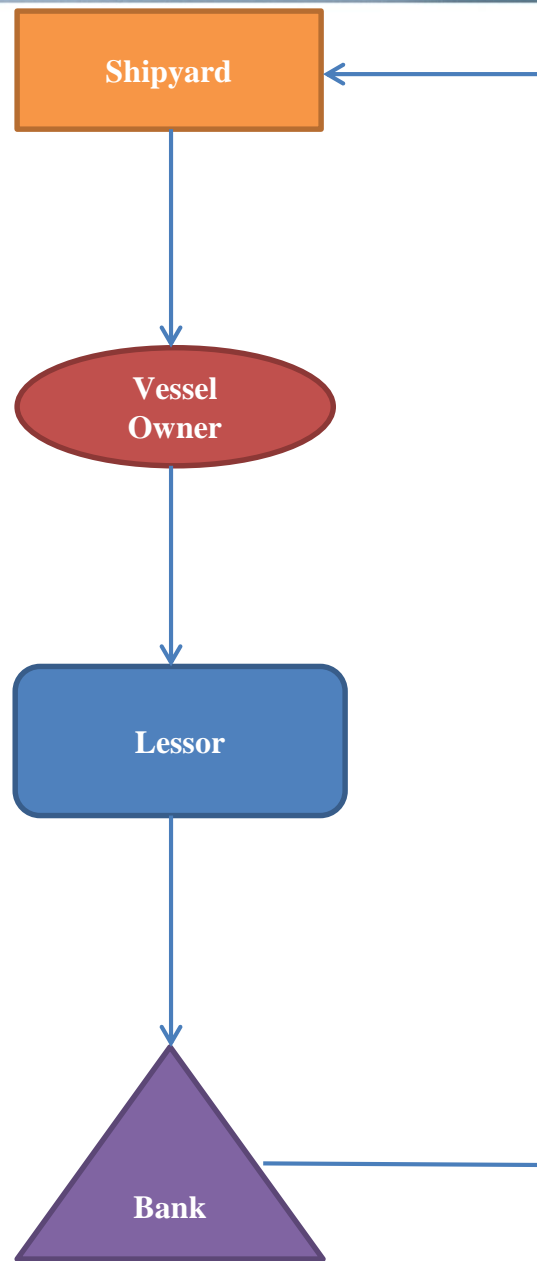


Fuzet Farid

Transactional Shipping Introduction

January 2014



Acquisition

- Newbuilding: Shipbuilding contract
- 2nd-hand tonnage: Ship purchase contract
- Delivery documents
- Registration
- Lease
- Financing
- Estimated time 1-3 months

A rectangular orange box with a thin dark border containing the word "Shipyard" in a white serif font.

Shipyard

Lease

- Industry
- Offshore oil & gas
- BIMCO form
- Jurisdiction
- Registration
- Licencing
- Estimated time 1-3 months



Vessel
Owner

Corporate Joint Venture

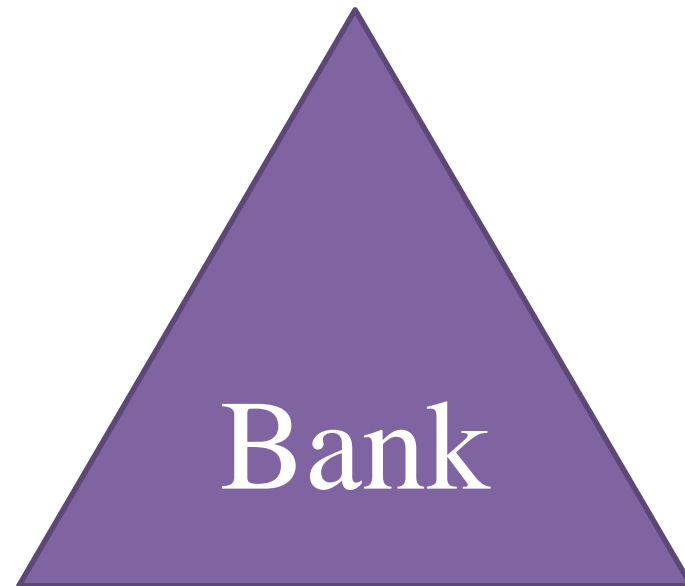
- Special purpose vehicle
- Shareholders Agreement
- Memorandum and Articles of Association
- Incorporation
- Corporate forms
- Estimated time 6-9 months



Lessor

Finance

- To supply lessor with the vessel & its services
- Structure
- Tax
- Registration jurisdiction
- Review of underlying contracts
- Estimated time 6-9 months



Shipping Areas

(Building blocks of shipping practice)

Carriage of Goods By Sea

- Contracts of carriage
- Bills of lading for cargo
- Charter parties for vessels
- Industry
- Jurisdiction

Admiralty

- Salvage: Lloyds Open Form
- Collision: Traffic Separation Schemes & Collision Regulations (ColRegs)
- Dispute resolution
- Admiralty jurisdiction
- Rights of mortgagees
- Arrest of vessels by mortgagees
- Court sale of vessels by mortgagees

Marine Insurance

- Marine Insurance Act 1906 of the UK
- Dispute resolution
- Protection & Indemnity
- Hull & Machinery
- Lloyds of London

Public International Law of the Sea

- United Nations Convention on the Law of the Sea 1982 (UNCLOS)
- Maritime boundaries
- Baselines
- Exclusive Economic Zones
- Piracy: marauders from within or without

Sale of Goods & International Trade

- Commodities & unascertained goods
- Ship sale & purchase
- Caveat emptor: “Let the buyer beware”
- Merchantable quality & Fit for its purpose
- Delivery of goods & documents
- 2 rights of rejection
- Shipbuilding contract: Sale of future goods by description of a newbuilding
- Ship purchase contract: Sale of goods on “as is where is basis” of second hand tonnage

Ship Acquisition

Newbuilding



Newbuilding

- Shipbuilding contracts sale of future goods by description
- Shipbuilders Association of Japan Form, AWES form
- Specifications & Builders'/Sub-contractors' Warranties
- Delivery of Vessel
- Delivery documents
- 2 rights of rejection

Newbuilding

- Documents of title: Builders Certificate & Bill of Sale
- Protocol of Delivery & Acceptance
- Refund guarantees
- Seller's obligations are many
- Buyer's obligations are few
- Pay
- Be ready and willing to take delivery

Second Hand Tonnage

Deposit 10%



Closing 90%

Property passes

Second Hand Tonnage

- Ship purchase contracts
- Singapore Sale Form, Norwegian Sale Form 1993 (NSF93) & 2012
- Japan Sale Form
- Staggered notices & final Notice of Readiness

Second Hand Tonnage

- Documents of title: Bill of Sale & Deletion Certificate
- Protocol of Delivery & Acceptance
- Company authorisation documents
- Payment terms & Closing Schedule

Ship Lease

- Industry: offshore oil & gas
- BIMCO form
- Spot contracts: short periods of 2 months, high rental
- Charters: longer periods
- Specific oilfields

Ship Lease

- Provision of FPSO services = Lease + Operations and Management contracts
- Pan-Malaysian contracts: wider area
- Contracts of Affreightment: longer periods
- Licences

Corporate Joint Venture

- Shareholders Agreement
- Memorandum and Articles of Association
- Shareholder control in vessel ownership
- Tax
- Offshore jurisdiction of incorporation
- Licences

Ship Finance

- Structure
- Security
- Registrations & filings
- 'Plain vanilla' loan
- Lease-back, off-balance sheet, ring-fenced
- Listing, Shipping trust, Notes issuance, Mezzanine financing, Revolving Facility

Thank you.

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