parties to a commercial transaction should, therefore, always bear in mind that contractual relations may be created in this way, and that such relations bring with them certain rights and consequences.

Secondly, this case highlights the importance of accurately identifying all relevant parties in contractual documentation. Had a contract not been created by conduct, the Claimant's appeal may well not have been successful and they would have failed in their demurrage claim.

CARBOEX SA V LOUIS DREYFUS COMMODITIES SUISSE SA [2011] EWHC 1165 (COMM)

The Commercial Court has allowed a Charterer to rely on an exclusion in a berth charter where the vessel's unloading was delayed by congestion after a strike.

The Appellant Charterers had entered into a berth charter with the Respondent Owners on an amended AmWelsh voyage charterparty form. The charterparty provided for the transport of coal by four vessels from Indonesia to Spain.

Under clause 40 of the charterparty, time was to run from 12 hours after the vessel's arrival at berth once notice of readiness had been tendered. If a berth was not available at that time, provided that this was not due to any fault on Charterers' part, laytime commenced 12 hours after the first permissible tide, whether the vessel was in berth or not.

Clause 9 of the charterparty contained the following exceptions clause:

"In case of strikes, lockouts, civil commotions or any other causes included but not limited to breakdown of shore equipment or accidents beyond the control of the Charterers consignee which prevent or delay the discharging, such time is not to count unless the vessel is already on demurrage."

After the vessels arrived at the discharge port and tendered notices of readiness, discharge was delayed by around two weeks due to port congestion. This congestion was caused by a nationwide Spanish haulage strike. The strike ended before each of the vessels berthed, and did not cause any interruption in the actual discharge process.

DEMURRAGE CLAIM

Owners commenced arbitration, claiming demurrage from Charterers. They submitted that the effect of the "whether in berth or not" provision in clause 40 was that Charterers bore the risk of delay due to congestion. Charterers argued that this provision had no effect on the construction of the exceptions in clause 9. The tribunal found that Charterers could not rely on the exception in clause 9, as the strike had ended by the time the vessels berthed. Charterers appealed.

COURT'S FINDINGS ON APPEAL

The Commercial Court allowed Charterers' appeal. In doing so, they found that the "whether in berth or not" provision did no more than start the laytime clock ticking. The exceptions clause was to be construed as a free-standing provision.

Further, the ordinary meaning of the words in clause 9 covered delay in discharging caused by congestion due to the after-effects of a strike that had ended. They also covered delay in discharging caused by congestion due to a strike where the vessel arrived after the strike had ended.

The Court therefore found that the tribunal had been wrong to conclude that Charterers did not have the protection of the exceptions in clause 9 of the charterparty.

COMMENT

In this case, the Court found that Charterers could use an exceptions clause as a defence to a demurrage claim, even though the relevant delays were not directly caused by one of the exceptions listed. Rather, strikes caused the congestion which was the immediate cause of the delay.

It is important to note that, in spite of this finding, the courts will still interpret exceptions clauses strictly. It must be possible to show a causal link between the exceptions listed in the clause and the delay in question. This will depend very much on the facts and circumstances of the case in question. As such, advice should be taken before deciding whether or not a particular set of circumstances falls within an exceptions clause.

The Commercial Court granted leave to appeal in this case, so these issues will be further considered by the Court of Appeal.

WELCOME TO…

Emma Binnersley
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Emma completed her training contract at Stephenson Harwood and qualified into their Shipping Litigation Department in November, 2008. Emma spent time working in both Stephenson Harwood's London and Singapore offices and, thereby, gained experience of a wide range of both dry shipping matters (including demurrage and off-hire claims and cargo-related disputes) and shipbuilding contract disputes. She joined Reed Smith's Shipping Group in June 2011.

Charlotte Davies
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Charlotte qualified into the Reed Smith Shipping Group in February 2011, having completed her training with Reed Smith within the Shipping, Commercial Disputes and Corporate departments. Prior to training, Charlotte read Law with American Law at the University of Nottingham and the University of Texas at Austin, School of Law. Charlotte undertakes a broad range of shipping work, acting for owners, charterers, brokers and P&I Clubs. She has experience advising on a range of charterparty disputes as well as shipbuilding, MOA and general contractual disputes. She primarily assists Charles Weller and Marcus Dodds with both contentious and non-contentious matters. Charlotte also has an interest in off-shore work.

David Handley
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David joined Reed Smith's Shipping Group in February 2011.

Susan Riitala
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Susan qualified into the Shipping Group in February 2011 as a member of the Ship Finance team. She advises on a broad range of non-contentious shipping matters, acting for shipowners and financial institutions in financing, construction, leasing and sale and purchase transactions for both commercial vessels and super yachts. Susan spent six months on secondment to Barclays Corporate where she worked on a variety of asset finance transactions with an emphasis on yacht finance.

Q&As WITH DAVID HANDLEY

What is your full name?
David Gareth Handley

Where were you born?
Nottingham

What jobs, other than the law, did you consider?
I worked on cruise ships prior to entering the law.

How does working at RS compare to them?
Less sunshine!

What has been your favourite holiday destination to date?

I never needed to holiday - I had my travel paid for.

Have you been anywhere of particular interest on business?

A year in French Polynesia and 3 world cruises.

If you could go to one place in the world where would it be?

Too many great places to choose from.

Car?

Volvo - they are squish proof!

Where do you live?

Peterborough

How do you get into work?

A very expensive and particularly unreliable train service.

What podcast did you last download?

The Bugle

Last concert you went to?

Beethoven's 9th Symphony at last year's Proms season.

Last item of clothing you bought?

A linen suit.

Last five things on credit card?

No idea I just pay the bill!

Last film you went to see?

It must have been so dreadful I can't actually remember.

Favourite actor / actress?

Kirsten Dunst

Favourite sport?

Football

Do you play or just spectate?

Just spectate

Do you have a personal role model – either at work or for life generally? If so, who?

Any role model should be composite of all the great people that you meet in life.

We are meant to learn from our mistakes – what will you never forget?

A close-quarters situation south of Athens on a ship that wouldn't steer in the direction I wanted her to.

SANCTIONS REGIMES (continued from page 5)

	EU Sanctions			UN SANCTIONS	U.S. SANCTIONS
	Designated persons		New regime in 2011?		
	Entities	Individuals			
Afghanistan	0	138	X	✓	✓
Belarus	3	192	X	X	✓
Burma/Myanmar	62	577	X	X	✓
Cuba	0	0	X	X	✓
Democratic Republic of Congo	7	24	X	✓	✓
Egypt	0	19	✓	X	X
Eritrea	0	0	X	✓	X
Federal Republic of Yugoslavia & Serbia	0	13	X	X	X
Iran (human rights)	0	32	✓	X	✓
Iran (nuclear proliferation)	291	76	X	✓	✓
Iraq	224	89	X	✓	✓
Ivory Coast	0	121	X	✓	✓
Lebanon and Syria	0	0	X	✓	✓
Liberia	30	22	X	✓	✓
Libya	53	39	✓	✓	✓
North Korea	18	19	X	✓	✓
Republic of Guinea	0	5	X	X	X
Somalia	1	8	X	✓	✓
Sudan	0	4	X	✓	✓
Syria	4	30	✓	X	✓
Tunisia	0	48	✓	X	X
Zimbabwe	31	163	X	X	✓

* The hyperlinks are to the consolidated lists of EU designated persons for that regime. The U.S. maintains one list for all designated persons, so for a particular regime – after accessing the link, click Ctrl and F to search for the relevant regime. Figures of designated persons above are correct as at 13 July.

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