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To all our members, students and friends,

After a long cold winter, we finally started to have a taste of Spring/Summer across the country.

All May exams are completed, which means this is the end of another Academic year. Hope all students who sat in the May exam did well and looking forward to the results in Aug. For those who are interested in becoming a student or finishing their exams, please refer to below link for 2017/2018 Academic year registration:

<http://www.ics-canada.ca/157-2/>

For all members, please note that the 2017/2018 membership fee is due now. Pls make sure you check emails and make payments on time.

Message from Chair

To all ICS Members,

The Institute of Chartered Shipbrokers Canada Branch is always looking for ways to add value to our membership community. Therefore, we are pleased to introduce the Canada Branch Membership List. <http://www.ics-canada.ca/membership/canadian-members/>

What does it mean to be an ICS member? The common understanding is that the Institute of Chartered Shipbrokers is the only internationally recognized professional body representing shipbrokers, ship managers and agents throughout the world. In practice, ICS membership connects our professional careers with a vast network of highly dedicated maritime professionals of nearly 100 Canada Branch members locally, and more than 4,000 members internationally.

How can we get value from being an ICS member? Networking, field trips and educational sessions have always been a successful and popular way to engage members and non-members alike. Local content that is connected to local professionals and expertise.

But of those that attend, who is qualified as an ICS member? For some time, it has not be clear on who has also shared this ICS journey. Membership should be the heart and soul of our organization, it is the main reason that at the Canada Branch keep active in our communities. And a community is the reason we may have become members in the first place.

The Canada Branch Membership List is another value add to your ICS membership. This list is meant to communicate a members commitment to the ICS community with the goal of creating an ICS community. Privacy is of utmost importance, therefore we are committed to sharing only your name and ICS membership designation.

Should you have questions or concerns, please contact me directly.

KRegards,
Dena Rantz, FICS
Canada Branch Chair

EMAIL PHISHING SCAM

Dear Members and Students,
Institute email addresses are currently being used in an email phishing scam. This is not surprising as our emails addresses are available to the public. Please do not click on any links to invoices sent from Institute email addresses and delete the email from your inbox and deleted items. The Institute will NEVER email members or students with a link to an invoice.

If you are unsure if an email is genuine then please do not hesitate to contact us directly to verify the email. Here is the link to the Institute's emailing policy:

<http://www.ics.org.uk/institute-emailing-policy>

Please contact us if you need any further clarification.

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Past Events:

ICS LUNCHEON TALK ON HELD IN MONTREAL ON FEBRUARY 22ND 2017

ICS Canada held a luncheon talk in Montreal on February 22nd 2017. The topic was "General Average, Salvage, Collisions & Towage – An Introductory Case Study" and was presented by David Colford, Partner at Brisset Bishop. The event was very well attended by professionals from across the shipping industry including shipowning, ship broking, ship agency, towage, maritime law and marine insurance. ICS felt particularly fortunate on this occasion to have not one but four separate topics being combined in a well-constructed realistic scenario.

We hope that everyone who attended came away with a better sense of how actual situations can involve multiple related claims among various parties and how a methodical approach and an awareness of the law can help sort them out.

ICS wishes to thank all attendees for their strong support of this event and the Shipping Federation of Canada for providing a pleasant venue as usual.



"FISH & SHIPS" TAKES TOP PRIZE AT FIRST YOS-ICS SHIPPING PUB QUIZ!

ICS and Youth of Shipping organized their first ever Shipping Pub Quiz on March 9th 2017 at Hurley's Irish Pub in Downtown Montreal.

Over 50 people turned out making up a total of 10 teams. Team names included "Buoys & Girls", "Tug Life", "Pier Pressure", "The Unpumpables" and "Ship Happens"!!! Companies represented included ship operators Fednav International Limited, Canada Steamship Lines, Rio Tinto Marine and Mediterranean Shipping Company, weather routing company True North Marine and law firms Borden Ladner Gervais, Robinson Sheppard Shapiro and Norton Rose Fulbright.

There were 5 rounds of 10 questions each with the final round worth double points. Topics included the St Lawrence seaway, maritime law and insurance, ship operations & management and famous ships! In the end, "Fish & Ships", a team from Fednav, triumphed and took home the glory and the trophy! Thank you to everyone who participated in this event and helped make it a success. We are looking forward to making this the start of a great tradition!



JOHN WEALE SPEAKS ON OFF-HIRE AT ICS LUNCH TALK

ICS Canada was extremely pleased to have John Weale of Fednav speak at its lunch event in Montreal on April 19th 2017.

Mr. Weale gave a thoroughly enjoyable talk on off-hire, highlighting many of the keen observations made in his recently published book on the topic. There were also many good questions afterward which prompted nice discussions among those in attendance. We believe everyone came away with a greater appreciation of the complex nature of the issue and how to deal with it.

John Weale's book can be ordered online through Steamship Mutual.

<https://www.steamshipmutual.com/publications/offhirejohnweale.htm>

ICS Canada thanks our speaker, the audience and, as usual, the Shipping Federation of Canada for providing us with their boardroom for the event!



THE STANDARD CLUB'S CANADA FORUM

It was a bright, sunny Thursday afternoon on April 27th, 2017 when a combined group of members from the **Vancouver Maritime Arbitrators Association** and **Institute of Chartered Shipbrokers Canada Branch** made their way to the Fairmont Hotel Vancouver for a marvelous presentation called *The Standard Club's Canada Forum*. Every two years, Charles Taylor & Co. Limited, acting as managers of The Standard Club Europe Ltd host this gathering, in one or two major North American centres.

This year they started in Montreal, with speakers from Montreal, London, New York, Vancouver and Seattle polishing their theatrical talents to enhance the presentation. Each speaker highlighted the potential impact that might arise out of a fabricated scenario of a major catastrophe involving a collision between a ferry operating between Nova Scotia and Newfoundland and a bulk carrier leaving the Gulf of St. Lawrence.

As the major casualty scenario develops, each of the 10 speakers highlighted insights into allocation of liability, major casualty response, insurance coverage, the role of the P&I club, pollution considerations and loss prevention issues. They also touched on potential local and international governing bodies who may also need to be involved and how specific authorities may have to be appointed and established at any accident or incident, regardless of how large or small.

The Standard Club has been in existence since 1884 and is one of 13 "Clubs" offering insurance and underwriting to ship owners around the world. They boast an impressive clientele of over 10% of global shipping. Every vessel in the water must be insured against potential unforeseen incidents, whether they're at sea or in port.

A unique part to the event was the panel's use of electronic polling devices. Each attendee was given a hand held 'clicker'. At the end of each individual's presentation, they would pose a question on the main screen and ask the audience to "choose the correct answer" by selecting the corresponding button on the clicker. From the four or five answers displayed on the screen the crowd was given 10 seconds to make their selection and the results were immediately displayed, showing the correct answer and the percentage of how many got it right. We were told the Vancouver crowd definitely surpassed the results of Montreal!

Immediately following the 3 hour presentation, the magnanimous hosts sponsored a reception allowing for extensive visiting and follow up questions with the presenters. A great opportunity to hear very knowledgeable professionals present an assortment of aspects facing the people and companies operating in the maritime industry.

Presentation materials are posted in our online Library.

FIRST ICS & VMAA LUNCHEON TALK

Ship Arrest/Maritime Lien

On Wednesday, May 10th, the 1st of a series of 3 luncheon presentations was launched as part of a joint endeavor by the Vancouver Maritime Arbitrators Assoc (**VMAA**) and the Canada Branch of the Institute of Chartered Shipbrokers (**ICS**). Held in a new venue at the Waterfront Centre, the room was nearly full with 50 attendees who watched and listened to Gary Wharton, partner at Bernard LLP speak to Ship Arrest / Maritime Liens. Mr. Wharton was followed by John Bromley, partner with Norton, Rose, Fulbright, who brought the issues regarding the HANJIN insolvency into focus, given at least two of its ships involvement with B.C. ports of call.

Mr. Wharton jumped right in and explained, in Canada, ship arrest can be a relatively simple, inexpensive and a speedy process in order to obtain security for

a claim. Falling under Federal jurisdiction, Canadian maritime law can assist in securing claims for loss of life, injury, loss or damage to goods, salvage, goods or materials supplied to ships, wages, disbursements, dock charges, dues or tolls. The list goes on.

An arrest can be initiated by providing a statement of claim and with the help of your maritime lawyer, obtain a warrant of arrest. Prior to the vessel leaving port, notify the Pilots and Harbour Master what is in store and arrange to board the vessel, serving notice to the Master the ship is under arrest. This normally starts the discussion that needs to take place, addressing the problem that possible security will be needed to cover the claim, so the vessel might continue on her way.

Now having gotten the ship owner's attention, Mr. Wharton continued, the next step might be to receive a Letter of Understanding (LoU) from an insurer representing the ship, for an agreed amount to cover the claim. If wording of the LoU can be mutually agreed and the funds posted, the vessel might well continue on her voyage. Different types of security are common and might be provided by banks, bail bonds, cash in trust or court as well as the more common LoU from the Owners P and I Club. Rounding out this section he spoke to "caveats" that's might be used as a way of preventing arrest.

In addition to the process of arrest, another tact might be pursued/ Gary spoke to Sister Ship Arrest as well as Maritime Liens and the types thereof and how they are distinct from simple rights to arrest and the conditions surrounding them.

Wrapping up a colourful but quite succinct 30 minute presentation, he highlighted a key component for Canadian claimants is now addressed within the Canadian Marine Liability Act (sec.139). The Act has been amended so it allows a maritime lien for Canadian "suppliers of necessaries", against foreign owned ships, similar to rights that their U.S. counterparts have had. Mr. Wharton graciously fielded questions that followed.

HANJIN Debacle

Like peanut butter and jam or salt and pepper, following Mr. Wharton's excellent presentation on Ship Arrest/Maritime Liens, Mr. John Bromley, Partner at Norton, Rose, Fulbright really brought home, how the applications of arrest and liens are such a large part of the sad happenings to Mssrs. HANJIN. By virtue of two Hanjin ships (Hanjin Scarlet and Hanjin Vienna) anchored within eyesight of Vancouver shores, the audience was keenly interested to hear Mr. Bromley explain the how and why of liens and arrest. His firm continues to be part of the ongoing Hanjin saga.

Hanjin was no small entity, owning a fleet of different ships, not only container vessels as well as terminals in Korea and five other countries. In September of 2016, both vessels mentioned above were arrested by different parties even though Hanjin, the charterer of the vessels, had filed for protection (in Korea) as they maneuvered to reorganize financially. Ultimately Canadian Provincial and Federal courts got involved, as well as Courts around the world, looking to protect the interests of Hanjin versus shippers, consignees, service providers and necessary suppliers.

As John continued on with the legal saga, it was interesting to hear how commercial minds prevailed in cool maneuvering to allow the ships to be moved, berthed and cargo/containers to be discharged. Monies had to be deposited to cover services such as tugs, lines and pilots, who were simply not willing to act unless there were guaranteed payments. However the sensible act of unloading containers assisted parties in repositioning over 3300 TEU's that could have been tied up for many more months, potentially voiding cargo sale contracts or spoiling goods. Not everyone was quite as lucky. Head Owners did not receive charter hire payments for several months and ultimately had their ships returned to them. The Hanjin Vienna was sold (slightly below U.S.\$ 7.0 million) and a lineup

of 'in rem' claimants are still looking for recovery of money owed. The bank is claiming the Hanjin Scarlet allegedly owes nearly U.S.\$ 80 million with respect to a fleet mortgage covering it and two other ships. She's yet to be sold and certainly her value is not worth 80 million.

Mr. Bromley went on to explain other parties who were left less than whole. Container owners and leasing companies were out of pocket and terminal operators were accruing daily container demurrage charges which might never be paid. With a wry smile, he spoke of a number of shippers/consignees who were willing to pay charges owing on their containers, in order to have them released only to find themselves facing lien charges from Hanjin for previous shipments! With many in the crowd shaking their heads in disbelief, at what truly is a debacle, Mr. Bromley finished up by saying as recent as March of this year, one of the previous Hanjin vessels sold and renamed, had caveat releases filed by a port authority, a railway and a terminal operator. Security was ultimately posted but not before a week had passed while the vessel sat idle.

Questions filled the last 15 minutes of a most stimulating and incredible set of presentations. The speakers were rewarded with a hearty round of applause and presentation of the I C S's publication, "QUALITY ASHORE". Well done gentlemen!

(NOTE: Earlier this month (June 1st) interesting to note, the **Hanjin Scarlet** was sold by court order for just over U.S.\$ 18.0 million.)



Upcoming Events:

Dry Bulk & Commodities Conference

This is the third year that ICS Canada Branch has organized the conference. The last two years both got sold out and good feedback from our audience. Looking forward to see you there in November.

Date: November 16, 2017

Time: 08:00 – 16:00

Location: TBN

Registration: Mariam Riad secretary@ics-canada.ca

Stay Connected:

We also encourage you to stay connected with us through below channels:

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Linked in group: www.linkedin.com/groups/8383699