

SHIP ARREST: A GUIDE TO BEST PRACTICE

LEGAL ISSUES IN BUNKERING
IBIA CANCUN 2015
FLOR TORRIJOS - PANAMA



Disputes

- * CONTRACT
- * Know your contract
- * TERMS and CONDITIONS
- * Detail of Vessel .IMO
- * Quality
- * Quantity
- * Invoice (credit)
- * Notice of Delivery





¿WHY PANAMA?

- * The geographic position / The Panama Canal and vessel's transit
- * International logistics hub
- * Specialized forum in solving maritime issues
- * Economical and commercial feasible option to obtain justice
- * The Panama Maritime Courts – international jurisdiction

Panama Maritime

- * Panama Canal Transits
15,000
- * Neo Panamax projected
@1,200 yearly
- * Courts 80 vessels





THE PANAMA MARITIME COURTS

- * Availability 24/7 – 365 days a year
- * Agile system with a forum that promotes settlements between parties, avoiding extended litigation disputes.
- * Bilingual personnel specialized in all the maritime legal aspects and with two independent bailiffs which execute the arrest measures in matter of hours.
- * Reduced costs (initial expenses from \$5,000.00 - \$10,000.00).

THE ARREST ON THE MARITIME FORUM

- * Types of arrest:
 - a) To secure results of the process
 - b) Assign competence to the Maritime Courts
 - ✓ c) To execute a maritime lien – *in rem*
- * Arrest lifting / Vessel release - Requirements
 - a) Bonds or bank guarantee letters
 - b) Letter of Undertaking (LOU) – the experience in Panamanian proceedings with the P&I Clubs
- * Security consignment



LEGAL ISSUES IN BUNKERING + SHIP'S ARREST

- * In Panamanian law, the BUNKER SUPPLY is considered necessities for the vessel and it generates a *MARITIME LIEN* on behalf of the bunker supply participant's chain.
- * The *lien* follows the ship and it carries the personal responsibility for the bunker supply.
- * Bunker owners, physical suppliers and bunker traders, involved in the bunker supply chain are capable of pursuing the ship that received the bunkers for the amounts owed.



PLAINTIFF'S SECURITY/GUARANTEES

- * When a complaint has been filed and the arrest has been executed, in order to obtain a release of the vessel through a security consignment, its necessary for the defendant to consign the following:
 1. The capital – amount of the complaint
 2. The court legal fees – imposed by law
 3. Three (3) years of interests at 10% p/y – commercial relation
 4. The maintenances expenses incurred on the vessel's arrest



¿HOW TO FILE A CLAIM BEFORE THE PANAMANIAN MARITIME COURTS

- * In the event of any bunker supply debt, the documentation concerning the commercial relation with the vessel is essential for the claim.
- * With the relevant information/documentation, we can review the feasibility of the claim and submit a formal proposal.
- * Our personnel of experts in the area prepare and file the claim before the courts and when the vessel is arrested we notify the client about the results.



THE MARITIME COURTS INVOLVEMENT AND EXPERIENCE WITH BUNKER CASES

- * Over the years we have participated in several cases related with the bunker supply matters, most of these cases are accompanied with an arrest.
- * Cases involving the following international and worldwide known companies:
 - AEGEAN MARINE PETROLEUM
 - TRITON
 - OW BUNKER + Cases related with ING BANK



Thank
You

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