

practice chair

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team

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For over a century the firm has represented commercial shipping companies, equipment lessors, brokers, marine insurance underwriters, P&I and FD&D clubs, cargo receivers, energy companies, passenger cruise lines and tour boat operators, and financial institutions throughout the world in maritime and related matters.

Our wide-ranging capabilities and experience include: antitrust and regulatory advice; attachments and arrests; bankruptcy and workouts; charter party and contract of affreightment negotiation and dispute resolution; cross-border leasing; enforcement of maritime liens and ship mortgages; environmental and pollution issues; insurance coverage and claims; vessel management and pooling agreements; maritime litigation and arbitration; mergers, acquisitions, and corporate advice; legislative analysis and advice; ship purchase, construction, and repair contracts; domestic and international tax; and vessel finance and securitization transactions.

Areas of Practice

Mergers and Acquisitions: The firm has extensive experience in mergers and acquisitions in the maritime industry.

We represented Polish Steamship Company in acquiring control of two Netherlands Antilles partnerships from its former partner. As part of the transaction, our client also indirectly acquired several vessels that it will now manage.

Sea Containers Ltd. (NYSE: SCRA) acquired a 50% interest in Silja Oyj Abp, the owner of the Silja Line and the leading ferry operator in the northern Baltic Sea. In 2002, Sea Containers purchased the balance of the institutional investors' interest in Silja. We represented Sea Containers in connection with the registration of its class A common shares.

Carter Ledyard & Milburn represented MJ Rudolph Corporation in the sale of assets of their East Coast stevedoring operations to Kinder Morgan Bulk Terminals, Inc. for \$32 million.

We represented Nortel Networks as special maritime counsel in connection with the due diligence work involved in the possible acquisition of a fleet of U.S.-flagged cable-laying ships.

Maritime Finance: The firm's broad experience in vessel finance extends from ship mortgage transactions to complex cross-border sale and leaseback transactions. We are particularly experienced in advising on operations and financing of U.S. and foreign flag ships, drilling rigs and other marine equipment, including the use of flags of convenience (such as Liberia, the Marshall Islands, Panama and the Bahamas) and bareboat charter registries. We have acted for lenders and owners in connection with new building projects in foreign countries and are experienced in structuring these transactions to provide maximum security in the event of disputes.

We were special maritime counsel to a banking syndicate led by ABN Amro Bank N.V. that provided a \$200 million credit facility to finance the acquisition of CSX's domestic container lines operation by Horizon Line LLC, an investment vehicle formed by the Carlyle Group.

We represented Seastreak America Inc., the U.S. ferry subsidiary of Sea Containers Ltd., in connection with the continued expansion of its ferry operations here through the lease financing of two new fast ferries.

We represented a New York based passenger vessel company in connection with a corporate restructuring involving non-U.S. citizen owners in order to comply with the Jones Act and the refinancing of its \$27 million in bank loans.

As leaders in the field, attorneys in our practice group lecture and publish regularly on developments in ship finance and speak at major ship finance conferences in the United States and abroad.

Antitrust Law: We advise companies in the maritime industry concerning compliance with U.S. antitrust laws, including the design and implementation of antitrust compliance programs.

For a major ocean carrier, we led an internal investigation of collusive conduct in the shipping industry and guided the client through negotiations with U.S. enforcement authorities to avoid fines and other sanctions.

Environmental: The Maritime Practice Group is prepared to respond to maritime environmental casualties wherever they may occur. We advise clients on property damage, cargo loss and claims for natural resource and other environmental damage. We also assist management in the maritime, petroleum and chemical industries in preparing operational and contingency plans.

Charter Parties: Our experience in all aspects of charter parties is an important part of our practice. We offer clients timely advice on contracts of affreightment, time, voyage and bareboat charters, and handle charter party disputes in court and in arbitration. We understand that the global nature of the chartering business may require immediate advice, and we are prepared to respond around the clock to achieve our clients' commercial and legal objectives.

We successfully represented a ship owner in an arbitration in New York for a multimillion dollar indemnity claim against a charterer. Our client's claim was for damages resulting from the charterer's failure to honor letters of indemnity for changing the discharge port in China and discharging the cargo without the original bill of lading.

Maritime Litigation and Arbitration: Our maritime litigation practice includes the arrest of vessels, mortgage foreclosures, enforcement of liens, casualty and cargo litigation, maritime attachments, maritime insurance coverage disputes, charter party disputes and presentation of cases at arbitration proceedings.

We obtained the dismissal of a lender liability action against United States Trust Company of New York in connection with the collapse of Adriatic Shipping.

Carter Ledyard successfully represented a Singapore shipyard in litigation against a New York insurance broker to recover insurance proceeds that had been assigned by the ship owner to the yard to pay for repairs, but unlawfully diverted by the broker to pay the next year's premiums.

We attached funds in the New York account of a Djibouti bank that had failed to honor a letter of credit in connection with the sale of an oil cargo in the Middle East.

In connection with the bankruptcy of Hvide Marine, we began arbitration and eventually forced removal of an unauthorized \$230 million ship mortgage placed on the vessel SEABULK America, which was owned by a partnership of which our client was the limited partner.

Enforcement, Bankruptcy and Workouts: The Maritime Practice Group is experienced in loan restructurings and workouts and in representing lenders in bankruptcy proceedings. We also represent lenders in bankruptcy and international enforcement actions and in mortgage foreclosure proceedings in the United States and in remote jurisdictions.

In one of our most notable assignments, we acted as special maritime counsel to U.S. institutional investors in the largest financial collapse in the history of shipping, the Adriatic Shipping workout, which involved 49 vessels and more than \$234 million in unpaid loans. This effort involved coordinating arrest and foreclosure of vessels in more than 30 jurisdictions around the world, litigating in two U.S. bankruptcy courts, advising on legal issues relating to the operation and sale of vessels acquired at auction, and litigating and negotiating with lien claimants on priority issues.

We represented Bank of New York collateral agent and mortgagee of five LNG carriers in the Navigator Gas Transport U.S. bankruptcy proceeding and Isle of Man liquidation proceeding.

We represented a bidder in an auction conducted by the U.S. Bankruptcy Court of the river cruise vessels DELTA QUEEN AND MISSISSIPPI QUEEN.

We instituted a vessel foreclosure action in St. Louis on President Casinos gambling ships on behalf of the ships' mortgagee.

Regulatory and Legislative Services:

Maritime Regulatory and Legislative Issues: We advise clients on pending and expected Coast Guard, Environmental Protection Agency and other agency rulemakings. Our staff monitors hearings on key legislation and prepares clients to give Congressional testimony.

Maritime Administration: In conjunction with our other offices, we assist clients with vessel transfers, U.S. citizenship determination issues, Title XI loan guarantee applications, Operating Differential Subsidies (ODS) and war risk insurance.

Federal Maritime Commission (FMC) and Surface Transportation Board (STB): We advise clients on tariffs, licensing and certificates of financial responsibility for carriage of passengers.

Vessel Documentation: We assist clients with filings of ship financing documents as well as vessel registrations or transfers.

Representative Clients:

In addition to those clients mentioned above, clients include Barry Rogliano & Salles, Bank of New York, Bowater, Inc., the Government of Guyana, New York Cruise Lines, Inc., Circle Line-Sightseeing Yachts, Inc., the Norwegian Hull Club, Samsung Americas, Inc., Sojtz America Capital Corporation, Stolt-Nielsen, East Maritime, Interpool.