

## "SARNIA NEWS" CIRCULAR

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TO ALL SHIPOWNER CLIENTS

20th May, 2015

### **RE: EXERCISE CAUTION WHEN TRADING TO TUNISIAN PORTS**

We would like to bring it to the attention of all our ship owner clients, that a recent arrest of a vessel in Bizerte Tunisia, for a cargo claim, has highlighted the fact that certain receivers are refusing to accept P&I insurers' Letters of Undertaking and are insisting on a bank guarantee. This in itself is not new and ship owners are already aware that arranging bank guarantees can be both costly and time-consuming. **The issue at hand is that the only way to lift the arrest is through the Tunisian courts and the judiciary process is extremely slow, causing severe delays to the vessel.** The courts will disregard the daily losses being incurred by the ship owners and whilst they will set a date for a court hearing, they will also allow numerous postponements and rescheduling of the hearings. The cargo claimants will use this to their advantage and place pressure on ship owners and their P&I insurers to force them to place bank guarantees, or even settle claims at highly inflated levels.

In view of the above we would urge all ship owners to exercise caution when fixing their vessels to trade to Tunisia and ensure they are trading with only reputable charterers, who are experienced with this trade. It is also highly advisable to arrange for discharge surveys, using P&I approved surveyors, as this may assist in early negotiations of a potential claim and avoid the disruption caused by the vessel being arrested.

We trust the above assists and, if you require any further guidance, then please do not hesitate to contact us.

Best regards

Loss Prevention Team