

HAYNES BOONE

Conversion Contracts

Commercial Benefits but
not Without Challenges

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The conversion of an existing vessel to repurpose it for a new use (which is usually more profitable and also extends the economic life of the vessel) is by no means new. In recent years, vessel conversion has become increasingly important¹, particularly in highly specialised sectors (for example, FLNGs, FRSUs, FPSOs and offshore wind construction/installation vessels) where the adaption of a second-hand vessel can be undertaken at a lower cost and, often more importantly, in significantly less time than the construction of a newbuild. Geopolitical uncertainties impacting existing energy supply arrangements as well as increasing focus on the challenges of the energy transition have also triggered a further increase in interest in conversion projects as parties look for the fastest means of bringing new or alternative energy supplies online.

Vessels can undergo conversions ranging from relatively small-scale modifications to full-scale conversions that completely change the vessel's design and purpose. There are significant risks associated with the conversion of existing tonnage which can result in substantial cost overruns and delays. Although many conversion projects are undertaken at a shipyard with extensive newbuild vessel experience, there are a number of respects in which conversion projects markedly differ from newbuilding projects – these give rise to distinct legal issues², the balancing of which can differ considerably from project to project and at which a change in contractual nomenclature of “Company” or “Owner” rather than “Buyer” and “Contractor” rather than “Builder” only begin to hint.

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The entry into force of the Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII) in January 2023 may also result in certain parts of the world fleet becoming particularly attractive for conversion over time.

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A number of these issues (or similar issues) also arise in large scale EPC (and EPCI or EPCIC) contracts for offshore assets where traditional ship construction payment, title, security, design responsibility, etc arrangements are less frequently adopted.

Standard form of contract?

Until the recent publication of CONVERSIONCON by BIMCO there was no ‘standard’ form of conversion contract and consequently the owner and the contractor negotiated conversion projects on the basis of an ‘ad-hoc’ agreement (frequently using a repair contract or a shipbuilding contract as a starting point). CONVERSIONCON introduces a framework which parties may consider utilising as a starting point for their conversion contract negotiations (certainly for many conversion projects it provides a more useful starting point than a repair contract or shipbuilding contract). However, our experience is that (for various technical, commercial and legal reasons) the allocation of risk and responsibilities between the parties can differ significantly from project to project and, as such, it would not be appropriate to view the CONVERSIONCON terms as setting out the ‘market standard’. Additionally, for the larger capital-intensive conversions (particularly those which also have to dovetail with extensive obligations imposed on the owner by its ultimate client(s)) for the converted vessel) it is likely that the drafting of the conversion contract will continue to be project specific (rather than using the CONVERSIONCON structure).

Challenges of an existing vessel

Conversion work is undertaken on an existing vessel³ and this will necessarily involve the incorporation of new designs, equipment and materials within an existing structure, with the potential for significant technical problems both before and after the vessel’s redelivery to the owner (for example, the new materials may result in a change in the stresses placed on existing parts of the vessel). This ‘interface risk’ (and the allocation of responsibility for its consequences in the conversion contract) is a challenge that does not arise in a newbuild vessel scenario.

Parties to the conversion contract need to consider carefully and clearly allocate risk of additional cost and delay arising as a result of ‘pre-existing defects’ in the vessel (which ‘pre-existing defects’ may not have manifested as issues for the vessel during its pre-conversion employment and only become apparent as ‘defects’ as a result of the conversion project). The contractor will often look to treat the repair/rectification of such ‘pre-existing defects’ as falling outside the scope of any ‘lump-sum’ price arrangements for the conversion project. In contrast, for the owner it is clearly preferable to avoid such separation (with its consequential uncertainties in relation to the overall project costs and redelivery schedule). The negotiation of arrangements relating to ‘pre-existing defects’ and the responsibility for the suitability of the vessel for the conversion project are usually particularly influenced by the extent to which the owner is able to make the vessel available to the contractor for detailed inspection prior to finalising the contract and/or the conversion works commencing (for example, there may be limited scope for detailed inspection if the vessel is either actively trading before commencement of the conversion works (and, as such, a significant revenue generating asset for the owner⁴) or if the vessel is specifically acquired by the owner for the conversion (such that the vessel may not actually be in the ownership or control of the owner until shortly before delivery to the contractor’s shipyard for conversion).

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Occasionally the vessel for conversion is owned by the contractor (for example, following cancellation of an earlier shipbuilding contract), but more frequently it is a conversion of second-hand tonnage (either already owned by the owner or, alternatively, specifically acquired by the owner for the project) that is delivered by the owner to the contractor’s shipyard for the conversion works.

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The desire to minimise downtime of a significant revenue generating asset inevitably also operates as a driver to structure the project to allow the minimum possible time to complete the conversion project and impose substantial liabilities on the contractor for any delays.



Scope of Work

The most important matter for any conversion project is understanding exactly what works the contractor is contracting to undertake and the technical requirements that must be satisfied (this is critical both to understand the deliverables under the contract against which the contractor's performance can be measured and also to be able to identify whether or not a particular change will entitle the contractor to claim a contractual variation).

It is usual for conversion contracts to incorporate a detailed technical specification (including minimum performance criteria), various principal plans and drawings and also a requirement to redeliver the vessel in compliance with (and with associated certificates and approvals evidencing compliance with) specified regulatory authority and classification requirements. The nature of the 'interface risk' of conversion projects is such that the incorporated technical requirements may not set out all the works that are required to be undertaken to the vessel (for example, they may not address repairing 'pre-existing defects' in the vessel that only become apparent during the conversion) and therefore careful consideration is required (particularly for 'lump sum' and 'turnkey' conversion projects) to ensuring that the contract accurately reflects the parties' intentions in relation to what works form part of the contractor's risk within the agreed price and conversion schedule and also how any additional works are to be valued.

From an owner's perspective it is preferable to have all 'interface risk' borne by the contractor and therefore to have contract terms which provide that the contractor is to do (within the project price and conversion schedule) whatever is required to convert the vessel to meet the requirements as to description, performance and quality set out in the specification⁵. Alternatively, if the contractor is to be afforded some protection in respect of 'interface risk', the owner may agree to provide limited representations and conditions as to the condition and/or performance of the vessel (or the accuracy of the vessel's pre-conversion plans and drawings) prior to commencement of the conversion work against which the contractor would be entitled to raise a variation and recover from the owner additional costs incurred (and obtain an extension to the redelivery schedule for delays arising) by reason of 'pre-existing defects' in the vessel hindering completion of the conversion works.⁶

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Given the fundamental importance of identifying the work to be undertaken by the Contractor, it is perhaps surprising how often initial drafting of the provisions and definitions relating to the "Works" and contractor's scope of work are circular in nature.

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Any arrangement for additional costs will also require consideration at the contracting stage as to how such additional costs are to be calculated (for example incorporating pre-approved rates for labour and certain materials, prescribing additional costs open book / auditing arrangements, determining extent additional costs to include any profit element).

Design Liabilities

Depending on the contractor's level of experience in such conversion projects and the extent of the conversion works envisaged, the contractor may act as a 'design and build' contractor, assuming design and engineering responsibility (at least in respect of the work that the contractor or its sub-contractors will undertake directly). For conversion projects, however (and unlike construction projects for conventional tonnage), it is common for the bidding process for the conversion project to be based upon preliminary/basic designs and functional specifications (the "Basic Design Package") prepared by the owner (either in-house or in collaboration with a front end engineering and design contractor, or similar, engaged by the owner), with the bid winning contractor then being responsible for the detailed design (the detailed design building upon the Basic Design Package to provide the level of detail required to enable fabrication and construction to take place)⁷. There is no standard form of Basic Design Package for conversions and as such the level of engineering detail and extent of documentation in the Basic Design Package can vary significantly from project to project.

Responsibility for design is a critical element of the negotiation of almost all conversion projects and a hybrid allocation of responsibility is frequently adopted rather than an outright 'design and build' contractor arrangement. Such hybrid arrangements need careful consideration at the contracting stage, for example, the apparently simple allocation of responsibility in clause 15 (*Design*) of the CONVERSIONCON (whereby the owner has and retains responsibility for the basic design and the contractor is responsible for providing the detailed design) leaves open considerable scope for dispute during the conversion works (particularly in relation to delay and increased cost implications) as to whether subsequently identified issues and/or requirements result from deficiencies in the basic design or defects in the detailed design and also whether the issues/changes themselves necessitate changes to the basic design. Significantly, the design process does not move in a linear manner from basic design to detailed design, rather the design process is iterative (the 'design spiral'). A consequence of the design spiral is that only during detailed design may it become clear that changes are required that impact the basic design, but these changes do not necessarily of themselves mean there was a deficiency in the basic design. These matters are particularly apparent for projects for one-off vessels (such as vessel conversions) where, unlike newbuild vessels forming part of a series, no one will have previously performed detailed design on the basic package/basic design. Although the contractor may look to press an owner to warrant that the Basic Design Package is accurate and complete, in practice the owner should avoid giving such warranty (noting, not least, that the Basic Design Package will be very unlikely to contain a complete design and will be based on various assumptions and estimations which will only be verified during the detailed design and engineering processes)⁸.

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Given the complexity and level of detail of design that is ultimately required for the final conversion project, it would be highly unusual for the contractor to only have responsibility for construction and not to assume significant design responsibility.

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Whilst the extent to which an owner might consider giving any form of warranty to the contractor in relation to the Basic Design Package will differ from project to project, the very nature (and possibility of the need to make changes to the Basic Design Package while performing detailed design due to the design spiral) mean that the most an owner could realistically warrant would be that it has exercised due diligence in the development of the Basic Design Package.

Delivery

It is rare for the vessel already to be at the contractor's shipyard at the time the conversion contract becomes effective and therefore it is necessary to set out clearly in the conversion contract the obligations and rights of the parties with respect to the delivery of the vessel to the contractor's shipyard. Matters to be addressed include:

- a. the documentary and physical condition of the vessel at delivery (for example, linking condition to that of the vessel at time of the contractor's pre-contract inspection of the vessel (if any), extent that the vessel is to be delivered free of dirty ballast, gas free, free of stores, etc);
- b. the period within which the owner is to deliver the vessel; and
- c. the consequences of any failure on the part of the owner to meet requirements of a. or (for example, rights of the contractor to request a variation order, extensions to dates of conversion milestones/redelivery and, in extremis, termination rights of the contractor triggering a termination fee payable by owner to contractor).

Variations

As conversion projects are complex design, engineering and construction undertakings numerous matters can arise during the project necessitating changes to the overall conversion project following the execution of the conversion contract, for example: changes in regulatory requirements post the date of the contract, discovery of unexpected (pre-existing) issues in the vessel being converted and changes in the needs of the owner's ultimate client in respect of the vessel. The introduction of changes to the scope of works represents the most frequent source of disputes in conversion projects, particularly as (depending of course on the wording of the conversion contract) 'interface risk' can introduce real scope for dispute as to whether a particular matter will afford the contractor the right to claim a variation.

It is critical not only that the parties define in the contract a sensible (i.e. reasonable and workable) procedure for agreeing and implementing modifications, but also that each party implements contract administration systems that ensure these procedures are adhered to.

There are, however, two issues which commonly arise in relation the structure of the conversion contract itself, namely (a) whether the owner is entitled to compel the contractor to undertake variations which the contractor does not wish to undertake, and (b) if so, the method by which, in the absence of agreement between the parties, the variations are to be valued. The usual, but by no means invariable, approach is for the owner to be entitled to instruct the contractor to undertake any variations which fall within the general framework of the contract. Where the parties cannot agree upon the (potentially substantial) financial or other consequences of a variation required by the owner, these will often be determined by a third party expert up to a specified limit and any more substantial variations must be referred to the arbitration provisions of the conversion contract.



Title and Possession

A shipbuilding contract is a contract for the sale of goods (albeit with elements of the supply of services) according to which the builder retains title to and possession of the vessel until it is completed and delivered to the buyer. In contrast, a conversion is a contract for the supply of goods and services with ownership of the vessel itself (usually) being retained by the owner throughout, but with possession, care and custody of the vessel transferring to the contractor for the period between delivery and redelivery⁹. This necessitates careful consideration at the contracting stage of numerous matters that do not arise in a shipbuilding scenario, for example:

- a. Extent to which the vessel can continue to be registered with its flag of registry during the conversion project (together with any consequential implications this might have for any vessel mortgages or other security registered against the vessel).
- b. Whether the vessel will be required to be relocated during the conversion project (for example to a different yard for topside integration) and, if so, how such transportation will be undertaken (and any requirement for any of vessel's existing trading certificates or flag registry to be maintained as at the time of such transportation).

⁹ For some projects post-redelivery care and custody arrangements also require careful consideration, for example where the contractor has post redelivery integration and commissioning obligations. Such arrangements are not unique to conversion contracts and also arise in respect of non-conversion EPCI / EPCIC contracts and are therefore not examined in this alert.

- c. Extent to which any laws applicable in the place of conversion might fetter the ability of the owner to retake possession of the vessel at any stage during the conversion works.
- d. Timing of transfer of title to any new materials and equipment required for the conversion (including ensuring that title transfers free of liens). Logically, from an owner’s perspective, this should never be later than the date of incorporation of the new material/equipment into the vessel (although earlier transfer of title may be appropriate, for example when payment terms are such that the owner effectively pays for the relevant new material/equipment well before the date of its incorporation into the vessel). However, the extent to which the local laws applicable to the contractor will permit arrangements for continual transfer of title will need to be confirmed as part of the pre-contract due diligence process.
- e. Title and storage requirements in respect of materials and equipment removed from the vessel during the conversion (including distinguishing between materials/equipment removed temporarily to facilitate the conversion works and materials/equipment removed permanently as no longer required for the converted vessel).

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Note, for example, depending on whether the conversion project is structured around an EPC, EPCI or EPCIC framework there can be extensive additional arrangements that need to be dovetailed with the liability arrangements between the owner and its ultimate client for the converted unit (for example in relation to liability for pollution and wreck removal during commissioning phase offshore).

Risk of loss and insurance

It is essential that the parties address risk of loss and damage during the works and the parties’ respective obligations to place and maintain insurance against the same and also the parties’ obligations in relation to the application of any insurance proceeds. The actual arrangements vary significantly from project to project¹⁰, however it is common for (a) the owner to be responsible for maintaining P&I, hull and machinery and war-risks insurances throughout the conversion project and (b) the contractor to maintain appropriate contractor’s all risks insurance and also ship repairers’/builder’s liability insurance. From the owner’s perspective it is important not only to address risk of loss and damage during the works and to clearly set out requirements for insurances, but also to consider what rights the owner should have (for example to place alternative insurances at the cost of the contractor) if the contractor fails to place and/or maintain the requisite insurances.

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Redelivery Condition

The condition and performance of the vessel at the time of redelivery will be an issue of fundamental importance to the owner, whose ability to generate the projected income for which the conversion project has been undertaken will depend initially upon meeting the acceptance requirements of its ultimate client. It is, however, problematic for a contractor to agree that redelivery should be conditional upon the satisfaction of a third party client of the owner with whom the contractor has no contractual relationship. It is therefore relatively unusual for the contractor to agree to language stating that the vessel should upon redelivery be “fully operational” or “ready to commence operations”, particularly where this requires it to underwrite (a) the performance of elements of the original vessel as provided by the owner (and not worked on by the contractor) and (b) a range of sub-contractors, certain of whom may have been nominated by the owner. This is nevertheless exactly the nature of the obligation which the owner may be required to assume towards its ultimate client (and is certainly a risk the owner will have to assume towards its ultimate client in relation to any second-hand tonnage the owner has acquired specifically for a conversion contract). Precisely how this issue, and the allocation of risks relating to it, will be addressed by the owner and the contractor varies from project to project depending, in large part, upon their relative bargaining positions at the time of contract award.

In practice, many conversion contracts proceed on the basis that the contractor must demonstrate to the owner as a condition of redelivery that the vessel meets the requirements of the conversion contract specifications, which will be (to the maximum extent the owner is able to secure) equivalent to the requirements the vessel must meet under the vessel employment contract between the owner and its ultimate client. Achieving equivalence of requirements across the conversion contract and ultimate employment contract is important to the owner as, if the converted vessel fails to meet the owner’s ultimate client’s acceptance requirements following the owner’s acceptance of redelivery of the vessel from the contractor, the owner’s rights as against the contractor will (subject to the drafting of the conversion contract) be limited to those arising under the defects correction provisions of contractor’s post-redelivery guarantee (see below).



The Contractor's Post-Redelivery Guarantee

As in most construction and engineering contracts, the contractor, in addition to agreeing to remedy defective work which becomes apparent prior to completion, provides to the owner a post-delivery guarantee or 'warranty' of the works it has undertaken.

The most significant issue in this context is the scope of the contractor's post-redelivery guarantee and, in particular, whether this is limited to the works which it has undertaken or, alternatively, extends to encompass the converted vessel as a whole. For the contractor the preference is obviously to assume the minimum possible measure of responsibility for those aspects of the vessel on which it has not worked. In contrast, the owner will be concerned to ensure that the redelivered vessel functions properly in all respects and meets in full the requirements of its ultimate client.

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This therefore represents another factor that the owner needs to carefully consider in relation to the incorporation and description of the scope of works in the conversion contract.

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Although extended warranties for particular matters such as tank coatings are frequently agreed.

The scope of the contractor's post-redelivery guarantee is frequently defined by reference to the "Works" specified in the conversion contract¹¹ – if, for example, the contractor has not supplied certain equipment, the contractor's warranty will not normally extend to such equipment unless this has been specifically agreed. The guarantee will furthermore be limited in time, normally six to twelve months from redelivery¹², although the precise periods agreed may vary from one element of the works to another. From an owner's perspective consideration also needs to be given as to whether the scope of the contractor's post-redelivery guarantee appropriately fits with the intended employment/operation of the converted vessel. For example, many conversion projects are undertaken to service long term offshore contracts requiring the converted vessel to remain offshore (and without drydocking) for extensive periods (in excess of twenty years is not uncommon) and in such context a contractor's post-redelivery guarantee requiring the return of unit to the contractor's facilities or to some other repair facility would significantly fetter the practical use of post-redelivery guarantee to the owner.

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The Consequences of Default

It is very important from each party's perspective that the conversion contract should provide clear and adequate remedies to deal with defaults in performance by the other party. Where the conversion contract is governed by English law, alternative and parallel remedies may be available at common law, but the scope of these remedies (including, for example, the common law right of termination in consequence of a repudiatory breach by the other party) is likely to be narrower and less certain in application than those specifically defined in the contract.

A significant area of debate in most conversion contracts is the level of liquidated damages to be paid by the contractor for delay in redelivery of the vessel. The resolution of this issue will again depend upon the parties' bargaining positions, although the damages agreed are in practice unlikely to protect the owner in full against the consequences of delayed delivery under the terms of its contract for the post-redelivery employment of the converted vessel.

In addition to covering the issue of delay, the owner will normally wish to ensure that it has adequate rights to recover the vessel from the contractor's possession and to complete the conversion works elsewhere in the event of termination of the contract in consequence of the contractor's default. Whilst objectively it is difficult for the contractor to resist incorporation of such rights in the conversion contract, the extent of the contractor's liability to assist the owner with repossession of the vessel, removal of the vessel from the contractor's shipyard (including putting vessel in condition to be moved to a new location)¹³ and to reimbursement of the owner for the costs of these steps as well as the costs of actually completing the conversion at a new location (using a new contractor) are frequently the subject of protracted negotiations.

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The ability of the owner to remove the vessel and equipment from the contractor's shipyard in practice may also be complicated by the operation of local laws as well as by the physical stage of the conversion works at the time of termination.

Exclusions and limitation of liability

The scale of the potential losses which may be incurred by the owner in consequence of default by the contractor under the conversion contract is much greater than most contractors operating in this sector are prepared to assume by way of a claim for damages. The contract will therefore almost invariably exclude the contractor's liability for "consequential or indirect" loss and damage and will place an overall "cap" (normally expressed as a percentage of the contract value) on the contractor's liability in respect of direct losses howsoever arising.¹⁴

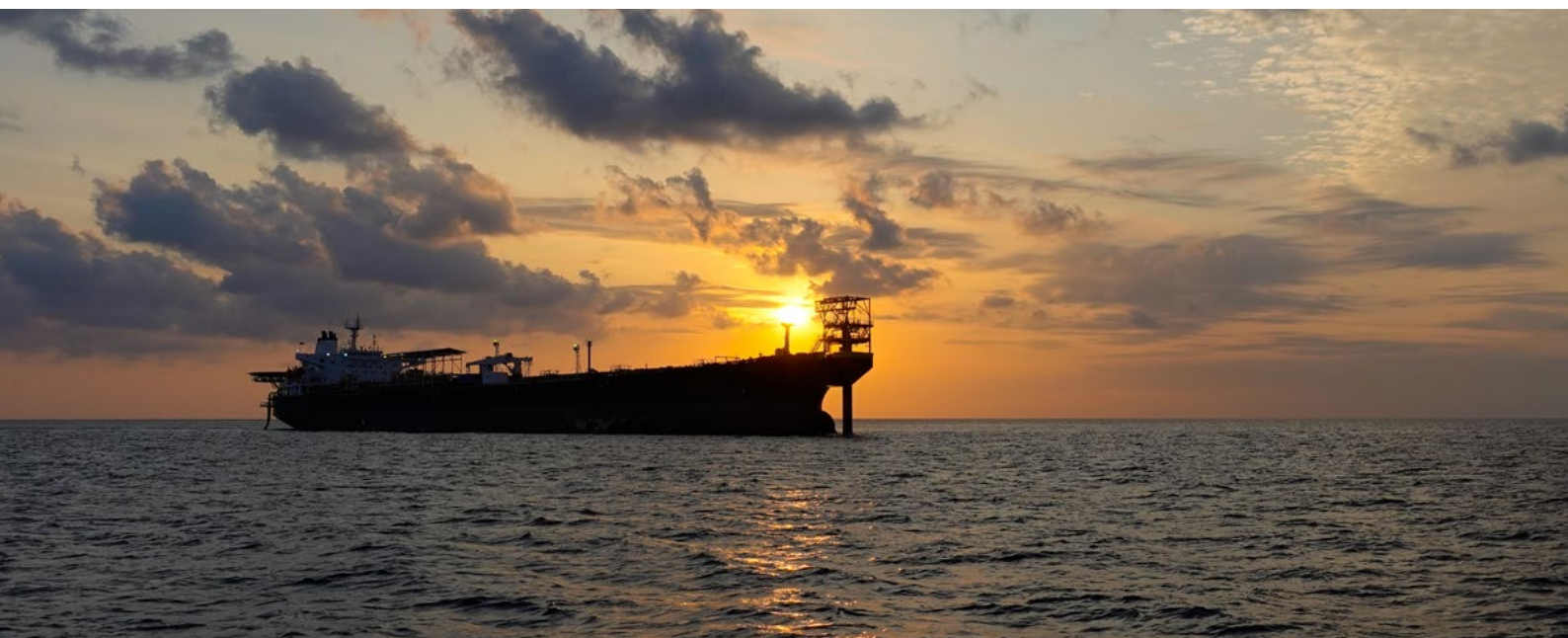
Choice of Law and Dispute Resolution

It is obviously in the interests of both parties to the conversion contract to agree upon the law governing it and dispute resolution mechanisms. Principally for reasons of privacy and enforceability, the usual approach is to agree that such matters will be decided by an arbitral tribunal, rather than a court, but this will depend in part upon the parties' choice of law. Tiered and streamlined dispute resolution arrangements are usually also incorporated to address disputed variations and purely technical disputes and to afford the parties an opportunity to resolve disputes at an early stage.

In relation to the choice of law to govern the conversion contract, it is particularly important for the owner not to lose track of the necessity of considering the manner in which the law applicable to the location of the conversion works may impact the wider contract structure and approach (see comments on title and possession above).

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For a more detailed examination of limitation of liability clauses, please contact the authors for a copy of the Haynes Boone's "Limitation of Liability: A General overview under English law" publication.





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Mark has extensive experience negotiating and documenting large-scale and complex maritime and offshore projects including advising in relation to ownership structures, construction, conversion, sale and purchase, financing, management, operation, pooling, repair, refit and recycling of different types of vessel (including FPSOs, FLNGs, FRSUs, drilling rigs, LNGCs, wind turbine installation vessels, autonomous vessels and superyachts).

Mark is co-chair of both the firm's Shipping practice and the firm's Autonomous Transportation practice. He regularly speaks and writes on a wide variety of shipping, offshore energy and autonomous vessel related topics. He has more than 25 years of experience in the maritime and legal fields, including time as captain of a ship.

Mark's experience includes:

- Acting for a leading FPSO owner/operator in drafting and negotiation of FPSO EPCIC contract and finance lease (US\$ 2 billion-plus).
- Acting for a leading owner/operator of wind turbine installation vessels in relation to the drafting and negotiation of construction contracts with various builders for new wind turbine installation vessels
- Acting for a vessel owner/operator in drafting and negotiation of offshore coal transshipment services contracts with a power station operator and associated conversion contract with shipyard for the conversion of a bulk carrier to an offshore transshipment vessel.
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- Acting for leading offshore contractor in relation to acquisition arrangements (and bareboat chartering and sub-bareboat chartering) of 7th generation drill ship (US\$200 million-plus).
- Acting for an offshore drilling unit owner/operator in relation to the arrangements for the disposal of various of its rigs for conversion or for recycling.
- Drafting pro-forma ship sale and purchase agreements (with associated negotiating commentary) for one of the world's largest container lines.

Mark is individually ranked in the shipping section of Chambers UK 2023, with noted strengths: "*Mark is very responsive and thorough, very aware of commercial elements, and has an excellent depth and breadth of knowledge.*" and "*He has a professional approach; he is very willing to understand commercial and operational stresses with legal frameworks*"

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William Cecil is the managing partner of the London office and head of the dispute resolution team in London. He has extensive experience in litigation and arbitration matters for clients in the shipping, offshore oil and gas and energy industries.

William has represented clients in arbitrations conducted under many of the commonly used rules, including the ICC, LCIA and LMAA and in proceedings before the English Courts (the Commercial Court, the TCC and the Court of Appeal).

William is a co-author of the fifth edition of the Law of Shipbuilding Contracts, published May 2020 (Informa Law from Routledge). The other co-authors of this edition are Simon Curtis and Ian Gaunt, the President of the London Maritime Arbitrators Association (2017-2020).

William is a co-author of a chapter on Offshore Vessel Construction Disputes within Global Arbitration Review's *Guide to Energy Arbitrations* (Fourth Edition). He is also a co-author of the chapter on shipbuilding contracts governed by the law of England and Wales in *Getting The Deal Through- Shipbuilding 2022: England and Wales*.

Alongside his litigation and arbitration practice, William also assists clients in drafting and negotiating shipbuilding contracts and various forms of offshore contracts.

Chambers UK, Chambers and Partners, 2023 ranks William in the shipping section UK-Wide section, and clients have commented "William is extremely capable. He is able to drill down to the crux of an issue and advise in a useful manner." "He is very knowledgeable, both in his field and in his technical understanding of our business." *The Legal 500 UK 2022*, Legalease, the international directory of law firms also recommends William in the Shipping and the Construction: Contentious categories, and he has been highlighted in *The Legal 500 UK*, Legalease, for 2023.



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Mette's practice incorporates both transactional and dispute resolution work across the energy, offshore and shipping industries.

Mette's transactional practice focuses on tenders, contracts and other project documentation for high-value and complex projects in the oil and gas, shipbuilding, offshore construction, drilling, floating production (particularly FPSO and FLNG) and renewables sectors. She advises on ship/offshore asset sale and purchase transactions, charterparties and wider projects involving the conversion, repair, refit and recycling of ships and other offshore assets (including FPSO, FLNG, LNG and drilling rigs). Mette's transactional practice is informed by her extensive dispute resolution experience (and resulting knowledge of where problems typically arise and how these best can be addressed).

As a dispute resolution practitioner, Mette is focused on providing pragmatic advice and helping clients to achieve the best commercial solutions. Where disputes could not be avoided or resolved at an early stage, she has handled heavyweight and technically/legally complex international proceedings, most recently in the offshore construction and floating production sectors. Her experience includes arbitrations under major rules (LCIA/ICC/LMAA/UNCITRAL) and litigation in the English High Court (Commercial Court/TCC) as well as alternative dispute resolution.

Mette is a co-author of the chapter on shipbuilding contracts governed by the law of England and Wales in *Getting The Deal Through – Shipbuilding 2022: England and Wales*.

Mette's experience includes:

- Acting for an FPSO owner/operator on a project with a major European contractor to design, engineer, construct, charter, operate and maintain an FPSO offshore Brazil. Providing assistance with drafting, reviewing and negotiating FPSO charter and O & M agreements.
- Acting for an FPSO owner/operator on the sale and purchase of an FPSO (including dovetailing sale and purchase transaction with cross-jurisdictional requirements of wider project for field sale and purchase offshore Brazil and continued field operations of the FPSO).
- Acting for an FLNG owner/operator in respect of drafting and negotiating an EPCIC contract for the conversion of an LNG Carrier to an FLNG (including hull/ topside integration arrangement).
- Advising a European subsea cable installation contractor on contractual arrangements for a wind farm project.
- Acting for a European owner in relation to the construction of a specialised research vessel (including advising on and drafting the tender process shipbuilding contract).
- Acting for an offshore drilling unit owner/operator in relation to the arrangements for the disposal of a semi-submersible drilling unit.

About Haynes Boone

Haynes and Boone, LLP is a full-service law firm with a national presence and an international reach. With more than 600 lawyers located in Texas, New York, California, Charlotte, Chicago, Denver, Washington, D.C., London, Mexico City, and Shanghai. Haynes and Boone, LLP entered the London market in 2016 by merging with Curtis Davis Garrard LLP (CDG). The merged firm possesses enhanced global capabilities in the energy, maritime, financial services and corporate sectors.

Founded in 1996, CDG built a significant reputation serving the shipbuilding and offshore oil and gas sectors globally. Ship building and conversion clients consist of shipowners, charterers and shipyards covering the entire spectrum of commercial shipping, including the international superyacht sector. On the offshore side, clients include major oil and gas companies with worldwide development interests, smaller independents, offshore contractors providing a range of exploration and production services, and specialist suppliers of oilfield services and equipment, including shipyards. The office provides clients with substantially enhanced English law capabilities, including an experienced litigation and international arbitration team that has handled numerous claims in the English High Court and before major arbitral bodies. The London office also includes

partners with decades of experience handling international business and projects transactions, providing clients with an important and unique bridge between the interconnected energy and energy finance related markets of London, New York, Houston, Shanghai, and Mexico City. The firm's deep relationships and capabilities in this sector provide our clients with an unprecedented ability to make direct connections and access resources in some of the world's largest energy markets.

Our firm's progressive, entrepreneurial spirit is the impetus for our unrelenting commitment to remain forward-thinking and continually evolve to address the dynamically changing world of business law. It is this fortitude that allows us to serve clients in global business transactions and dispute resolutions around the world, including 20 percent of US Fortune 500 companies. We have long served clients' global business activities by building crossborder practice capabilities, strategically adding international legal experience and establishing working relationships with leading law firms throughout the world. We have assisted clients in more than 100 countries with lawyers who are fluent in 17 languages.

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