

Global Transportation Finance Newsletter

July 2023

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CORSIA – it's (almost) crunch time

As part of the global UN-led effort to tackle climate change, the aviation sector has agreed a basket of measures to decarbonize the industry and achieve net zero carbon emissions by 2050. One of those measures is the Carbon Offset and Reduction Scheme for International Aviation (“**CORSIA**”), the first market-based carbon reduction scheme to cover an entire industry sector. Managed by the International Civil Aviation Organization (“**ICAO**”), CORSIA commits the industry to purchase Eligible Emissions Units (“**EEUs**”) to offset any growth in sector emissions against a pre-agreed baseline.

As the Pilot Phase draws to a close in 2023, the next cycle, the First Phase, operational between 2024-2026, is expected to generate a significant requirement for EEUs: the global aviation sector has recovered strongly from the COVID-19 pandemic and ICAO has set a baseline for CORSIA for the First Phase of 85% of 2019 sector emissions, which could require industry participants to purchase 100-200 million EEUs for offsetting emissions over the First Phase.¹

Here comes the crunch

In March, the Technical Advisory Board (“**TAB**”), which is the body responsible for determining the eligibility criteria for EEUs, updated its rules for the First Phase which contain some key differences and clarifications from the Pilot Phase:

- First, the American Carbon Registry and Architecture for REDD+ Transactions standards were approved to supply EEUs for the First Phase. Additionally, Verra’s VCS programme, The Gold Standard, Climate Action Reserve and the Global Carbon Council were conditionally approved for the First Phase. It is broadly expected that they will be fully approved later this year. TAB is in the process of assessing other crediting schemes and will make further recommendations in Q3/Q4 of 2023.
- Second, only EEUs created from 2021 onwards will be eligible for use and cancellation by operators in the First Phase.
- Finally, and most significantly, EEUs used for First Phase compliance will require a “Corresponding Adjustment”.² Corresponding Adjustments are a mechanism to avoid the double-counting of emission reductions or removals. A Corresponding Adjustment must be granted by the government of the country in which the emission reduction or removal occurs.

Although many countries are engaging in developing their strategies and the required architecture to manage accounting and effect Corresponding Adjustments, this process is still in its relative infancy and there are currently no EEUs available in the market that will satisfy the First Phase criteria.

TAB’s recommendations do not yet constitute formal requirements but are expected to be confirmed by ICAO later this year. In this context, it is vital to establish the supply of EEUs that the aviation industry requires in the First Phase *now*.

Surviving the crunch: can the aircraft leasing and financing industry support the airlines?

Given there are currently no EEUs with a Corresponding Adjustment in the market, it is expected that demand is likely to outstrip supply for many years to come – as well as demand for First Phase CORSIA compliance there will be other areas of demand, including (a) governments seeking to use carbon credits towards their national targets and (b) corporates sourcing “best-in-class” UN-grade emissions reductions/removals who will have these units in their sights. As a result, there will likely be a material effect on pricing as well as availability.

If the sector invests in projects *now*, participants can help to ensure a supply of EEUs for airlines. The EEU cancellation deadline for airlines for the First Phase of CORSIA is 31 January 2028 – this means that airlines will need to have acquired and cancelled a volume of EEUs with a Corresponding Adjustment that is sufficient to match their excess emissions under CORSIA’s rules by that date. Projects normally take several years to be funded, developed, registered and verified before issuing units – this makes it important for investment to be made *now* to establish a supply to meet the considerable airline needs in a few years’ time.

Consideration is being given at ICAO to the legal and financial consequences for airlines that fail to cancel a sufficient quantity of EEUs to cover their obligations – it is reasonable to think that the enforceability of CORSIA will depend on there being meaningful penalties.



Vedder Price Distinguished in *The Legal 500 United States 2023*

The Legal 500 United States 2023 recognized Vedder Price’s Global Transportation Finance team as Top-Tier Firm/Tier 1 in Transport: Aviation and Air Travel – Finance and Transport: Rail and Road – Finance. The team was also recognized as Tier 2 in Transport: Shipping – Finance.

Geoffrey R. Kass and **John T. Bycraft** were each honored with the Hall of Fame distinction, which highlights individuals who have received constant praise from their clients for continued excellence, for Transport: Aviation and Air Travel – Finance and Transport: Rail and Road – Finance respectively. **Jeffrey T. Veber** (Transport: Aviation and Air Travel – Finance, and Transport: Rail and Road – Finance), **Raviv Surpin** (Transport: Aviation and Air Travel – Finance), **Michael E. Draz** (Transport: Rail and Road – Finance), **John E. Bradley** (Transport: Shipping – Finance) and **John F. Imhof Jr.** (Transport: Shipping – Finance) were recognized as Leading Lawyers.

Justine L. Chilvers (Transport: Aviation and Air Travel – Finance) and **Clay C. Thomas** (Transport: Rail and Road – Finance) were each recognized as a Next Generation Partner.

The Legal 500 United States 2023 also recognized **Joel R. Thielen** (Transport: Rail and Road – Finance), **Jillian S. Greenwald** (Transport: Rail and Road – Finance) and **John H. Geager** (Transport: Shipping – Finance) as Rising Stars.

Also ranked as Editorially Recommended in the *The Legal 500 United States 2023*: **Geoffrey R. Kass**, **Jeffrey T. Veber**, **Adam R. Beringer**, **Raviv Surpin**, **Michael E. Draz**, **Mark J. Ditto**, **Cameron A. Gee**, **Justine L. Chilvers** and **James Kilner** (Transport: Aviation and Air Travel – Finance). **John T. Bycraft**, **Clay C. Thomas**, **Geoffrey R. Kass**, **Jeffrey T. Veber**, **Michael E. Draz**, **Joel R. Thielen** and **Jillian S. Greenwald** (Transport: Rail and Road – Finance).

Geoffrey R. Kass, **John E. Bradley**, **John F. Imhof Jr.** and **John H. Geager** were editorially recommended for Transport: Shipping – Finance.

How to support airline customers

The aircraft leasing and financing industry can act today to join in the carbon markets – there are many different activity types for the industry to invest in, ranging from nature-based solutions to sustainable aviation fuel production.³ Projects of different scale, location and profile help to reduce risk – be it legal, geopolitical or environmental – whilst a clear regulatory requirement provides demand for EEU’s.

Participation may seem novel but aircraft lessors are already starting to participate in the carbon markets. Establishing solo projects may suit some but options exist for clubbing together to invest in a variety of projects to produce EEU’s.

Investing now would ensure security of supply and give price certainty, could provide a differentiator from a competitor for a customer, providing a competitive advantage in discussions with airline customers, as well as contributing to the transition to net zero.

Vedder Price is an international law firm with a market-leading reputation in the aviation community with offices in London, Singapore and across the US.

Climate Impact Partners is a market-leading company specializing in carbon project development and finance with its headquarters in London and a significant presence in the US.

Philip Lee LLP is a law firm with a specialist practice in carbon and climate finance with offices in Dublin, London and San Francisco.



John Pearson

Solicitor
+44 (0)20 3667 2915
jpearson@vedderprice.com



Lev Gantly

Partner, Philip Lee LLP
Acting General Counsel, Climate Impact Partners
+353 87 349 3878
lgantly@philipliee.ie | actinggc@climateimpact.com



Robert Stevens

Director of Product Development,
Climate Impact Partners
+44 (0) 1865 591027
robert.stevens@climateimpact.com



Vedder Price Recognized in Chambers USA 2023

Chambers USA 2023 ranked the Global Transportation Finance team Band 1 in the category of Transportation: Aviation: Finance, the guide’s highest honor. It also ranked the team Band 3 in Transportation: Shipping/Maritime: Finance.

Chambers USA 2023 also recognized in Transportation: Aviation: Finance, **Jeffrey T. Veber** as Band 1, **Geoffrey R. Kass** as Band 2, **Adam R. Beringer** as Band 2 and **Cameron A. Gee** as Band 4. **John E. Bradley** was ranked as Band 3 in Transportation: Shipping/ Maritime.



Vedder Price is Recognized for “Most Innovative Deal of 2022” by Ishka

Vedder Price was recently recognized for “Most Innovative Deal of 2022” for representing the lenders in the PK ALIFT warehouse financing.

Global Transportation Finance Shareholder, Vice Chair of the firm’s Executive Committee and member of the firm’s Board of Directors **Jeffrey T. Veber** led the Vedder Price team along with Shareholder **Clay C. Thomas**. Ishka celebrated the 2022 deal of the year award winners at the sixth annual Ishka Aviation Finance Festival in Dublin on May 23.

Read more about the deal and the Ishka awards [here](#).

Maritime Cases to Watch: *American Cruise Lines v. United States*, No. 22-1029 (2d Cir. Mar. 6, 2022)

In February 2022, the 386-passenger U.S.-documented river cruise vessel *VIKING MISSISSIPPI*, which was built to transport passengers to and from shoreside expeditions up and down the Mississippi River, floated out at LaShip shipyard not far from New Orleans, Louisiana, on a voyage that her owner, River 1 LLC (“*River 1*”), and charterer (i.e., lessee), Viking USA LLC (“*Viking USA*”), never anticipated would ultimately take her to the steps of the United States Court of Appeals for the Second Circuit in New York City.

Among the issues brought before the Court by Petitioner and Viking USA competitor American Cruise Lines, Inc. (“*ACL*”), is whether the determination of the United States Maritime Administration (“*MARAD*”) that the charter (i.e., lease) between River 1 and Viking USA is a time charter was “arbitrary and capricious, without evidence to support key findings, and contrary to law,”¹ or as is argued by the Respondents, including MARAD,² MARAD “reasonably found that River 1 and Viking [USA]’s charter agreement is a time charter, not a bareboat charter”³ At the core of this issue is the distinction between a vessel time charter, in which the owner of the chartered vessel is in control of the vessel, and a bareboat charter, in which control rests with the charterer.⁴

The Passenger Vessel Services Act of 1886, as amended, provides that, with limited exceptions, “a vessel may not transport passengers between ports or places in the United States . . . unless the vessel . . . is wholly owned by citizens of the United States for purposes of engaging in the coastwise trade”⁵ and satisfies certain other requirements, including, in most cases, having been built in the United States.⁶ For a corporation or a partnership, or by extension, a limited liability company like River 1 or Viking USA to be a “citizen of the United States” for the purpose of engaging in coastwise trade, including the transportation of passengers between ports or places in the United States, at least 75% of the controlling and equity interests in the corporation, partnership or limited liability company must be owned by citizens of the United States.⁷

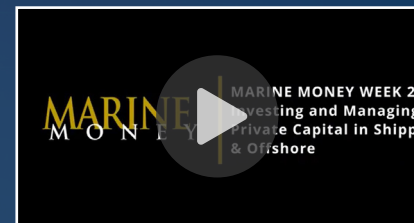
But the citizenship of *VIKING MISSISSIPPI*’s owner is not what is in dispute in *American Cruise Lines*. Rather, the dispute is whether *VIKING MISSISSIPPI*’s charter transfers an impermissible amount of control over *VIKING MISSISSIPPI* from her owner, River 1, which Petitioner ACL does not dispute is a citizen, to her charterer, Viking USA, which as a wholly owned subsidiary of global river cruise company Viking Cruises (Switzerland) AG,⁸ intervenor Viking USA concedes,⁹ and none of the other parties appears to dispute, is not a citizen.

Section 9 of the Merchant Marine Act of 1916, as amended, provides that, with certain exceptions, “a person may not, without the approval of the Secretary of Transportation [in this case acting through MARAD,] sell, lease, charter, deliver, or in any other manner transfer, . . . to a person not a citizen of the United States, an interest in or control of [a U.S.-] documented vessel owned by a citizen of the United States”¹⁰ MARAD has granted a broad general approval for time charters of U.S.-documented vessels from citizens to non-citizens,¹¹ but has consistently withheld its approval of bareboat charters on the grounds that bareboat charters would in such cases transfer too much control from citizen owners to non-citizen charterers.¹² Petitioner ACL argues that MARAD erroneously, arbitrarily and capriciously determined that the charter of *VIKING MISSISSIPPI* from River 1 to Viking USA is a time charter¹³ and asks the Court to vacate MARAD’s determination.¹⁴

In support of its argument, Petitioner ACL asserts that the charter of *VIKING MISSISSIPPI* transfers many key aspects of control over *VIKING MISSISSIPPI* from River 1, as owner, to Viking USA, as charterer, as evidenced in part by terms requiring the vessel’s master, an officer appointed by River 1 and responsible for *VIKING MISSISSIPPI*’s operation, to comply with the reasonable requests of Viking USA’s on-board “brand manager”¹⁵ and terms giving Viking USA the right to require the removal of the vessel’s manager and vessel management team for unsatisfactory performance.¹⁶ Petitioner ACL also asserts that the charter contains other terms indicative of a transfer of control from River 1 to Viking USA, including terms making Viking USA responsible for all of the costs and expenses of operating, repairing and maintaining the vessel,¹⁷ terms shielding River 1 from the economic risk associated with owning the vessel,¹⁸ terms requiring Viking USA to make payments of charter hire (i.e., rent) even if the vessel is off hire (i.e., out of service),¹⁹ and terms requiring Viking USA to pay advance charter hire used by River 1 to pay a portion of River 1’s cost of building the vessel.²⁰

June 26, 2023

Dylan Potter moderated a panel at Marine Money Week in New York. Dylan moderated the panel titled “Investing and Managing Private Capital in Shipping & Offshore: Current Conditions & Outlook” where he led a discussion on topics relating to direct lending to direct equity investing, private capital becoming a permanent feature of the shipping and offshore industries, and a key supplement to traditional capital markets and commercial banks. Participants also discussed the state of the market and how these important trends are likely to evolve in the coming years.



June 21, 2023

David M. Hernandez presented at the 2023 Isle of Man Aviation Conference at the Villa Marina in Douglas, Isle of Man. The conference served as a place for business aviation industry professionals to discuss the issues and challenges facing the industry. David participated in the panels “Realities of the future – can aviation transition” and “A view from the US – what should we expect over the next 5 years.”

June 8, 2023

David M. Hernandez presented at the National Business Aviation Association (NBAA) Business Aviation Taxes Seminar in Chicago. David spoke on the panel “Aircraft Leasing Complexities” where he and his co-panelist explained the relevant FAA and tax concerns and gray areas, discussed FAA and tax concerns relating to shared and joint use of aircraft, analyzed the application of the exceptions to the listed property rules provided in IRC Sec. 280F(c)(1), explained how IRC Sec. 280F(c)(2) through (4) operates for aircraft lessees and discussed FAA issues such as the transfer of operational control.

The Respondents deny or dispute the significance of each of the Petitioner’s assertions in light of certain other factors and argue that MARAD’s determination was reasonable.²¹

Regardless of how the Court rules, its decision in *American Cruise Lines* is likely to have a significant impact not just on the chartering and financing of river cruise vessels transporting passengers up and down the Mississippi River, but also on the financing and chartering of other vessels in U.S. coastwise trade, including those transporting merchandise between points in the United States in accordance with the Jones Act.

If the Court rules in favor of the Respondents, foreign companies hoping to enter coastwise trades currently reserved to citizens of the United States, including those involving everything from the transportation of crude oil and refined petroleum to the installation of wind farms on the U.S. outer Continental Shelf, may turn to the use of charters similar to the *VIKING MISSISSIPPI* charter as a means of accessing those trades.

Oral arguments are expected in the second half of 2023.



John F. Imhof Jr.

Shareholder
+1 (212) 407 6984
jimhof@vedderprice.com

June 7, 2023

Joshua Alexander presented at the Airline Economics Growth Frontiers Tel Aviv conference. He participated in the panel “Legal aspects of aircraft investment, leasing & finance” where he and his co-panelists discussed registration, repossession, jurisdiction, transferability and more.

June 5, 2023

Anthony J. Renzi Jr., Shareholder and member of the Securities and Capital Markets group, spoke at the Maritime Leaders Summit in Norway. He moderated the panel “Shipping – The Investor’s Perspective,” where he led the conversation on how investors approach shipping today and addressed issues such as choice of sectors, investing in equities or assets, sector diversification, industry consolidation and M&A, and capital allocation strategies.



May 11-12, 2023

John Pearson attended the Airline Economics Dublin Aviation & Environment Summit, where he moderated the panel “The Crucial Role of Offsets in Aviation Net Zero Targets.” He and his panelists discussed how the voluntary carbon markets will play a major part in aviation’s flightpath to net zero.

April 28, 2023

David M. Hernandez presented at the AeroPodium’s Aircraft Financing and Investment Opportunities Roundtable in Miami, an event that allows those in the industry to explore all aspects of aircraft financing and new investment opportunities in aviation. David joined his peers during the session “Aircraft Purchase and Sale,” where they discussed various topics including aircraft acquisition planning, aircraft sourcing, aircraft appraisal, pre-purchase inspection, aircraft history, airworthiness, maintenance programs, international airworthiness and asset management.

27th Annual Chi-Stat Reception

Vedder Price proudly sponsored the 27th Annual Chi-Stat Reception on June 7, 2023, marking a remarkable celebration of Chicago’s thriving commercial aviation sector. Joined by the esteemed Chi-Stat hosts, Tom Heimsoth from Willow Aviation Services, Nick Popovich from Sage-Popovich, Inc., Dean Gerber from Airfin Advisors, Pete Seidlitz from Bristol Associates, Greg May from Valkyrie Aero, Stan Chmielewski from Aircastle Advisor LLC, Chris Cox from Blue Star Aviation, and Petar Todorovic from Sage-Popovich, the event brought together the brightest minds and key players in our field.

Vedder Price was delighted to contribute to this long-standing tradition, recognizing the significance of Chicago’s presence in the aviation industry. Our commitment to fostering growth and innovation aligns perfectly with the spirit of the Chi-Stat Reception, making it a privilege to support such a prestigious event. We extend our gratitude to the hosts and all attendees for their contributions in making this event a resounding success. Together, we continue to shape the future of aviation and reinforce Chicago’s position as a global hub for commercial aviation.



April 18, 2023

John E. Bradley spoke at the Senior Management Training Course hosted by the General Stevedoring Council. The course was attended by selected mid – level managers of member companies from seven countries who are expected to become senior executives within their respective organizations. The course included nine days of intensive training in all aspects of leading a maritime enterprise, including operations, finance, health and safety, mergers and acquisitions and legal. John conducted training on legal issues and curated this topic to cover contracting best practices.

March 28, 2023

Bill Gibson participated in the Ishka Investing in Aviation: Europe in London. Bill moderated the panel entitled “How deep is bank appetite?” where he led a conversation exploring how banks can support their clients with capital markets yet to reopen and lessors now being supported by warehouse facilities, the changes in pricing and leverage banks have seen in recent months, key features of warehouse facilities being deployed, and how will the transition away from LIBOR impact new and existing deals.



March 20, 2023

John E. Bradley moderated a panel on the Russian oil price cap at the 17th Annual Capital Link International Shipping Forum in New York City.



March 14, 2023

Ji Woon Kim presented at the Airline Economics Growth Frontiers Korea event at the Conrad Hotel in Seoul, South Korea. He moderated the panel “Commercial Aviation Banking & Finance.”

Marine Money Week Dinner with Vedder Price

Vedder Price hosted a dinner in connection with Marine Money Week during their 35th annual conference on June 20, 2023. The exclusive gathering saw the convergence of our esteemed clients, friends, and influential figures from the maritime industry, making it an unforgettable evening.



Vedder Price Advises De Lage Landen Financial Services, Inc. in \$850M Securitization Transaction of Construction, Transportation and Industrial-Related Equipment Financings

Vedder Price is pleased to announce that it represented De Lage Landen Financial Services, Inc. (DLLFS), as originator, sponsor and servicer, in connection with the DLLMT 2023-1 securitization, issuing notes totaling \$850 million. The notes are backed by secured loans and leases involving construction, transportation and industrial-related equipment. Vedder Price had also advised DLL Finance LLC, an affiliate of DLLFS, in connection with a securitization transaction that closed in **February 2023**. The Vedder Price team included Capital Markets Shareholder **Kevin A. MacLeod** and Global Transportation Finance Shareholder **Edward K. Gross**.

Vedder Price Advises Maritime Partners on Groundbreaking \$235.3M Securitization

Vedder Price represented Maritime Partners, LLC, as sponsor in MP 2023-1, a term securitization transaction involving the issuance of \$235.3M of secured vessel notes secured by a portfolio of 316 inland marine barges and towboats. This is Maritime Partners' inaugural securitization transaction and the first capital markets issuance comprised entirely of inland marine vessels. Maritime Partners is a maritime leasing and finance company primarily focusing on vessels operating on inland waterways under the Jones Act. Shareholder **Clay C. Thomas** led the Vedder Price team that included Shareholders **John F. Imhof Jr.** and **Joel R. Thielen** and co-chair Securities & Capital Markets Group **John T. Blatchford**, Tax shareholder **Matthew P. Larvick** and Global Transportation Finance associates **John H. Geager** and **Nathan M. Telep**.

Inaugural Trinity Invitational

Jack T. Bycraft, Clay C. Thomas, and Jill S. Greenwald swung into action at the inaugural Trinity Invitational, held at Cedar Crest Golf Course on April 21, 2023. This fantastic event not only showcased their golfing skills but also raised \$400,000 for the United Way of Metropolitan Dallas! We're honored to have been part of this incredible initiative and extend our appreciation to everyone who made the inaugural Trinity Invitational a resounding success.



Air Canada Foundation Golf Tournament

Vedder Price was proud to once again partner with Air Canada and the Air Canada Foundation to support multiple charities focused on improving children's health and well-being in Canada and beyond. Shareholders John T. Blatchford and Clay C. Thomas joined the Air Canada team, including David Perez and Anna-Maria Masciotra, for a great day of golfing and fund raising for this worthy cause at Golf Saint-Raphael in Montreal, Quebec.



Vedder Price Advised Aviation Capital Group on \$600M Unsecured Notes Offering

Vedder Price advised Aviation Capital Group LLC (ACG), one of the world's premier full-service aircraft asset managers, in connection with its offering of \$600M aggregate principal amount of 6.250% senior notes due 2028. Kevin A. MacLeod, Shareholder and Head of the New York Capital Markets group, led the Vedder Price team, that also included Capital Markets Shareholder **Jennifer Durham King**, Tax Shareholder **Andrew Falevich**, and Capital Markets Associates **Juliette M. Todd** and **Sam Esclavon**.

Vedder Price Represented Macquarie Rotorcraft in Helicopter Portfolio Transaction

Vedder Price represented Macquarie Rotorcraft in connection with the acquisition of a 12-helicopter portfolio from Milestone Aviation Group. The helicopters included in the transaction are on lease to six customers in nine countries across Europe, the Middle East, Africa and Southeast Asia. The Vedder Price legal team was led by Global Transportation Chair, **Geoffrey R. Kass** and also included Shareholder **Theresa Mary Peyton** and Associate **Joshua Alexander** in London.

Endnotes

CORSIA – it's (almost) crunch time

¹ Source: Trove Research

² These updates are set out in "Clarifications of TAB's Criteria Interpretations Contained in TAB Reports".

³ The latter has, for example, made India's list of Article 6 project activities.

Maritime Cases to Watch: American Cruise Lines v. United States, No. 22-1029 (2d Cir. Mar. 6, 2022)

¹ Brief for Petitioner (Redacted) at 3, American Cruise Lines v. United States (2d Cir. 2022) (No. 221029) (filed Dec. 15, 2022).

² The other Respondents are the United States of America, the United States Department of Transportation, Pete Buttigieg in his official capacity as the Secretary of Transportation, and Lucinda Lessley in her official capacity as the Acting Maritime Administrator.

³ Redacted Brief for Respondents at 13, American Cruise Lines v. United States (2d Cir. 2022) (No. 221029) (filed Apr. 11, 2023).

⁴ See Brief for Petitioner (Redacted) at 25, and Redacted Brief for Respondents at 13-16.

⁵ 46 U.S.C. § 55103(a)(1).

⁶ See id. §§ 12103(a)(2), 12112(a) and 55103(a)(2).

⁷ See id. § 50501(a)-(c).

⁸ See Brief for Intervenor Viking USA LLC in Support of Respondents (Redacted), Disclosure Statement, American Cruise Lines v. United States (2d Cir. 2022) (No. 22-1029) (filed Apr. 13, 2023).

⁹ See id. at 1.

¹⁰ 46 U.S.C. § 56101(a)(1)(A)(i); see also 46 C.F.R. § 221.11(a).

¹¹ See 46 C.F.R. § 221.13(a)(1).

¹² See id.; see also, e.g., 55 Fed. Reg. 14040, 14046 (Apr. 13, 1990).

¹³ See Brief for Petitioner (Redacted) at 3.

¹⁴ See id. at 26.

¹⁵ See Reply Brief [for Petitioner] (Redacted) at 1, American Cruise Lines v. United States (2d Cir. 2022) (No. 22-1029) (filed May 18, 2023); see also Brief for Petitioner (Redacted) at 17.

¹⁶ See Brief for Petitioner (Redacted) at 38, citing MARAD's own regulations at 46 C.F.R. § 356.11(a)(3), which provide that "an impermissible transfer of control will be deemed to exist where a Non-Citizen . . . [h]as the right to direct the transfer, operation, or manning of" a vessel. The regulations at 46 C.F.R. § 356.11 relate to fishing industry vessels, but certain principles underlying those regulations were used by MARAD in rendering its VIKING MISSISSIPPI determination. See id. at 10, referencing MARAD's Response to Comments and Final Action at p. 2.

¹⁷ See id. at 32-33, citing 46 C.F.R. § 356.11(a)(8), which provides that an impermissible transfer of control will also be deemed to exist where a non-citizen "[a]bsorbs all of the costs and normal business risks associated with ownership and operation of" a fishing industry vessel; see also supra note 16.

¹⁸ See id. at 34.

¹⁹ See id. at 34-37.

²⁰ See id. at 39-48, citing, inter alia, Meacham Corp. v. United States, 207 F.2d 535 (4th Cir. 1953), in which certain factors, including the much larger investment by a non-citizen in the acquisition of a vessel relative to the much smaller investment by citizens, were found to give the non-citizen control of the vessel notwithstanding that the vessel was otherwise controlled by the citizens.

²¹ See Redacted Brief for Respondents at 17-28.

Global Transportation Finance Team

Chicago

Shareholders

Adam R. Beringer+1 (312) 609 7625
John T. Bycraft+1 (312) 609 7580
Mark J. Ditto+1 (312) 609 7643
Michael E. Draz+1 (312) 609 7822
Geoffrey R. Kass, Chair+1 (312) 609 7553
James Kilner+1 (312) 609 7516
Theresa Mary Peyton+1 (312) 609 7612
Joel R. Thielen+1 (312) 609 7785

Counsel

Daniel J. Barlin+1 (312) 609 7669

Associates

Daniel M. Cunix+1 (312) 609 7628
Ciara Davenport+1 (312) 609 7554
Conor A. Gaughan+1 (312) 609 7620
Jillian S. Greenwald+1 (312) 609 7633
Jeffrey L. Landers II+1 (312) 609 7664
Kevin M. Maedoman+1 (312) 609 7732
John G. Munyon+1 (312) 609 7645
Brian D. Wendt+1 (312) 609 7663

Dallas

Associates

Tinuade V. Familuyi+1 (469) 895 4775
Caleb P. Ohrn+1 (469) 895 4787
Muhammad Sohail+1 (469) 895 4773
Nathan M. Telep+1 (469) 895 4827

London

Partners

Bill Gibson+44 (0)20 3667 2940
Gavin Hill+44 (0)20 3667 2910
Neil Poland+44 (0)20 3667 2947
Dylan Potter+44 (0)20 3667 2918
Derek Watson+44 (0)20 3667 2920

Solicitors

Joshua Alexander+44 (0)20 3667 2850
Niovi Antoniou+44 (0)20 3667 2927
Fraser Atkins+44 (0)20 3667 2943
Sahiba M. Chopra+44 (0)20 3667 2874
Natalie Chung+44 (0)20 3667 2916
Jack Gooled+44 (0)20 3667 2934
Esha Nath+44 (0)20 3667 2935
John Pearson+44 (0)20 3667 2915
Andrew Rabet+44 (0)20 3667 2931
Sarah Yeow+44 (0)20 3667 2917

Los Angeles

Shareholders

Raviv Surpin+1 (424) 204 7744
Clay C. Thomas+1 (424) 204 7768

Counsel

Ayn L. Moldave+1 (424) 204 7790

Associates

Gabriela Dernos+1 (424) 204 7710
Simone M. Riley+1 (424) 204 7757
Adam C. Winkel+1 (424) 204 7778

New York

Shareholders

John E. Bradley+1 (212) 407 6940
Justine L. Chilvers+1 (212) 407 7757
Cameron A. Gee+1 (212) 407 6929
John F. Imhof Jr.+1 (212) 407 6984
Kevin A. MacLeod+1 (212) 407 7776
Christopher A. Setteducati+1 (212) 407 6924
Jeffrey T. Veber+1 (212) 407 7728

Counsel

Amy S. Berns+1 (212) 407 6942

Associates

Alexandra A. Davidson+1 (212) 407 7646
John H. Geager+1 (212) 407 7642
Megan V. Hardy+1 (212) 407 7748
Sarah E. King+1 (212) 407 7752
Kayla M. Mistretta+1 (212) 407 7772

Singapore

Shareholder

Ji Woon Kim+65 6206 1310

Associates

Benavon Lee+65 6206 1335
Mie Miura+65 6206 1318
Kris Podkonski+65 6206 1319
Greg Whillis+65 6206 1316

Washington, DC

Shareholders

Edward K. Gross+1 (202) 312 3330
David M. Hernandez+1 (202) 312 3340

Associates

Sandy W. Chen+1 (202) 312 3012
Francisco Koishi Ishino+1 (202) 312 3326

VedderPrice

Global Transportation Finance

The Vedder Price Global Transportation Finance team is one of the largest, most experienced and best recognized transportation finance practices in the world. Our professionals serve a broad base of clients across all transportation sectors, including the aviation, aerospace, railroad, general equipment and marine industries, and are positioned to serve both U.S.-based and international clients who execute deals worldwide.

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