



Ship Finance Law

Maritime Professionals Course

Course Guide

Orion Training Center for Maritime Professionals
is a Certified Training Institute in accordance with
ABS G-CMET and STCW Regulation I/8



Orion Training Center for Maritime Professionals
is Certified as compliant with the **Quality
Management System ISO 9001 by Bureau Veritas**



Orion Training Center for Maritime Professionals

SHIP FINANCE LAW

PREAMBLE

Orion Training Center for Maritime Professionals is a unique Vocational Training Provider, on a wide spectrum of fields in the Maritime Industry, for people who seek Certified Training. Orion Training aims at strengthening the human capital in the Maritime Industry, by increasing its employability and developing its competitiveness in one of the most challenging and capital intensive industries globally.

Drawing from the vast experience of Greek and International Professionals in the shipping sector, Orion Training aims at covering the need for Certified Professional Training in a unique and technologically advanced way.

By delivering on-line, state of the art Courses from Experienced Professionals, in a user-friendly format, we bring knowledge where really needed, when needed.

Visit our website www.oriontraining.eu to see all courses and training options for individuals and Organisations.

SCOPE OF THE COURSE - LEARNING OUTCOMES

The course aims at familiarizing the attendees with the core legal issues arising in bank ship finance. Although it cannot exclude the need for expert legal advice in cases of out-of-the-ordinary issues, it accomodates the need for understanding core legal aspects of shipping finance.

Taking into account that understanding law entails understanding notions, it is a demanding course that starts with explaining fundamental legal concepts and then evolves to examine where such concepts become part of the bank financing of a shipping business. Legal terminology acquaintance also runs through the whole course.

Attendees of the course will be able to:

- Understand fundamental legal concepts that arise in bank ship finance.
- Pinpoint the most crucial terms to be negotiated with a bank offering ship finance.
- Get assured that what has been agreed with the bank is accurately reflected in loan and security documentation.
- Familiarize with the procedure of selling and purchasing ships when a mortgagee bank is involved.
- Look out for incidents that may trigger default under loan documentation and get to know alternative steps that may remedy a situation where bank is entitled to exercise its enforcement rights.

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BENEFICIARIES

- Shipping industry professionals working in the financial management department of enterprises, seeking to understand bank ship finance legal issues.
- Professionals seeking to increase their employability within the shipping industry.
- New entrants in the shipping industry, specialized in shipping finance (i.e. BSc & MSc graduates).
- Banking professionals specialized in the shipping sector who need to structure and negotiate finance from a legal perspective and to understand the bank's rights and remedies where the financing runs into trouble.

INSTRUCTOR

Dr. Katerina Athanasiou, LL.M., is a lawyer with multi-year ongoing professional experience in the Maritime Industry.

She has been working for 23 years as an in-house lawyer for a major Greek bank's shipping division. She has negotiated and drafted hundreds of loan and security documentation for ship finance, attended many S&P deliveries around the world, as well as engaged in large-scale litigation for NPLs. She holds a Ph.D. in Banking Law from the University of Bristol in UK, and has also worked as a course instructor for Shipping Law in the BCA College and Metropolitan College.

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COURSE STRUCTURE (4 Modules)

Module 1: GENERAL OVERVIEW

Applicable Laws

Bank Ship Finance Concepts from a Legal Perspective

Loan, Lender, Borrower
Guarantee, Guarantor
Mortgage, Mortgagor, Mortgagee
Assignment, Assignor, Assignee
Pledge, Pledgor, Pledgee
Manager, Manager's Undertaking

Fields of Negotiation from a Legal Perspective

Availability and tenor
Cost
Securities
Group of Companies
Default

Module 1 Questions

Module 2: NEGOTIATION AND AGREEMENT OF A SHIPPING LOAN FROM A LEGAL PERSPECTIVE

Termsheet: Terms & Conditions

Who prepares it and on what grounds
What should be included
Is it binding?

Commitment Letter: Terms & Conditions

Why do we need one?
Difference from Termsheet
Is it binding?

Loan Agreement: Terms & Conditions

Advance, Pricing and Repayment
Prepayment
Covenants
Events of Default
Applicable law(s) and jurisdiction
Miscellaneous

Security Documents: Ship Mortgages, Guarantees and Other Securities

Mortgage
Assignment of Insurances
Assignment of Earnings
Corporate Guarantee(s)
Pledge over Retention Account
Manager's Undertaking
Personal Guarantee(s)
Cash Deposit Pledge
Shares Pledge

Fields of Dispute

Obligations relating to the Group
Further transactions
Financial Information
Minimum Value Clause
Material Adverse Change
Cross-default

Module 2 Questions

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COURSE STRUCTURE (4 Modules)

Module 3: THE ADVANCE OF THE LOAN AND THE DELIVERY OF THE SHIP

The advance and transfer of the loan proceeds

- Advance of the Loan
- Bank's control over the money
- Swift Transfer or Escrow Agent

The Delivery of the ship

- Memorandum of Agreement
- Payment of Purchase Price
- The physical delivery and the Closing
- The place and time
- Documents exchanged
- Registration of the Ship and the Mortgage

Module 3 Questions

Module 4: REMEDIAL ACTION FROM A LEGAL PERSPECTIVE

Default

- Signs of forthcoming Default
- Default in payments

Bank's alternative courses of Remedial Action

- Waivers
- Restructuring
- Advancing new money
- Suggesting sale of assets

Loan Restructuring

- Shuffling installments
- Extending the term
- Introducing a cash sweep mechanism

Enforcement of Collaterals

- Applying cash collateral(s)
- Collecting Earnings
- Exercising Mortgagee's Rights
- Attaching other assets

Private Sale v. Judicial Sale

- The concept of preferred mortgage
- The pros of private sale
- The cons of private sale

Module 4 Questions



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CERTIFICATION

Upon successful Course completion, the Successful Completion Certificate is issued and sent automatically to the attendees.

COURSE MATERIAL & FREE CONSULTATION PERIOD

On-line videos for every module of the course, with **accompanying PDF slides** and notes available for download by the attendees. Videos can be seen as many times as needed on-line.

The course must be successfully completed (by passing the relevant final on-line Exam) within 6 months from registration/purchase.

During this time, the **Instructor is always available within 48 hours** through email, for questions and queries relevant to the Course.

Free 6-month Consultation period (after course successful completion) with the Course Instructor, available for any relevant questions and queries.

PREREQUISITES

- Familiarization with the Shipping Industry and Banking is an asset for attending the course.
- There is no need for previous acquaintance with loan and security documentation.

DELIVERY METHOD

Fully on-line and self-paced videos with on-line exams and automated Certificate generation.

CONTACT

For more information on the Courses offered, you may contact: contact@oriontraining.eu

For custom Courses and Professional Training you may contact: sales@oriontraining.eu

Watch our introductory course videos at our Orion Training Center for Maritime Professionals YouTube Channel and Vimeo Channel.

