

January 29th, 2019

Dear Valued ONE Customer,

**General Average declared for Yantian Express**

On 3 January, 2019 whilst the vessel was on passage from Colombo to Halifax (via the Suez Canal on the East Coast Loop 5 (EC5 Service), a fire broke out on deck and towards the fore end (in the vicinity of holds 1 and 2) of the vessel and spread to additional containers. Salvage services were requested by Owners and are being provided by Smit under Lloyd's Open Form. Salvors currently have several tugs deployed and the vessel is now proceeding to Freeport in The Bahamas.

Whilst it is too early to make precise statements about the extent of damage, it is likely ship, cargo and containers in the affected areas will have suffered damages as a result of the fire and/or fire-fighting efforts.

The above circumstances give rise to General Average. Shipowners have declared General Average (GA) and have appointed Richards Hogg Lindley to collect the necessary GA security. In accordance with the bill of lading terms and conditions under which cargo was shipped, cargo interests are required to provide GA security before the cargo can be delivered. In addition to the GA security, separate salvage security will also be required by the salvors.

**1. General Average security**

**Before cargo can be delivered, the following GA security forms must be provided (see attached for blank forms). Please provide:**

i) A copy of the **cargo invoice**,

and

ii) An **Average Bond** completed and signed by owners of the cargo

and

iii) either:

a. for insured cargo: An **Average Guarantee** completed and signed by insurers of the cargo

*(This form should be completed and signed / stamped by the cargo insurance company, and should not be completed and signed by the cargo owners themselves)*

Or

b. for uninsured cargo: Please inform the adjusters by email if the cargo is uninsured as a **cash deposit** will be required in place of an insurers' Average Guarantee.

Adjusters will advise the amount of the cash deposit required and the details of the designated bank account (the cash deposit details will also be made available on our casualty website as soon as possible, website details as below).

## 2. Salvage Security

As mentioned above, Smit have been appointed as salvors under a Lloyds Open Form contract.

In addition to the GA security, **salvage security** will also be required.

The details of salvors security requirements are not yet known, once the salvage demand has been set by salvors we will notify all cargo interests.

## 3. Contact details

The completed GA and salvage security documents should be sent by email to Richards Hogg Lindley:

	Parties based in Europe or North America to contact:	Parties based in all other locations to contact:
Email:	<a href="mailto:info-liverpool@rhl-ct.com">info-liverpool@rhl-ct.com</a>	<a href="mailto:singapore.ga@rhl-ct.com">singapore.ga@rhl-ct.com</a>
Address:	Richards Hogg Lindley 4 <sup>th</sup> Floor, Royal Liver Building Liverpool L3 1JH United Kingdom	Richards Hogg Lindley 140 Cecil Street #15-00 PIL Building 069540 Singapore
Phone:	+44 (0)151 227 2175	+65 6506 2897/8

Please quote the ship name (YANTIAN EXPRESS) plus your container number and bill of lading number in all email correspondence.

#### **4. RHL Casualty Website**

Blank security forms, further news and information including release procedures for cargo will be made available at: [www.rhlq.com/clients](http://www.rhlq.com/clients).

Select the vessel's name (YANTIAN EXPRESS) from the dropdown menu and enter the password which for this case is: YE119GA.

#### **5. Delivery of Cargo**

Cargo can only be released after acceptable General Average and salvage security has been lodged.

A list of containers for which acceptable security has been provided will be loaded onto our website.

Once acceptable security has been provided and cargo has been released by the adjusters, please address any questions regarding delivery / forwarding arrangements to the relevant shipping line. Further details regarding the shipping lines plans for delivery of cargo may be added to our casualty website in due course.

#### **6. Note regarding LCL / Groupage cargo**

Freight forwarders should **URGENTLY** provide a full breakdown of any LCL / Groupage containers as soon as possible in order to readily identify all the individual shipments within the container.

This breakdown should include house bill of lading numbers, cargo descriptions, cargo weights plus details of the shippers and receivers of the goods.

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**Please treat this as a matter of utmost urgency to avoid unnecessary delay: cargo cannot be released until the General Average and salvage security requirements have been met.**