

The value of contractual safety net for port and terminal operators

Mr Abdul Fahl
TT Club

Intermodal Africa – Namibia
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TT CLUB
IS MANAGED
BY **THOMAS
MILLER**



Established expertise

TT Club is the leading provider of insurance and related risk management services to the international transport and logistics industry.

- Over 50 years' experience serving the industry
- Comprehensive cover
- Loss Prevention and expert support
- Integrated global reach – managed by Thomas Miller
- Membership advantages
- Our claims and underwriting executives work together as single team

TT Club overview

1968

The year TT Club was established and containers revolutionised freight transport.

80%

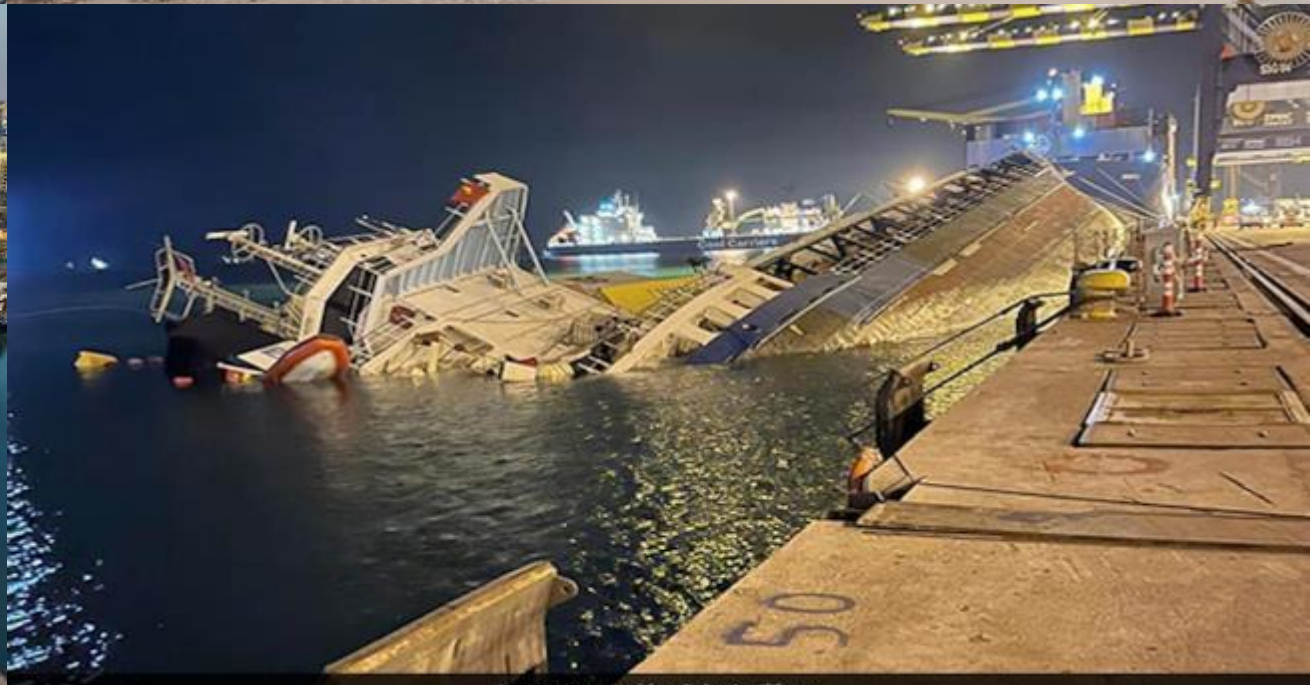
Percentage of the world's maritime containers insured by TT Club.

65%

We have an insurable interest in 2/3 of the top 100 ports worldwide.

20+

The number of dedicated countries in which TT Club has dedicated offices.



Contracts

A contract is a legally enforceable agreement, giving rise to new rights and binding obligations between those who agree to its terms

Key elements:

- Offer
- Acceptance
- Consideration
- Intention to create legal relations
- Certainty of terms
- Contractual Terms can be express or implied and can be agreed orally or in writing

Why contracts are important?

- Provide certainty
- Act as a representation of obligations in writing
- Allocate risks between contracting parties
- Avert expensive legal proceedings
- Increase operational efficiency
- Ensure confidentiality

“...contracts are so one-sided that I am surprised to find them written on both sides of the paper...”

Raymond Evershed, British judge



The battle of the contracts

- **Shipping Line Agreement (SLA) vs. Terminal Service Agreement (TSA)**
- **Standard trading conditions (STC)**
- **Driven by bargaining power and market conditions**
- **Insurance considerations**
- **Legal considerations**

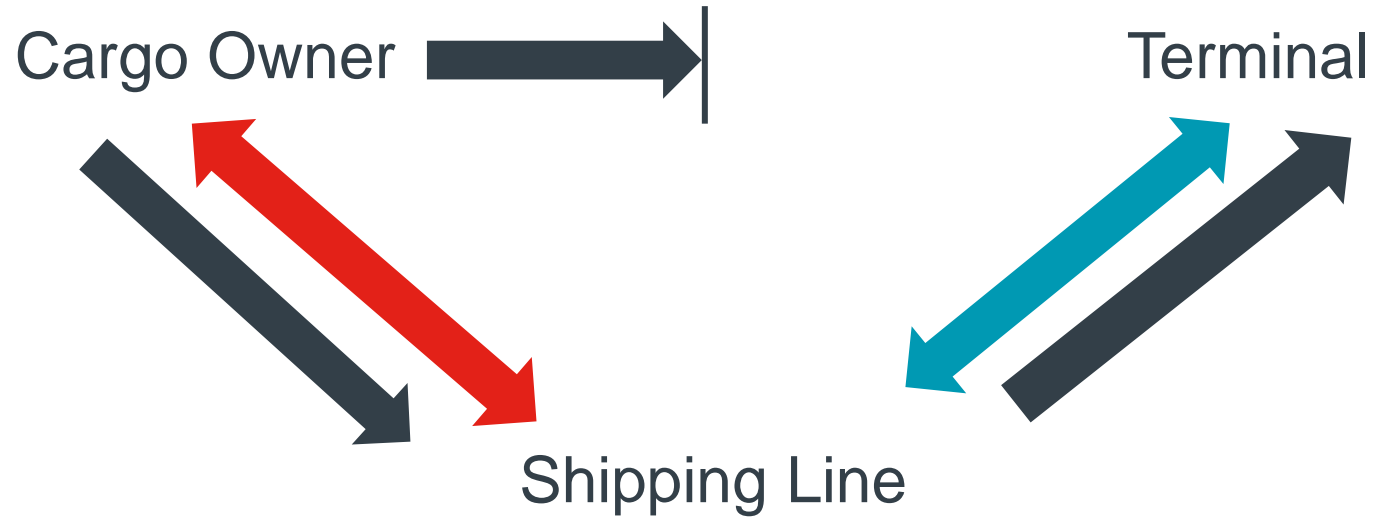


Non-contractual claims against terminal operators

- Operators commonly face claims from cargo owner with whom they do not have a direct contractual relationship
- These claims can be brought in tort of bailment
- Defeating non contractual claims through;-
 - ✓ *Himalaya clause*
 - ✓ *Liberty to subcontract clause*
 - ✓ *Circular indemnity clause*



Always follow the contractual chain



Bill of Lading



Terminal Service Agreement / STCs



Cargo Claim

Damage to cargo during cargo operation at a Saudi terminal

- **Claim against the terminal → EUR4 million**
- **Contract between the terminal and shipping line provides a defence to the terminal for liability arising from inadequate securing and lashing of cargo in/on containers**
- **The Club supported the insured terminal in court. The terminal was found not liable.**



Damage to ship's crane during cargo operation at an Omani terminal


- **Claims against the terminal → USD500,000**
- **Contract between the terminal and shipping line limits the terminal's liability for ship damage to USD100,000 per an accident**
- **The Club covered the settlement**



Loss Prevention Publications available on www.ttclub.com

TT Talk

TT Talk - Ports and Terminals – standard trading conditions?



TT LIVE TT Talk - January 2024: Ports and terminals - standar...
TT Club, 16 JAN 2024, 11:00 AM

to a global port and terminal network. It is essential to have a clear understanding of the standard trading conditions that apply to your business. This means that you should be aware of the standard trading conditions that apply to your business. It is essential to have a clear understanding of the standard trading conditions that apply to your business. It is essential to have a clear understanding of the standard trading conditions that apply to your business.

Standard trading conditions are pre-determined terms and conditions, which may be widely adopted as a means of providing a common set of terms and conditions for use in a particular industry. They are often used to provide a framework for the relationship between the parties to a contract, and to ensure that the contract is enforceable. They are often used to provide a framework for the relationship between the parties to a contract, and to ensure that the contract is enforceable.

When dealing with a set of standard trading conditions to permit your business to do the best of the possible, it is essential to have a clear understanding of the standard trading conditions that apply to your business. It is essential to have a clear understanding of the standard trading conditions that apply to your business. It is essential to have a clear understanding of the standard trading conditions that apply to your business.

recognizing that the legal position will often depend on the nature of your relationship and the nature of your business. It is essential to have a clear understanding of the standard trading conditions that apply to your business. It is essential to have a clear understanding of the standard trading conditions that apply to your business.

• The standard trading conditions of a business may be subject to change from time to time. It is essential to have a clear understanding of the standard trading conditions that apply to your business. It is essential to have a clear understanding of the standard trading conditions that apply to your business.

• Wherever possible, the standard trading conditions should be reviewed and updated regularly. It is essential to have a clear understanding of the standard trading conditions that apply to your business. It is essential to have a clear understanding of the standard trading conditions that apply to your business.

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“ **Standard trading conditions bring about a sense of efficiency and uniformity in port operations.** ”


Legal Clarity and Consistency

WindStorm Series

TT CLUB

WindStorm II
Practical risk management guidance for marine & inland terminals

transport insurance plus




Open for comment, review and feedback

The draft report and all findings should be shared before the start of any, and if required, when necessary. It is essential to have a clear understanding of the standard trading conditions that apply to your business. It is essential to have a clear understanding of the standard trading conditions that apply to your business.

Joint Industry Reports

UKP&I **>NYA** **TT**

Risk Focus: Cyber
Considering threats in the maritime supply chain



UKP&I, NYA, and TT Club have jointly published a new report on cyber risks in the maritime supply chain. The report highlights the growing threat of cyber attacks on maritime operations and provides practical guidance on how to manage these risks. It is essential to have a clear understanding of the standard trading conditions that apply to your business. It is essential to have a clear understanding of the standard trading conditions that apply to your business.

The report identifies the key risks to maritime operations from cyber attacks, including the theft of sensitive information, the disruption of operations, and the damage to reputation. It provides practical guidance on how to manage these risks, including the implementation of robust security measures, the development of incident response plans, and the regular review and update of security policies. It is essential to have a clear understanding of the standard trading conditions that apply to your business. It is essential to have a clear understanding of the standard trading conditions that apply to your business.

The report also highlights the importance of collaboration between industry stakeholders to address the challenges posed by cyber risks. It encourages the sharing of information and best practices, and the development of industry-wide standards and guidelines. It is essential to have a clear understanding of the standard trading conditions that apply to your business. It is essential to have a clear understanding of the standard trading conditions that apply to your business.

“ **The report highlights the growing threat of cyber attacks on maritime operations and provides practical guidance on how to manage these risks.** ”

Key findings and recommendations:

- The maritime supply chain is increasingly vulnerable to cyber attacks.
- The most common types of cyber attacks are phishing, malware, and ransomware.
- The impact of cyber attacks can be significant, including the theft of sensitive information, the disruption of operations, and the damage to reputation.
- Practical guidance is provided on how to manage these risks, including the implementation of robust security measures, the development of incident response plans, and the regular review and update of security policies.
- Collaboration between industry stakeholders is essential to address the challenges posed by cyber risks.

Thank you

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