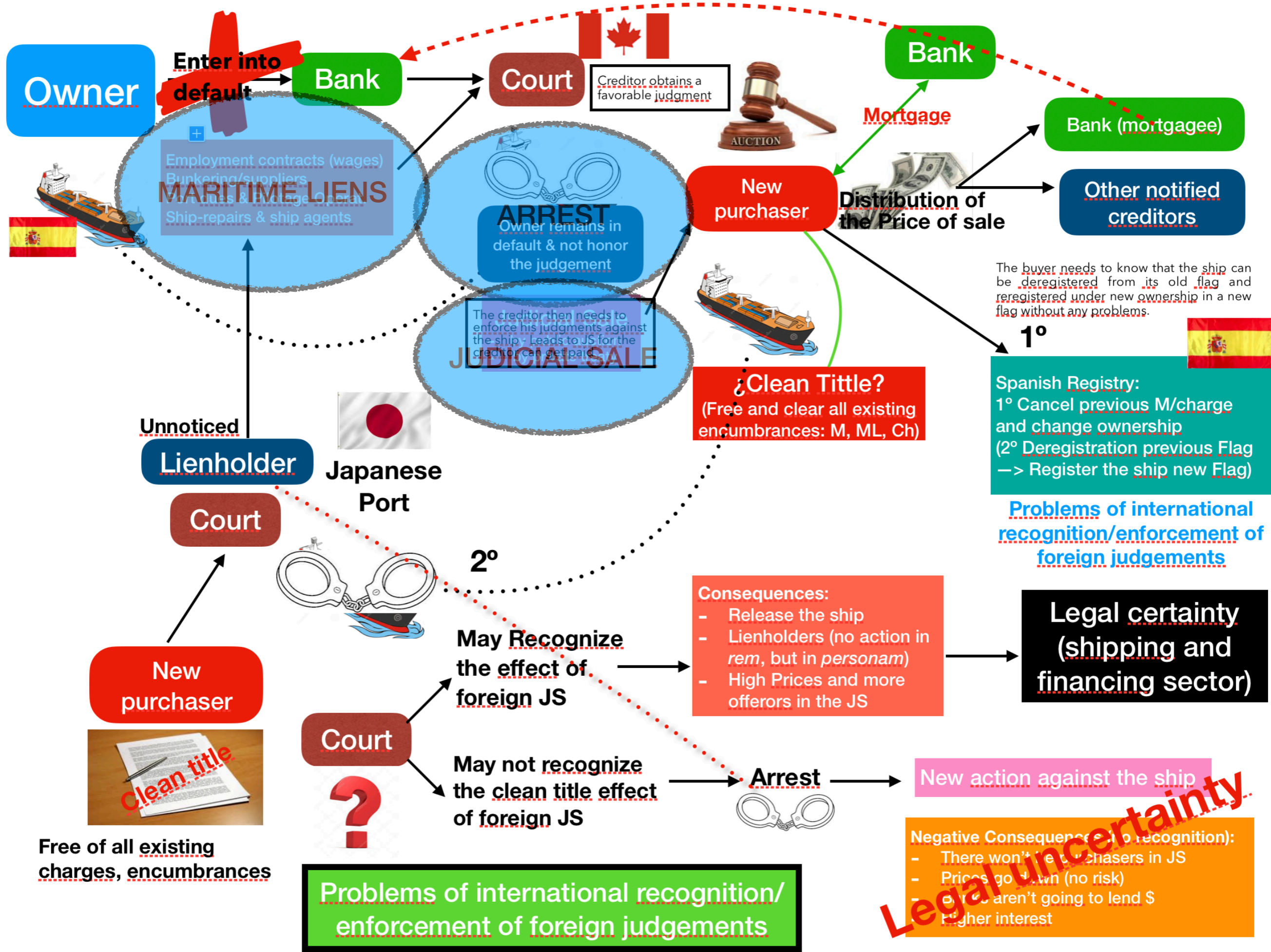


Maritime liens and hypothèques

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Agenda

1. Background and previous ideas
2. Concept and legal nature
3. International Instruments on ML and H/M
4. List of MLs
5. Characteristics of MLs
6. Extinction
7. International recognition of National Liens
8. *Lege ferenda*: Shipping protocol to Cape Town Convention



Previos ideas...

- Ship as a separate patrimony

- From the beginning, the ship, each ship, has constituted for the Law, together with its belongings and freight, a kind of **separate patrimony of the shipowner** (fortune de mer).
- This patrimonial independence, referring particularly to each ship compared to the others and to all of them compared to the (by contrast) onshore patrimony of the shipowner (fortune de terre), has been one of the most notable «particularism» of the Maritime law.

- Reason for a special “privilege” of the maritime credits:

- Balance between two typical institutions of commercial shipping
 - the **limitation** of liability of the shipowner (a consequence of the important risks of the sea).
 - the **affectation** of the ship to the payment of the debts derived of its activity (maritime liens).
- Credits not linked with the financial operation for the construction of the ship (unregistered)
- Difficulties in collecting credits (invoices) for services rendered to the ship: since creditors may not collect all of their debt, **they should at least have the ship to collect, and to collect first.**
- It is “fair” to privilege with an asset/ship those who, facilitating funds (services) to the shipowner, have contributed to increase the naval patrimony.

Concept and legal nature of ML

- International Instruments do **not define** maritime claims and their privilege.
- It is important to distinguish between both terms: **claim/right** (main obligation) and its **security/guarantee/privilege** (accessory).
 - **lien** (special **claim**): legal right or interest that a creditor has in another's property (over an asset) until a debt that is secured is satisfied (payment).
 - **privilege** (maritime): creditor benefits from the possibility to seize and sell the ship in order to satisfy his claim, and is in a preferential position compared to other creditors in the distribution of the proceeds of the sale.
- A maritime lien may be defined as: (1) a **privileged claim** (attributing a triple power of pursuit, realization and priority), (2) upon **maritime property**, (3) for service arising in **connection with maritime navigation/activity** (~~financing the asset~~) or injury caused by it, (4) **traveling with the property** unconditionally, (5) **enforceable** by means of an action in rem.
- The importance of the privilege is found in the enforcement of the claim in the judicial sale, since under a **gathering of creditors** and the **limited value** of the property (ship), the **priority** on the distribution of the proceed **becomes fundamental**.

International scenario

- ML are regulated both by domestic legislation and by international legislation
- Three international attempts have been made to harmonize and unify the maritime liens and mortgages
- **Purpose:**
 - To resolve the frequent **conflict of laws** that existed with regard to their cross-border recognition.
 - To protect mortgagees by reinforcing its **preference** over the large number of MLs recognized by national laws.
 - However, although maritime liens adversely affect the secured creditors, due to their priority, they **contribute to the safe and efficient operation** of the ship (maintain the value of the ship or the earns by it activity)

Status quo

Three Convention on Maritime Liens and Mortgages

- **MLM 1926 (28 CS - 21 CS nowadays)**
- MLM 1967 (3 CS - not entered into force)
- **MLM 1993 (19 CS)**
 - a. **No common-law** Contracting States
 - b. **No financier** Countries (UK, USA, Japan, Nordics countries)
 - c. **No "register or flag"** Countries (Panama, Liberia or Marshall Islands)
 - d. **No "shipbuilder"** Countries (Republic of Korea, China and Japan)
 - e. **No American** Countries (except Perú/Ecua)
 - f. Only 3 **European** members

Algeria	(a)	13.IV.1964
Argentina	(a)	19.IV.1961
Belgium	(r)	2.VI.1930
Brazil	(r)	28.IV.1931
Cuba*	(a)	21.XI.1983
Denmark	(r)	
<i>(denunciation – 1.III.1965)</i>		
Estonia	(r)	2.VI.1930
<i>(denunciation – 10.I.2000)</i>		
Finland	(a)	12.VII.1934
<i>(denunciation – 1.III.1965)</i>		
France	(r)	23.VIII.1935
Haiti	(a)	19.III.1965
Hungary	(r)	2.VI.1930
Iran	(a)	8.IX.1966
Italy*	(r)	7.XII.1949
Lebanon	(a)	18.III.1969
Luxembourg	(a)	18.II.1991
Madagascar	(r)	23.VIII.1935
Monaco	(a)	15.V.1931
Norway	(r)	10.X.1933
<i>(denunciation – 1.III.1965)</i>		
Poland	(r)	26.X.1936
<i>(denunciation – 16.VII.1976)</i>		
Portugal	(a)	24.XII.1931
Romania	(r)	4.VIII.1937
Spain	(r)	2.VI.1930
<i>(denunciation – 27.V.2004)</i>		
Switzerland	(a)	28.V.1954
Sweden	(r)	1.VII.1938
<i>(denunciation – 1.III.1965)</i>		
Syrian Arab Republic	(a)	14.II.1951
Turkey	(a)	4.VII.1955
Uruguay	(a)	15.IX.1970
Zaire	(a)	17.VII.1967

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Participant	Signature	Accession(a), Ratification, Definitive signature(s)
Albania		9 Aug 2010 a
Benin		3 Mar 2010 a
Brazil	28 Mar 1994	
China	18 Aug 1994	
Congo		11 Jun 2014 a
Denmark	9 Aug 1994	
Ecuador		16 Mar 2004 a
Estonia		7 Feb 2003 a
Finland	29 Aug 1994	
Germany	11 Jul 1994	
Guinea	18 Nov 1993	
Honduras		17 May 2019 a
Lithuania		8 Feb 2008 a
Monaco		28 Mar 1995 a
Morocco	23 Aug 1994	
Nigeria		5 Mar 2004 a
Norway	31 Aug 1994	
Paraguay	24 May 1994	
Peru		23 Mar 2007 a
Russian Federation		4 Mar 1999 a
Serbia		23 Dec 2011 a
Spain		7 Jun 2002 a
St. Kitts and Nevis		15 Jun 2010 a
St. Vincent and the Grenadines		11 Mar 1997 a
Sweden	2 Jun 1994	
Syrian Arab Republic		8 Oct 2003 a
Tunisia	24 Nov 1993	2 Feb 1995
Ukraine		27 Feb 2003 a
Vanuatu		10 Aug 1999 a

PML vs. M.Claims

6 maritime liens
(close list)

Labor claims

Personal injury

Salvage

Port

Tort

Judicial costs &
wreck removal

GC-99

22 maritime
claims (close list)

16 maritime claims
without privilege

- (a) loss or damage caused by the operation of the ship;
- (b) loss of life or personal injury occurring, whether on land or on water, in direct connection with the operation of the ship;
- (c) salvage operations or any salvage agreement, including, if applicable, special compensation relating to salvage operations in respect of a ship which by itself or its cargo threatened damage to the environment;
- (d) damage or threat of damage caused by the ship to the environment, coastline or related interests; measures taken to prevent, minimize, or remove such damage; compensation for such damage; costs of reasonable measures of reinstatement of the environment actually undertaken or to be undertaken; loss incurred or likely to be incurred by third parties in connection with such damage; and damage, costs, or loss of a similar nature to those identified in this subparagraph (d);
- (e) costs or expenses relating to the raising, removal, recovery, destruction or the rendering harmless of a ship which is sunk, wrecked, stranded or abandoned, including anything that is or has been on board such ship, and costs or expenses relating to the preservation of an abandoned ship and maintenance of its crew;
- (f) any agreement relating to the use or hire of the ship, whether contained in a charter party or otherwise;
- (g) any agreement relating to the carriage of goods or passengers on board the ship, whether contained in a charter party or otherwise;
- (h) loss of or damage to or in connection with goods (including luggage) carried on board the ship;
- (i) general average;
- (j) towage;
- (k) pilotage;
- (l) goods, materials, provisions, bunkers, equipment (including containers) supplied or services rendered to the ship for its operation, management, preservation or maintenance;
- (m) construction, reconstruction, repair, converting or equipping of the ship;
- (n) port, canal, dock, harbour and other waterway dues and charges;
- (o) wages and other sums due to the master, officers and other members of the ship's complement in respect of their employment on the ship, including costs of repatriation and social insurance contributions payable on their behalf;
- (p) disbursements incurred on behalf of the ship or its owners;
- (q) insurance premiums (including mutual insurance calls) in respect of the ship, payable by or on behalf of the shipowner or demise charterer;
- (r) any commissions, brokerages or agency fees payable in respect of the ship by or on behalf of the shipowner or demise charterer;
- (s) any dispute as to ownership or possession of the ship;
- (t) any dispute between co-owners of the ship as to the employment or earnings of the ship;
- (u) a mortgage or a "hypothèque" or a charge of the same nature on the ship;
- (v) any dispute arising out of a contract for the sale of the ship.

ML

ML

ML

ML

ML

ML

ML

ML

List of Maritime Liens (art. 4)

Labor claims

claims for **wages** and other sums due to the master, officers and other members of the crew in respect of their employment on the ship, including **social insurance** contributions; costs of **repatriation** (when the enrolling is in a different jurisdiction from the ending of the contract) and **indemnities** in case of dismissal/ fire.

Personal injury

- The term “*crew*” must be interpreted in a expansive way, including, among the aforementioned, cooks, waiters, entertainment staff, steward, etc.

Salvage

- The labor cost arising out of the arrest or seizure and subsequent sale of the vessel shall be paid first out of the proceeds of sale.

Port

- The idea is to provide those “urgent” credits with the highest possible priority, in order to encourage shipping agents, suppliers, etc., to advance the necessary funds to meet the first needs of on-board crew members, especially when the shipowner abandons them to their fate.

Tort

- Although these maritime liens adversely affect the secured creditors they contribute to the efficient operation of the ship

List of Maritime Liens (art. 4)

claims in respect of **loss of life or personal injury** occurring, whether on land or on water and in direct connection with the operation of the ship

Labor claims

- This includes all claims for compensation for damages filed by the victims, whether of a **contractual** nature (basically crew members and passengers) or **non-contractual** (visitors, stevedores, victims on board another ship in case of a collision).

Personal injury

- Can occur **"on water" or "on land"** (on the dock or port facilities hit by ship crashes, explosions or fires, etc.)

Salvage

- There must be a **causal relationship** between the activity of the ship or the events that occur on board and the deaths or injuries.

- These liens should not affect the right of the holder of a mortgage if, as is usually the case, the owner insures its asset on the basis of the ordinary terms of a insurance policy covering its liability against third parties;

Port

- **Exceptions:** personal injuries based on carriage of oil or other hazardous, noxious substances & damage caused by the radioactive, explosive, nuclear or other properties.

Tort

- The *ratio* of this exclusion is due to the specific regulation of those credits in other Conventions (CLC, BUNKERS, HNS)

List of Maritime Liens (art. 4)

Labor claims

claim for reward for the salvage of the vessel;

- The privilege extends to credits against the shipowner arising from salvage, whether it be **contractual or non-contractual operation**.

Personal injury

- The privilege must be conditioned for the **successful result** of the operation (“*no cure no pay*” condition)

- This lien should not affect mortgagees if there is an adequate forecast in the contracted insurance.

Salvage

- In addition, the salvage is a clear advantage for secured creditors, since they will see, thanks to the operation, how their collateral survives. Their priority ahead of the rest is an **incentive to the salvor to carry out dangerous tasks**;

Port

- **Exclusions:** Operations for the recovery of a ship or its cargo, which generate consideration (*price*), even obtaining a useful result are excluded. Also outside of the privilege is the special remuneration earned for the prevention of marine pollution damage provided for in art. 14 of the 1989 Salvage Convention.

Tort

List of Maritime Liens (art. 4)

claims for port, canal and other waterway dues and pilotage dues;

Labor claims

- It is a fairly broad concept, which includes,

- rates, fees, or rights that are normally accrued **on the occasion of the use of certain canals or waterways** (e.g., the seaways tolls of the canals that communicate the Great Lakes in North America or the rights of passage of the Panama Canal or during the Suez Canal)

Personal injury

- rates or fees accrued **for the use by the ship of the areas and facilities of the ports**, as well as for the services provided to it, especially for maneuvering, docking and mooring.

Salvage

- Convention 1926 restricts port credits only to those generated in the last port prior to the claim

Port

- Those affect the security of the mortgagee and, contrary to the lien for wages or salvage operations, **do not seem to contribute substantially to the safe and efficient operation of the ship**;

Tort

- Moreover, some of these services are **provided by public entities** that have other means of guaranteeing payment of their claims, without having to confer over them an international privilege.

List of Maritime Liens (art. 4)

Labor claims

claims based on tort arising out of physical loss or damage caused by the operation of the ship other than loss of or damage to cargo, containers and passengers' effects carried

Personal injury

- **Material damages** (*vs. personal injuries*) are ranked in the last position

- Must exist a **cause-effect relationship** between the **operation** (navigation, maneuvering, loading and unloading, etc.) and the **damage** to the property for the privilege to arise.

Salvage

- It is irrelevant that the damaged property is on land (facilities port, cranes, sheds) or on water (buoys, underwater cables and pipes, boarding, etc.).

Port

- It is disputed whether the privilege includes not only the damages themselves but the **consequential economic damages**.

Tort

- **Exception:** credits for damage related to the direct transportation of oil, noxious substances, radioactive, explosive or nuclear cargo are also excluded here. The compensation is payable to creditors under international Conventions, establishing a strict liability system and compulsory insurance or other specific means of securing the credits (as is the case of the CLC, BUNKERS, etc.).

List of Maritime Liens (art. 12)

Judicial costs & wreck removal

- Notwithstanding the list, should there be a JS of the ship, the **costs and expenses arising out of the arrest or seizure** and **subsequent sale** shall be first paid out of the proceeds of sale.

Labor claims

- Although the credit derived from the **wreck removal** is not privileged under the Convention, every State party is empowered to establish on its own legislation that the costs of the removal of a ship, stranded or sunk before proceeding with its judicial sale, shall be paid out of the proceeds of the sale before all other credits, including the internationally privileged (art. 12.3).

Personal injury

Conditions:

a) The holder of the credit is a **public authority** (normally the maritime or port administration).

Salvage

b) The removal operations have been carried out **in the interest of safe navigation or the protection of the marine environment**

Port

Tort

What does the privilege consist of...

By operation of law (*ope legis*)

- The origin is **automatic**, without the debtor's consent.
- **No relationship between the debtor and the owner** of the ship: In most national legislations, for the privilege to arise, it is not necessary for the debtor of the maritime credit to be the owner of the ship (eg. time charterer who incurs debts for fuel supplies).

Speciality

Accessory & indivisible

- **1993 Convention has restricted this principle excluding charterers** (by time or voyage) and contemplating exclusively the owner, the shipowner, the bareboat charterer (who is also a shipowner) and the manager. Any of them, but not others, must be subject of the obligatory relationship that gives rise to the privilege.

Realisation

- **Privileges are not subject to any formality or to any special condition of publicity or recording** (art. 11). **ML remains hidden.**

Right of pursuit

Priority



By operation of law (*ope legis*)

Speciality

Accessory & indivisible

Realisation

Right of pursuit

Priority

Maritime liens are always special, in the sense that they **only cover a specific property (the ship)** and not the rest of the debtor's assets.

- the ship is secured as a **whole asset** (integral parts and belongings included).
- **all types of ships** are included, whatever their origin, tonnage and activity, as long as they are «maritime navigation» (art. 1), only excluded those exclusively dedicated to inland freshwater navigation, State ships (as those belonging to a State or operated by it and used only for an official non-commercial service)
- 1993 Convention, unlike the previous Conventions, has chosen to **exclude the freight or the price of the passage** from the security/guarantee.
- Also, and in order to favor mortgagees, **it has excluded compensation in favor of the owner by virtue of an insurance contract** (art. 10.2)



By operation of law (*ope legis*)

Speciality

Accessory & indivisible

Realisation

Right of pursuit

Priority

- The maritime lien is in a **close relationship with the credit** for whose security it is constituted. It is born, transmitted, assigned, subrogated and extinguished with it (except in cases of autonomous extinction of the privilege established by law).

- **Indivisibility:**

- With regard to the **main obligation** - the guarantee remains intact even if the debt is reduced through partial payments, because the creditor's right is not altered as long as the total extinction of the obligation does not take place.

- With regard to the **security** - the privilege remains encumbering each and every one of the surviving parts, in the event that the ship is partially lost, or its integrity is divided into different elements.



By operation of
law (*ope legis*)

Speciality

- The lien holder has a **right to realisation/execution** of the value of the ship (*ius distrahendi*), which has a specific and determined purpose: the payment of the claim.

Accessory &
indivisible

- By virtue of this right, the holder of the claim is entitled to apply to the court for the judicial sale of the ship to obtain enforcement.

Realisation

- 1993 Convention refers to national **laws of the forum for all questions relating to the enforcement procedure** (Art. 2), but it also offers some uniform rules, of general and compulsory application, in all the States Parties and relating to the notification and the effects of the forced sale (arts 11 and 12).

Right of pursuit

Priority



By operation of law (*ope legis*)

Speciality

Accessory & indivisible

Realisation

Right of pursuit

Priority

Right of pursuit or “reipersecutoriedad”:

- The holder of the privilege is entitled to pursue and realise the encumbered assets even **against a third party possessor or purchaser.**
- **Maritime liens follow the vessel, notwithstanding any change of ownership** or of registration or of flag.
- **Voluntary sale** or transfer of the ship **does not extinguish the privilege** and the creditor can enforce his claim, even against a third party acquirer in good faith and even if the transfer has been registered in the Registry.
- However, **judicial sale confers clean title to the ship** on the purchaser, free and unencumbered.



Priority makes sense when assets enforced are insufficient to satisfy all creditors and implies a breach of the principle of *par conditio creditorum*.

By operation of law (*ope legis*)

1. **Judicial costs** (arising out of the arrest or seizure and subsequent sale) - art. 12.2
2. **Wreck removal costs** - art. 12.3)
3. **Credits of Art. 4** (art. 5 for the ranking)

Speciality

3.1. Scenario 1: no salvage

1. Labor credits
2. Personal Injury claims
3. Salvage claims
4. Port claims
5. Tort claims
6. Exception: however that ML securing claims for reward for the salvage of the vessel shall take priority over all other maritime liens which have attached to the vessel prior to the time when the operations giving rise to the said liens were performed.

Accessory & indivisible

3.2. Scenario 2: salvage claim

1. Claims arising after the salvage operation -> Order according to art. 4
2. Claims arose prior to salvage -> 1° salvage, then, list according to art. 4

Realisation

3.3. Concurrence between claims of the same class and priority

1. General rule: *pro rata*
2. Exception: the preference between claims arising from salvage - subsequent salvage prevails over earlier salvage

Right of pursuit

4. **Right of retention** (ship-repair) - art. 7 y 12.4

5. **Hypothèques/Mortgage**

6. **National Credits** - art. 6

Priority

[...]

Non-Possessory

Non-consensual
(by operation of law)

Unregistered
Secrets

Temporary

Attached to the vessel

Vessel is treated as “a
person” responsible for
the claim

Not linked with the financial operation

Differ from jurisdiction to jurisdiction in terms of existence & priority

Privileged claims over security interest (mortgages and charges)

International Recognition of Maritime Liens

Vs. Rules governed by law of the forum and based on local interests and preferences

Extinction

- Given the privilege, it is not surprising that the legal systems, have **limited their life to periods relatively short.**
- **Common causes of termination** are (a) the extinction of credit, (b) the autonomous extinction of the privilege for the course of time and (c) the judicial sale of the ship.
 - (a) The **extinction of credit** is a direct consequence of the accessory principle, which implies that the privilege cannot survive the credit. **Extinguished for any reason (payment, compensation, time-bared, etc.) the privilege automatically disappears.**
 - (b) **Autonomous extinction** due to the course of time:
 - Maritime liens set out in article 4 shall be extinguished after a period of **one year** unless, prior to the expiry of such period, the vessel has been arrested or seized, such arrest or seizure leading to a forced sale.
 - The one-year period **shall commence**:
 - (a) with respect to labor claims, upon the claimant's discharge from the vessel;
 - (b) with respect to the ML set out in paragraph 1(b) to (e), when the claims secured thereby arise;
 - The **period shall not be subject to suspension or interruption**, provided, however, that time shall not run during the period that the arrest or seizure of the vessel is not permitted by law (e.g., because it has been requisitioned or because it had already been arrested by another creditor).
 - (c) **Judicial sale** in a State party purges all maritime liens. JS confers clean title over the ship to the purchaser, free and unencumbered.

International recognition of National Liens

- International privileges must be recognized in any judicial sale of a ship carried out in a State party (art. 12), provided that the vessel is physically under its jurisdiction and regardless of its flag, nationality or residence of the debtor, the creditors or any other interested persons.
- It is also clear that, if a ship is sold by auction for the authorities of a non-State party, the only privileges that will be relevant are those determined by the internal legislation of that State (*lex fori* or *law of the flag*, according to its system of private international law).
- The question that remains is the role that the privileges created by national legislation (statutory liens), when the sale has place in a State party. To this end, the rules will come into play of conflict of the executing State, being able to realize two main situations:
 - 1) If *lex fori* is applied, the national privileges provided for in the domestic law of the enforcement-State will be relevant, with a priority rank with respect to the international privileges.
 - 2) If the law of the flag is applied, the national privileges recognized in domestic law corresponding to the nationality of the ship.

[...]

- However, 1993 Convention allows State Party to create other maritime liens under its national law. These statutory liens are ranked after maritime liens of Article 4 and must be recognized by other States parties in any judicial sale of a vessel conducted in that State party.

- But this possibility is conditioned to certain requirements:
 - 1) That the debtor is the owner of the ship, the shipowner or the manager of the ship.
 - 2) A national privilege will not obtain recognition in a State Party if, in accordance with its domestic law, it does not carry the right of pursuit.
 - 3) Shall be extinguished at the end of a period of 60 days following a sale to a bona fide purchaser of the ship,
 - 4) That privileges are extinguished, in any case, after a period of 6 months

- Once the foregoing requirements have been met, the national privileges may be recognized, but their preference will have to be, in any case, subordinated to that of international liens and also to mortgages and other registered charges.

Shipping Protocol to Cape Town Convention

What do these assets have in common?



Common characteristics

- **Big-ticket mobile equipment (vehicles)**
- **Similar Financing Techniques (Secured & Asset-Based Financing)**
 - Mortgage/Hypothecation Financing
 - Lease Financing
 - Other Security Interests (conditional sales)
- **Uniquely identifiable asset** (by its name, licence, IMO number and flag)
- **Internationality of the asset:** Capable of moving from country-to-country, jurisdiction-to-jurisdiction, in regular course of business
- **Mobility of asset & internationality of the transaction creates legal and credit risks for market participants (for secured creditor)**
 - Recognition and priority of mortgage or other security interest
 - (Relative) Priority of competing (maritime) liens
 - Unavailability or hostility of local Courts
 - Bankruptcy risks
- **In case of default, the creditor will need to seize the asset as fast as possible in order to enforce its security interest.**

Which asset does not belong (as the other three) to the CTC System?



Why not?



UNIDROIT Convention on International Interests in Mobile Equipment (“CTC”)

- Adopted: 2001
- Entry into force: 2006
- Provides for the creation and recognition of an ***international interest*** in certain categories of mobile equipment
 - Protocol on Matters Specific to **Aircraft Equipment** Adopted in 2001 - Entry into force: 2006 (71 Contracting States)
 - Protocol on Matters Specific to **Rolling Stock** - 2007
 - Protocol on Matters Specific to **Space Assets** - 2012
 - Protocol on Matters specific to **Agricultural, Construction and Mining Equipment** - 2019

Practical Advantages

1. Same assets, legal needs, financial structures...

- **Mobility of asset**
- **Internationality of the asset:** jurisdiction-to-jurisdiction
- **Uniquely identifiable asset**
- **Similar Financing Techniques (Secured and Asset-Based Financing)**

Practical Advantages

1. Same assets, legal needs, financial structures...

2. Work is already done

84 Contracting States of the CTC (X4,5 MLM 1993 and x4 MLM 1926)

Economic advantages

1 Advantages to ship financiers

- **Speed, certainty and cost savings**

2 Advantages to ship-owners

- **Reduced financial costs**
- Banks now offer (for airlines) a **discount on its exposure fee on financings into Cape Town states and longer and favourable terms** finance when the lessor and airline lessee are both in Cape Town countries.

Legal advantages

1. **Provides a set of uniform substantive-law rules governing ISI in Mob.Equi**
2. **CTC is not confined to a single category of movable asset** (others objects, may be added by Protocols).
3. **Uniform, complete and functional approach** of "international security interest", covering security contract, conditional sales and leasing contract.
4. **CTC applies when the debtor is situated in a Contracting State** (it is irrelevant where the creditor is or the nationality or the situation of the asset).
5. CTC provides its own **set of remedies** (other from force sale), including taking possession (or control) of the asset, selling the asset, collecting incomes or provisions for interim judicial relief.
6. Allows States to make declarations related to **non-consensual rights & interests** (or liens).
7. Electronic 24/7 **International Register** to receive registrations of ISI with a simple priority regime whose main principles are: registered interests beat unregistered & earlier registrations beat later registrations

MLM

Uniform Maritime Lines

- Removal wrecks/Judicial costs
- Liens (art. 4)
- Shipbuilders & Ship-repairers

Mortgages

National Liens (art. 6)

CTC

ISI (mortgages)

N-CRoI (privileged liens)

Non-declared N-CRoI (liens)

MLM

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Mortgages

National Liens (art. 6)

Lienholders 😊

Mortgage Holder 😡

CTC

ISI (mortgages)

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Non-declared N-CRoI (liens)

MLM

Uniform Maritime Lines

- Removal wrecks/Judicial costs
- Liens (art. 4)
- Shipbuilders & Ship-repairers

Mortgages

National Liens (art. 6)

Lienholders 😊

Mortgage Holder 😡

CTC

ISI (mortgages)

N-CRoI (privileged liens)

Non-declared N-CRoI (liens)

Mortgage Holder 😊

Lienholder 😡

MLM

Uniform Maritime Lines

- Removal wrecks/Judicial costs
- Liens (art. 4)
- Shipbuilders & Ship-repairers

Mortgages

National Liens (art. 6)

Lienholders 😊

Mortgage Holder 😡

CTC

ISI (mortgages)

N-CR (N-CP) (leged liens)

Declaration

Declared N-CRoi (liens)

Mortgage Holder 😊

Lienholder 😡

MLM

Uniform Maritime Lines

- Removal wrecks/Judicial costs
- Liens (art. 4)
- Shipbuilders & Ship-repairers

Mortgages

National Liens (art. 6)

Lienholders 😊

Mortgage Holder 😡

CTC

Declared N-CRoI (privileged liens)

ISI (mortgages)

Non-declared N-CRoI (liens)

Lienholders 😊

Mortgage Holder 😡

(under Declaration)



Thank you for your attention