

Herculito Maritime Ltd and others (Respondents) v Gunvor International BV and others (Appellants)

Case ID: 2022/0009

Case summary

Issue

What is the proper interpretation of a charter agreement and bills of lading for a vessel, in respect of losses arising out the seizure of the vessel by pirates.

Facts

The First Respondent is the registered owner of a vessel (the "Vessel") which it chartered, by a fixture recap dated 20 September 2010 (the "Charter"), for a voyage from St Petersburg to Singapore. The First Appellant is the lawful holder of all six of the bills of lading issued by the Vessel's master (the "Bills of Lading") and are the owners and eventual receivers of the Vessel's cargo in Singapore. The First Respondent took out insurance for 14 days from 25 October 2010, including for the Vessel's transit through the Gulf of Aden.

On 30 October 2010, the Vessel was seized by pirates while she was transiting through the Gulf of Aden. She was released 10 months later following the payment of a ransom of US$7,700,000 by or on behalf of the First Respondent and/or the relevant underwriters. Most of the cargo was intact and was eventually carried to its destination in Singapore.

Before discharge of the cargo at Singapore a General Average Guarantee was provided by the cargo underwriters and a General Average Bond was provided by the First Appellant. Both the Guarantee and the Bond provided that any disputes should be referred to arbitration in London. A General Average adjustment was issued, which concluded that the sum of US$4,829,393.22 was due to the First Respondent from the respective cargo interests. The Appellants denied that any contribution was due to the Respondents.

The Arbitration Tribunal determined two preliminary issues: (1) that the terms of the Charter were incorporated into the Bills of Lading, and (2) that the First Respondent under the Bills of Lading agreed to look solely to their insurance cover and not to their counterparties under the Bills of Lading in the event they suffered a loss covered by that insurance cover. The Respondents appealed the Tribunal's findings to the High Court. The High Court agreed with the Tribunal on the first issue and formed a different view on one aspect of the second issue. The Court of Appeal dismissed the Appellants' appeal. The Appellants now appeal to the UK Supreme Court.

Judgment appealed

[\[2021\] EWCA Civ 1828](#)

Parties

Appellant(s)

Gunvor International BV and others

Respondent(s)

Herculito Maritime Ltd and others

Appeal

Justices

Lord Hodge, Lord Hamblen, Lord Leggatt, Lady Rose, Lord Richards

Hearing start date

4 October 2023

Hearing finish date

5 October 2023

Watch hearing

4 October 2023 [Morning session](#) [Afternoon session](#)

5 October 2023 [Morning session](#) [Afternoon session](#)