

28 March 2013
Ref : Chans advice/147

To: Transport Industry Operators

Which ship to blame? (II)

Remember our Chans advice/138 regarding the Hong Kong High Court's Judgment holding the He Da 98's owners fully liable in the collision that happened off Shanghai? The Hong Kong High Court issued its Decision on 18/1/2013 dealing with the damages to be paid to the Pontodamon's owners. [HCA] 200/2007]

Having heard this admiralty action, the Honourable Mr. Justice Reyes on 26/8/2011 entered judgment on liability against the He Da 98's owners in favour of the Pontodamon's owners. The assessment of damages was adjourned for further directions. On 16/9/2011, the learned judge further ordered that the Pontodamon's owners' Claim on a Reference be dealt with by documents only before the Registrar of the High Court. The Amended Claim in a Reference eventually came before the Registrar on 7/1/2013 for assessment of damages on the papers.

On 30/11/2007, the vessel Pontodamon, a bulk carrier of 38,684 gross tonnes registered at the port of Limassol, Cyprus, was in collision with the vessel He Da 98 off Shanghai, PRC. Pontodamon was en route to Vancouver, Canada having just completed her scheduled dry-docking at the Chengxi Shipyard, PRC. Consequent upon the collision, Pontodamon sustained damage to her starboard shell plating and vertical frame over number 3, 6 and 7 cargo holds and had to be placed off-hire by her charterers pending repairs. Following surveys, Pontodamon proceeded to the Longshan Shipyard, Zhoushan, PRC where permanent repairs were carried out. The repairs were effected between 5/12/2007 and 12/12/2007 after which Pontodamon was redelivered fully efficient to the charterers.

The Pontodamon's owners claimed loss and damage as particularized more fully in the Amended Claim in a Reference dated 10/3/2010. To advance their various claims, the Pontodamon's owners had filed evidence and written submissions. In opposition, the He Da 98's owners had done likewise, all pursuant to the learned judge's directions. The Amended Claim in a Reference grouped the various heads of claim into three categories. They were: (a) the costs incurred at Shanghai (items 1 – 8), where Pontodamon went immediately after the collision; (b) the costs incurred at Zhoushan (items 9 – 26), where permanent repairs were undertaken at the Longshan shipyard; and (c) Agency (item 27).

On 30/11/2007, following completion of her scheduled dry-docking for maintenance at the end of November 2007, Pontodamon departed from the Chengxi Shipyard, Shanghai. At the time the vessel was under time charter to Bunge S.A. of Geneva, the charterparty having been made and concluded on 28/11/2007. On the outward passage leading to the open sea and while still in the vicinity of Shanghai, Pontodamon came into collision with the Chinese vessel He Da 98 heading for the port of Shanghai sustaining damage. Following the collision, both ships were requested by Shanghai Maritime Safety Administration to proceed to the Wusong anchorage for investigation. Eventually, Pontodamon was released, leaving Shanghai for the Zhoushan Longshan Shipyard on the morning of 4/12/2007. She arrived at the anchorage of the shipyard the same evening and berthed the following morning.

COSTS INCURRED AT SHANGHAI

Item 1 concerned Pilotage of US\$6,974.56. This was a necessary expenditure and would be allowed as claimed.

Item 2 covered Launch Hire for transportation. The amount was US\$1,632.65 and was plainly recoverable.

Item 3 for tug service was US\$27,030.00. The Pontodamon's owners was entitled to reimbursement in the same amount.

Item 4 is the claim for superintendence. The engagement of a superintendent to oversee and supervise ship collision damage repairs for shipowners such as the Pontodamon's owners was plainly both a common feature and a necessity. There was no quarrel in this regard. The Pontodamon's owners appointed Technomar Ltd for this purpose at the cost of US\$14,381.08. Technomar Ltd arranged for the attendance of one of their superintendent engineers, Mr. Periklis Kiatos ("Mr. Kiatos") to supervise repairs and to co-operate with the repairers and Class Surveyors both at Shanghai and the Zhoushan Longshan Shipyard. Mr. Kiatos was responsible for confirming the repairs undertaken, the accuracy of the final invoiced amount and for the signing off of the work completion report prior to the release and the sailing of the Pontodamon. Technomar Ltd charged the Pontodamon's owners a daily rate of Euro 560 for the service. The He Da 98's owners contended that the rate was too high, suggesting that a lower daily charge of Euro 375 was the appropriate rate at the time. No evidence for such contention was offered.

When a vessel is damaged in collision, the basis on which the owner is entitled to recover damages from the wrongdoer is different from that in cases of total or constructive total loss. The measure of damage is the amount necessary to indemnify the owner for the loss in respect of out-of-pocket expenses and detention of the ship. The cost of superintendence, being usual out-of-pocket expense is accordingly recoverable: see *Marsden Collisions at Sea* (13th ed. paras15-31, 15-32). As to quantum, the amount allowable would depend entirely on the facts of each case as there is no general fixed allowance in respect of superintendent's costs. Some of the relevant factors for consideration encompass the country of residence of the superintendent, the location of the repairs, the experience and expertise of the shipyard tasked with the repairs and the complexity of the repairs to be undertaken.

The Pontodamon's owners sought quotations from two reputable Hong Kong survey companies, namely London Offshore Consultants (Hong Kong) Ltd and Andrew Moore & Associates. Depending on the level of experience and expertise, the day rate cost of engaging a supervising superintendent to attend collision damage repairs to a vessel in Shanghai over a projected repair period of 12 days in 2007 ranged between US\$1,700.00 and US\$2,650.00. The Pontodamon's owners opted for and was charged a day rate of Euro 560 plus incidental expenses such as hotel accommodation and air travel in relation to Mr. Kiatos (from Athens, Greece). There was nothing exceptional, extravagant or unreasonable in the amount pursued under item 4. The Pontodamon's owners was entitled to recover the amount claimed in full.

Items 5 and 6 respectively Communication Charges (US\$30.18) and Repatriation Costs (US\$75.00) being agreed were allowed as claimed.

Item 7 was for agent's service/transportation fee. The amount sought was US\$75. The expense billed by China Marine Shipping Agency Shanghai Co. Ltd in relation to Mr. Kiatos would be allowed as claimed.

Agent's fee of US\$600.00 was the subject of item 8. The amount was also allowed in full.

COSTS INCURRED AT ZHOUSHAN

Item 9 entitled Pilotage was for an amount of US\$7,026.12. The service charged to the Pontodamon's owners by the Zhoushan Harbour Administration Bureau related to Pilotage and Shifting. There was no basis for not allowing the same in full.

Items 10 and 11, respectively Anchorage Berthing (US\$167.35) and Quarantine fees (US\$408.16), charged by the Zhoushan Harbour Administration were recoverable in full.

Whilst the Pontodamon was at Zhoushan, tug service was a necessary expense. The cost was claimed under item 12. The service was provided at the total cost of US\$5,582.59. There was no reason for not reimbursing this sum.

Item 13 had latterly been withdrawn for want of proof.

The superintendent incurred additional cost at Zhoushan for transportation (US\$400.00) and shore pass fees (US\$161.00). These costs under items 14 and 15 were recoverable.

Pontodamon underwent an occasional survey for hull damage. The class survey by Nippon Kaiji Kyokai was paid for in the amount of US\$6,522.00. This cost was recoverable as claimed under item 16.

Item 17 was the damage survey fees. The preliminary damage survey was conducted by China Maritime Technical Services Ltd ("CMTS") at the cost of US\$29,024.00. Pontodamon was further surveyed by East China Adjuster & Surveyors Co. Ltd ("East China Adjusters") at Shanghai and Zhoushan. The adjusters charged US\$5,680.00 for their service. These being necessary and reasonable expenditure should be compensated in full.

By far the most contentious claim was the one relating to permanent repairs to Pontodamon for which an amount of US\$380,000.00 was sought.

The He Da 98's owners alleged that the amount was patently exorbitant, a consequence of the lack of proper tender. It was submitted that the work could have been undertaken at a more modest expense if more tenders than one had been sought, given the availability of other shipyards in the general vicinity technically competent to carry out the task that was not especially complex, entailing no more than about 33 metric tonnes of replacement steel. Considerable reliance was placed on the survey report of East China Adjusters with its suggested repair estimate of US\$213,200.00 as also the valuation inspection report dated 16/7/2008 and the damage repair account audit dated 5/12/2010, both prepared by Ejoy Insurance Surveyors & Adjustors Co Ltd ("Ejoy Adjustors") offering a lower estimate of US\$187,533.00. In short, the He Da 98's owners urged that there was a failure to mitigate loss by the Pontodamon's owners in not obtaining the most competitive quotes. Further, it was contended that the circumstances relating to the settlement of the inflated repair account was suspect and unreliable.

At issue was whether the Pontodamon's owners had taken proper, timely and reasonable steps to mitigate loss by putting Pontodamon's repair out to tender, the burden of proof to the contrary being on the He Da 98's owners.

The Pontodamon's owners conceded that albeit not strictly a requirement, there was an expectation that tenders would be sought so as to minimize loss. That duty had been described thus:

"No doubt a duty to put out work to tender will be readily inferred where there are a sufficient number of efficient firms able to do it, the work is of a straightforward character, and there is no pressure of time which necessitates its immediate commencement. By contrast, where there is only one yard which can practically do the work, or where there is a situation of urgency, there would be little point in asking for tenders. We therefore come back to the elementary question, whether the shipowner has, under the circumstances, and on the facts, acted reasonably." (Marsden (supra) paragraph 15-35), and

the "duty may be expressed as being to make such arrangement for the repair of the damage as a prudent uninsured owner would make for himself." (per Lord Merriman, *The Pacific Concord* [1960] 2 Lloyd's Rep. 270, at col. 1 page 283)

A detailed account of the tendering process and the eventual selection of the Zhoushan Longshan Shipyard to carry out permanent repairs on Pontodamon was set out in the evidence of Mr. George Vellis ("Mr. Vellis"), the Marine Technical Manager of the Pontodamon's owners and Mr. Dimitris Vranopoulos ("Mr. Vranopoulos"), the Managing Director of Marine Plus SA ("Marine Plus"). At the end of November 2007 Mr. Vellis had to travel to China to attend Pontodamon following completion of her scheduled dry-docking at the Chengxi Shipyard at Shanghai. The dry-docking took place between 17/11/2007 and 30/11/2007. On 30/11/2007, shortly after Pontodamon sailed from the Chengxi Shipyard, the collision occurred at 2130 hrs local time. Earlier on the same day at 1010 hrs local time, pursuant to the Time Charter, the vessel had been delivered to Bunge SA, the charterers. Against this background and in order to minimize loss of hire at the daily rate of US\$75,000.00, the Pontodamon's owners was justifiably concerned to return Pontodamon to service following permanent repairs as quickly as possible. Marine Plus, a Greek company with extensive experience in assisting shipowners in having their vessels repaired in China since 1992 was asked to assist in sourcing shipyards and to obtain tenders for the permanent repairs to Pontodamon. Mr. Vranopoulos explained that Marine Plus had in the past worked very closely with Mr. Wu Xinyu ("Mr. Wu"), the

Managing Director of Willing Shanghai Trading based in Shanghai. Mr. Vranopoulos and Mr. Wu approached eight potential shipyards in and around Shanghai to check for berth and dock availability. There being some urgency in effecting permanent repairs, the enquiries were conducted by telephone, hence the absence of records. As a result of the high freight market at the material time, most of the Chinese yards were engaged in new building work, exacerbating the difficulty of identifying a suitable repair yard.

In explaining the eventual selection of the Longshan Shipyard, Mr. Vranopoulos affirmed:

- “7. When trying to source a suitable shipyard to effect the repairs to Pontodamon, Mr. Wu and I were aware that some of the Chinese shipyards were technically unable to perform this repair work to an appropriate standard; and that some of those that were able to do so were not immediately available on such short notice. By technically able, I do not mean that the repairs then known to be needed were of a highly technical nature; but that the shipyard was not technically competent in my experience to properly carry out the required repairs.
8. In the end, we shortlisted two possible shipyards, namely Longshan Shipyard and Xinya Shipyard as we believed they were the most suitable of those available. Indeed, these were the only two yards of the eight yards that we approached that said they were able to accommodate the Vessel for repairs at this time. Both Longshan Shipyard and Xinya Shipyard are located on small islands near Zhoushan. Tender specifications were sent to both shipyards for them to provide their fee quotation for repairs. The fee quotations from Longshan Shipyard and Xinya Shipyard were then provided to and examined by Ocean Freighters and myself.
9. Only after Xinya Shipyard’s tender was received was it clear that Xinya Shipyard could not actually carry out the repairs. This was because Xinya Shipyard had insufficient space alongside a berth for Pontodamon. At Xinya Shipyard, the repair work would have to be conducted at least partly whilst Pontodamon was at anchor. The shipyard was unable to provide dry dock facilities for Pontodamon’s bottom repairs due to overbooking at the time. Ocean Freighter’s Technical Superintendent, Mr. Periklis Kiatos, was also sent to attend to these two shipyards and look into the situation more closely.
10. I agreed with the views of Mr. Kiatos that conducting the repairs at anchor at the Xinya Shipyard could cause delay and difficulties with the repair process. Shore cranes and staging could not be used whilst at anchor. Carrying out the repair work afloat at Xinya Shipyard plus the time waiting for a dry dock elsewhere, if need be, might result in an estimated 10 to 15 days of additional delay in the repair process. This was also clearly unacceptable.
11. In light of the above, and as the Longshan Shipyard had berth space immediately available, they were awarded the repair contract.
12. Another reason for awarding the repair contract to Longshan Shipyard was the difference in price for steel renewals in dock. Longshan Shipyard offered to charge USD4.2 per kg for steel renewals, whilst Xinya Shipyard offered to charge USD5.0 per kg. Longshan Shipyard’s quote was considered by Ocean Freighters to be more reasonably priced given the substantial amount of steelwork to be renewed.
13. Most shipyards in China were over-booked and the prices quoted were higher than usual. The base steel price quoted by Chinese yards was in the range of USD2.5 – 2.8 per kg but high surcharge was applied for steelworks done in dock of as much as 50% to 100%. In light of the urgency of the repairs to Pontodamon, as well as the fact that the steelwork had to be done in dock, we considered the price quoted by Longshan Shipyard, i.e. USD4.2 per kg, to be reasonable in all the circumstances; indeed, we believed at lower than the prevailing market price.
14. In light of the foregoing, I believe that Ocean Freighters, by instructing Marine Plus SA with extensive knowledge and expertise of shipyards in China, and finally awarding the repair contract to Longshan Shipyard, had taken the necessary steps to source a suitable shipyard for the permanent repairs to Pontodamon. The repairs were carried out in good time at a reasonable price after checking with a number of yards and obtaining and comparing the respective quotes from them.”

Mr. Vellis’ 1st affirmation was to similar effect. In particular, he stated at paragraph 11:

“The Longshan Shipyard was willing to guarantee access to both a repair berth and a dry dock facility, if needed, for the Pontodamon. The Xinya Shipyard however could not. I considered that the time to effect repairs afloat at the Xinya Shipyard plus the time waiting for a dry dock elsewhere, if needed, might conceivably lead to an estimated 10 to 15 days of additional delay in the repair process. Such a delay would be very costly not just in terms of the shipyard fees but also in terms of loss of hire. After careful consideration therefore, I recommended and the Owners decided to award the repair contract to the Longshan Shipyard. This decision was primarily based on the availability of alongside repair facilities and a dry dock, if necessary, during the proposed repair dates. This in turn would directly mitigate the Owner’s losses.”

Mr. Vellis was also able to confirm that in order to resume service with minimal delay and keep Pontodamon fixed on her lucrative charterparty, Mr. Kiatos succeeded in negotiating a much earlier repair completion date with Longshan Shipyard and a discount of approximately 10% of the quoted repair price thereby achieving costs saving.

In his 2nd affirmation, Mr. Vellis added that it was the first time that Longshan Shipyard did any collision repair work for the owners of Pontodamon and Ocean Freighters and that no Owner's work was carried out on the vessel whilst at the shipyard. In this regard, the Pontodamon's owners had satisfactorily explained and addressed the He Da 98's owners' concern over the mismatch in the numbering of the Longshan invoice for permanent repairs and the invoice reference appearing on the Payment Debit Advice dated 12/12/2007 from its bank, The Royal Bank of Scotland. The mistake was obviously an innocent one and did not carry the connotation suggested by the He Da 98's owners, namely that the telegraphic remittance was in settlement of some prior unrelated and undisclosed repair work on the Pontodamon.

There was ample evidence that the permanent repair costs had been paid in the amount of US\$380,000.00. There was a receipt from Longshan Shipyard dated 12/12/2007 acknowledging payment of the sum partly by remittance and the balance in cash of US\$175,200.00. The entire invoice was in fact settled on the very same day as its issuance. There was nothing sinister or untoward about the partial cash settlement of the repair charges as the He Da 98's owners had attempted to make out. The cash portion was handed over to the shipyard by Mr. Kiatos in the presence of the Master Mr. Abdul Kader Zakkour ("Mr. Zakkour"). As to the source of the cash payment, the evidence and documents clearly demonstrated that on 19/11/2007, US\$210,000.00 was withdrawn by Saturnus Maritime Co. from the Royal Bank of Scotland and given to Mr. Senicopoulos Alkis ("Mr. Alkis"), the Chief Cashier of the Pontodamon's owners "in bank notes to be used for shipping purposes for the vessel Pontodamon presently under repairs at the Chengxi Shipyard Co. Ltd". Pontodamon was dry-docked for scheduled maintenance at that shipyard between 17/11/2007 and 30/11/2007. Mr. Vellis confirmed that prior to leaving for China, he received that sum in cash from Mr. Alkis. The handing over of the money is evidenced by the receipt. The receipt acknowledged that the sum would "be used for the partial settlement of the cost of our m/v Pontodamon repair account with the Chengxi Shipyard Co Ltd" and that the money "will be handed over to the Director of Ocean Freighters Ltd Mr. Phaidon Moustakas presently on board our m/v Pontodamon presently undergoing repairs at the Chengxi Shipyard Co Ltd, China." The funding was to ensure that Pontodamon's release from the shipyard for the impending commencement of the time charter would not be delayed by any urgent or cash only invoices that had to be settled. Mr. Moustakas' receipt of the money on 27/11/2007 from Mr. Vellis and how US\$200,000.00 of that cash eventually came into the possession of Mr. Kiatos from Mr. Moustakas on 4/12/2007 can be discerned respectively from the receipts. As transpired, there being no urgent invoices requiring immediate settlement from the Chengxi Shipyard, the available fund instead was used "to pay for and expedite the collision damage repairs." as per paragraph 13 of Mr. Vellis' 1st affirmation.

There could be no doubt on the evidence that the repair bill in the sum of US\$380,000.00 was paid in full in the manner described by the Pontodamon's owners.

The He Da 98's owners alleged that the permanent repairs could have been undertaken at considerably lower cost if there had been a genuine attempt to mitigate loss. Referring to the estimate from Ejoy Adjusters, it was contended that the damage to Pontodamon could have been made good for as little as US\$187,533.00 or US\$213,200.00 as assessed by the surveyor appointed by the Pontodamon's owners' insurers, East China Adjusters. These estimates were no more than the surveyors' opinions and were estimates at best. There was no evidence from the He Da 98's owners that repairs were indeed achievable at such lower costs. On the contrary, the Preliminary Damage Survey Report from CMTS dated 21/12/2007 furnished an estimate of US\$400,000.00, lending some force to the argument that the actual repair costs paid to Longshan Shipyard was neither excessive nor well off the mark.

On the evidence, the Court found that the Pontodamon's owners had acted entirely reasonably in having Pontodamon serviced as they did and that the amount paid for the permanent repairs was appropriate and wholly justified given the need to return the vessel as quickly as possible to charter service. That the Pontodamon's owners had discharged their duty to mitigate there could be no question. Item 18 is accordingly recoverable in full.

The Pontodamon's owners had confirmed the withdrawal of item 19.

Items 20 and 21 were claims relating to ferry charges and transportation charges, respectively in the amounts of US\$408.16 and US\$272.11. These necessary disbursements were to be paid by the He Da 98's owners.

Agent's charges paid to the Zhoushan Huanzhou Shipping Agency Ltd of US\$1,346.94 for Pontodamon at Zhoushan pursued under item 22 were recoverable, representing necessary and reasonable expenditure flowing from the maritime accident. So too are the communication / sundry charges of CNY 1,100.00 or US\$149.66 paid to the same agency under item 23.

Tonnage dues of US\$600.00 under item 24 were also recoverable in full.

Item 25 concerned the Pontodamon's owners' claim for loss of hire consequent upon the collision. The amount sought was US\$854,257.82.

The rationale behind such a claim was explained succinctly by Bowen LJ in the *Argentino* (1888) 13 P.D. 191, at pp. 201-202:

"A collision at sea caused by the negligence of an offending vessel is a mere tort, and we have only therefore to consider what has been in the particular case its direct and natural consequence. This consequence (in the case of an innocent ship which is disabled by an accident) is that its owner loses for a time the use which he otherwise would have had of his vessel. There is no difference in principle between such a loss and the loss which the owner of a serviceable threshing-machine suffers from an injury which incapacitates the machine, or the loss which a workman suffers who is prevented from earning money by the wrongful detention of plant which cannot at once be replaced. A ship is a thing by the use of which money may be ordinarily earned, and the only question in case of a collision seems to me to be, what is the use which the shipowner would, but for the accident, have had of his ship, and what (excluding the element of uncertain and speculative and special profits) the shipowner, but for the accident, would have earned by the use of her. It is on this principle alone that it is habitual to allow in ordinary cases damages for the time during which the vessel is laid up under repair in addition to the cost of the repairs themselves. But this is merely an application of the general principle, and is not the measure in all cases of the loss. It might conceivably, upon the one hand, be the fact that the damaged ship would not and could not have earned anything at all while laid up for repairs, though such a case must necessarily be exceptional. In such circumstances nothing ought to be allowed for demurrage. Upon the other hand the direct consequence of the accident might be that the injured vessel was necessarily thrown out of her employment, not merely during the period of repair, but for a longer period still. In such a case the loss could not properly be measured by the time taken in repairs alone."

At the time of the collision, Pontodamon had just gone on time charter to Bunge SA. The charterparty stipulated a daily hire of US\$75,000.00 and a minimum period of hire of 3 to 5 months. As a result of the collision, Pontodamon was laid up for permanent repairs and consequently was placed "off-hire" for a period of 11.98958 days. The Pontodamon's owners accepted that a deduction for an address commission of 5% from the gross hire loss of US\$899,218.75 was appropriate, producing a net loss of US\$854,257.82 as claimed.

The He Da 98's owners contended that damages for loss of hire were not recoverable unless it could be demonstrated that Pontodamon had Rightship approval, a condition under the time charterparty with Bunge SA. If the vessel lacked Rightship approval, the Pontodamon's owners would have been in breach of the charterparty and Bunge SA would have had no obligation to pay any hire to the Pontodamon's owners. Hence, no loss of hire would have been occasioned by the collision. This argument had been convincingly met by the email dated 23/11/2007, which clearly stated: "MV PONTODAMON ... VESSEL RIGHTSHIP APPROVED AND OWNERS TO MAINTAIN SAID APPROVAL THROUGOUT THE DURATION OF THIS CP..." The owners had been requested to maintain such approval for the duration of the time charter and that was indeed the case.

The Court therefore awarded damages to the Plaintiff in the sum of US\$854,257.82 under this head of claim.

Item 26 related to bunker / expenses consumed whilst Pontodamon was off-hire. The amount sought was US\$27,031.48 as per the charterers' email to the owners in which the charterers informed the owners that they would be deducting 47.2 metric tonnes of fuel oil at the charterparty price of US\$560 per metric tonne as well as C/V/E (communications, victualling and entertainment) and commission adjustments from the next hire payment. The Court allowed this claim in full.

Item 27 was the usual claim for Agency at 1% on the established claims. The He Da 98's owners accepted that this should be allowed.

SUMMARY OF AWARDS

The items allowed were listed out as follow:

Item	Description	Amount awarded in US\$
<u>Costs incurred at Shanghai</u>		
1	Pilotage	6,974.56
2	Launch Hire	1,632.65
3	Tugs	27,030.00
4	Superintendence	14,381.08
5	Communication charges	30.18
6	Repatriation Costs	75.00
7	Agent's Service/ Transportation Fee	75.00
8	Agent's Fees	600.00
<u>Costs incurred at Zhoushan</u>		
9	Pilotage	7,026.12
10	Berthing	167.35
11	Quarantine Fees	408.16
12	Tug/ Escorting Fees	5,582.59
14	Superintendent's Transportation/Handing Fees	400.00
15	Shore Pass Fees	161.00
16	Class Survey Fees	6,522.00
17	Damages Survey Fees	34,704
18	Permanent Repairs	380,000.00
20	Ferry Charges	408.16
21	Transportation Charges	272.11
22	Agent's Charges	1,346.94
23	Communication/ Sundry Charges	149.66
24	Tonnage Dues	600.00
25	Off-Hire	854,257.82
26	Bunkers/ Expenses Consumed During Off-Hire	27,031.48
<u>Sub-Total</u>		<u>1,369,835.86</u>
27	Agency (1%)	13,698.36
Total		1,383,534.22

The Pontodamon's owners was accordingly entitled to damages of US\$1,383,534.22. There should be interests thereon at judgment rate until full payment from the date of judgment. Additionally, the Pontodamon's owners should also have its costs of the assessment of damages, taxed if not agreed, on party and party basis.

Please feel free to contact us if you have any questions or you would like to have a copy of the Judgment.

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