

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

_____)	
UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	
)	
ALL PETROLEUM-PRODUCT CARGO)	
ABOARD THE ACHILLEAS WITH)	
INTERNATIONAL MARITIME)	Civil Case No. 21-cv-305 (PLF)
ORGANIZATION NUMBER 9398072,)	
)	
Defendant <i>In Rem</i> , and)	
)	
FUJAIRAH INTERNATIONAL OIL & GAS)	
CORPORATION,)	
)	
Claimant)	
_____)	

**CLAIMANT FUJAIRAH INTERNATIONAL OIL & GAS CORPORATION VERIFIED
CLAIM AND STATEMENT OF INTEREST IN DEFENDANT PROPERTY**

Claimant Fujairah International Oil & Gas Corporation ("FIOGC" or "Claimant") hereby submits this verified claim pursuant to Federal Rules of Civil Procedure, Rule G(5) of the Supplemental Rules for Admiralty for Maritime Claims and Asset Forfeiture Actions, and asserts their interest in the "all petroleum-product cargo aboard the *MT Achilleas* with International Maritime Organization Number 9398072" (the "Defendant Property," as defined in the United States' Verified Complaint for forfeiture *in rem* filed with this Court on February 2, 2021) as follows:

1. Claimant has a possessory interest in, and is intermediary seller of, the Defendant Property as restrained when aboard the vessel *MT Achilleas*, International Maritime Organization ("IMO") Number 9398072.

2. Claimant is also a voyage charterer and a bill of lading shipper of the Defendant Property aboard the *MT Achilles*.
3. As Claimant has an assignment of an ownership interest in the Defendant Property sought to be forfeited as a bona fide purchaser or seller for value of Defendant Property, for the reasons set forth below, Claimants assert their cognizable interest in, and valid claim to, the Defendant Property.

Background

4. FIOGC is a company incorporated under the laws of the United Arab Emirates ("UAE") with Industrial License Number 1019059 and Federal Registration Number 10022656. Its address and principal place of business is Emirate of Al Fujairah, Office 1502, Al Hilal Tower, with mailing address P.O. Box 3040, Fujairah, UAE and with a secondary office at Office # 2604, Burj Al Salam, Sheraton Grand, Shiekh Zayad Road, Dubai, UAE.
5. FIOGC is owned, controlled, and operated by the Government of Fujairah. Specifically, FIOGC is wholly owned by the Ruler of the Emirate of Fujairah and Supreme Council Member, His Highness Sheikh Hamad bin Mohammed Al Sharqi. The sole director of FIOGC is His Excellency Mohamed Saeed Abdulla Ahmed Al Dhanhani, who is also the director of the Amiri Diwan, the Ruler's Office in Fujairah. Mr. Al Dhanhani functions in a position similar to the chief of staff for the Ruler of Fujairah, His Highness Sheikh Hamad bin Mohammed Al Sharqi.
6. FIOGC was established February 6, 2020 and is licensed to conduct certain distinct business activities, including importing, exporting, wholesale of crude oil trading, and petroleum materials storing. A primary business objective for FIOGC is to act as an

intermediary to market, purchase, sell, and transport petroleum products through the use of tanker vessels as floating storage facilities in the Port of Fujairah, UAE until the end purchaser is found and contracted with.

7. The floating storage facility business plan was particularly important in 2020 given the lack of available shore-based oil storage facilities in the UAE in light of depressed oil prices, glut in the oil market, and the effects of COVID-19 pandemic hindering worldwide demand.

Claimants' Interests in the Defendant Property

Claimant will demonstrate during this proceeding its valid claim to, and cognizable interest in, the Defendant Property. FIOGC entered into a voyage charter of the *MT Achilleas* for the express purpose of carrying the Defendant Property to an end purchaser in China. FIOGC has a cognizable interest in, and is the shipper of, approximately 276,408.40 MT of contracted Iraqi-origin petroleum-product cargo carried aboard the *MT Achilleas*. FIOGC's supports its interests in the Defendant Property as follows:

8. On April 4, 2020, FIOGC entered a supply and marketing contract (the "Supply Contract") with an Iraqi oil supplier ("Iraqi Supplier").¹
9. The Supply Contract was governed by UAE law and duly executed by the Iraqi Supplier and FIOGC.
10. Pursuant to the terms of the Supply Contract, the Iraqi Supplier agreed to deliver to FIOGC two million barrels of "Iraqi raw oil within June 2020" in Al Fujairah Port or any safe port in the UAE.

¹ The Supply Contract is subject to a confidentiality clause and will be made available following a protective order.

11. The Iraqi Supplier also agreed to issue to FIOGC all shipping documents issued by the Republic of Iraq, including the bill of lading, in the name of FIOGC so that FIOGC as intermediary could find and conduct the process of selling to a "final purchaser."
12. When the sale of the Iraqi-origin oil was completed with the final purchaser, the profits would then be distributed pursuant to the terms of the Supply Contract.
13. On May 15, 2020, FIOGC entered into a management agreement with Benchmark Ship Management LLC, a company incorporated in the UAE with a registered office at Dubai, UAE (the "Management Agreement").
14. The purpose of the Management Agreement is for Benchmark to serve as technical managers and operators of a floating storage facility in the Port of Fujairah, UAE.
15. In the documents supplied by Iraqi Supplier per the Supply Contract, on June 22, 2020, the Republic of Iraq State Oil Marketing Organization ("SOMO") issued bill of lading No. 25-0408 - BBL/1973/2020 ("Bill of Lading"), at the Basrah Oil Terminal, Iraq for 280,081 MT of crude oil aboard the *MT Lubov* (n/k/a *Ethan*, IMO no. 9293741) to be delivered to the order of consignee FIOGC at the Port of Fujairah, UAE.
16. SOMO also issued a Certificate of Origin for the 280,081 MT export cargo with the origin "Republic of Iraq" for the Bill of Lading.
17. On July 8, 2020, FIOGC time chartered the *MT Trident Liberty* (IMO No. 9237072) through a Greek-broker, Intermodal Shipbrokers, to serve as a floating storage facility in the Port of Fujairah, UAE.
18. *MT Lubov* was initially directed to Port of Fujairah to deliver Defendant Property to *MT Trident Liberty* as a floating storage facility, although both vessels ultimately called on a nearby alternate port, Khor Fakkan, UAE.

19. On August 24, 2020, bill of lading number TL-KFN-001 was issued at Khor Fakkan, UAE to the order of FIOGC for 280,475.441 MT of crude oil aboard the *MT Trident Liberty*, serving as a floating storage facility, stemmed from *MT Lubov* via a Ship-to-Ship ("STS") transfer.
20. In September 2020, an Irrevocable Corporate Purchase Order for 1,000,000-2,000,000 barrels of crude oil to be loaded at the Port of Fujairah, UAE was issued by an oil refinery in China (the "Chinese Buyer") in favor of FIOGC.
21. One month later, on October 6, 2020, FIOGC ("Seller") entered into a contract with the Chinese Buyer for the purchase and sale of crude oil to be shipped from the UAE (the "Purchase Contract").²
22. Under the terms of the Purchase Contract, the Defendant Property is to be sold to the Chinese Buyer, the intended receiver of all the petroleum-product cargo aboard the vessel *MT Achilleas*, with payment due upon successful completion of commodity inspections at the Chinese arrival port, after which FIOGC is contractually obligated to endorse and transfer the full property rights of the oil cargo to the Chinese Buyer.
23. FIOGC was contractually responsible for chartering a vessel to carry the Defendant Property to China. Pursuant to a voyage charterparty dated October 14, 2020, as also brokered by Intermodal Shipbrokers, *MT Achilleas* Owners, Achilleas Carriers Corp. of Monrovia, Liberia, agreed to deliver a cargo of crude oil from Fujairah, UAE to China following a STS transfer from *MT Trident Liberty*, the floating storage facility.
24. On November 4, 2020, *MT Achilleas* commenced an STS loading of Defendant Property from *MT Trident Liberty*, serving as a floating storage facility.

² The Purchase Contract is subject to a confidentiality clause and will be made available following a protective order.

25. On November 11, 2020, *MT Achilleas* and *MT Trident Liberty*, serving as a floating storage facility, neared completion of their STS transfer with approximately 276,408.40 MT of the Defendant Property amid various suspensions of the STS transfer operations.
26. Also on November 11, 2020, FIOGC received a cargo insurance quote from Al Dhafra Insurance Company, a leading UAE listed company and insurer, for around 280,400 MT of the Defendant Property that the insurer would cover upon FIOGC providing the Bill of Lading for the passage to China.
27. The insurance would ultimately not be effectuated because on or about December 12, 2020, on information and belief based on publically available information, the United States Government seized the Defendant Property aboard the *MT Achilleas* at Fujairah Anchorage, UAE.
28. At the time the Defendant Property was seized, the *MT Achilleas* was in the Port of Fujairah and within the territorial seas of the UAE.
29. On December 31, 2020, on information and belief based on publically available information, *MT Achilleas* departed the Port of Fujairah, UAE for the United States at the direction of the U.S. Government.
30. On or about March 1, 2021, on information and belief based on publically available information, the *MT Achilleas* is reported to have discharged approximately 600,700 barrels of Defendant Property to the Bahamian-flag *MT Everest Spirit* (IMO No. 9281009) in a STS transfer in the port of Galveston, Texas (GOLA Offshore Terminal).
31. On information and belief based on publically available information, the *MT Everest Spirit* was reported to have offloaded that Defendant Property in Houston, Texas, and returned to GOLA Offshore Terminal on or about March 4, 2021.

32. As a result of the seizure of the Defendant Property, the bona fide agreements between FIOGC and their counterparties remain unfulfilled.

33. Accordingly, for all the reasons set forth above, Claimant FIOGC has a legally cognizable interest in, and valid claim to, the Defendant Property and retains a financial stake in the above referenced counterparty agreements. Exhibit A— Verification of Fujairah International Oil & Gas Corporation.

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Attorneys for Claimant
FUJAIRAH INTERNATIONAL OIL & GAS
CORPORATION

Dated: March 11, 2021

CERTIFICATE OF SERVICE

I, Gerald A. Morrissey III, declare as follows:

I am employed in Washington, D.C., I am over the age of eighteen years and am not a party to this action; my business address is 800 17th Street N.W., Suite 1100, Washington, D.C. 20006, in said District of Columbia. On March 11, 2021, I served the following documents:

Claimant's Verified Claim and Statement of Interest in Defendant Property

Verification (on behalf of Claimant)

Notice Of Appearance

Motion for Admission of Attorney *Pro Hac Vice* (Christopher Nolan)

Motion for Admission of Attorney *Pro Hac Vice* (Sean Pribyl)

on the parties stated below, by the following means of service:

**United States District Court, District of Columbia, Clerk of the Court,
333 Constitutional Avenue, NW, Washington, D.C. 20001**

**Assistant United States Attorney Michael Grady, 555 4th Street, NW, Washington,
DC 20530, michael.grady3@usdoj.gov**

- BY MESSENGER SERVICE:** I placed a true copy in a sealed envelope or package addressed to the persons at the addresses listed above and providing them to a professional messenger service for service for delivery before 5:00 p.m. on the above-mentioned date.
- BY ELECTRONIC TRANSFER TO THE CM/ECF SYSTEM:** On this date, I electronically uploaded a true and correct copy in Adobe "pdf" format the above-listed documents to the United States District Court's Case Management and Electronic Case Filing (CM/ECF) system.
- BY ELECTRONIC SERVICE:** On the above-mentioned date I caused the documents to be sent to the persons at the electronic notification address as shown above: michael.grady3@usdoj.gov
- (FEDERAL)** I declare under penalty of perjury that the foregoing is true and correct.

Executed on March 11, 2021.

/s/ Gerald A. Morrissey III
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UNITED STATES DISTRICT COURT
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 v.)
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 ALL PETROLEUM-PRODUCT CARGO)
 ABOARD THE ACHILLEAS WITH)
 INTERNATIONAL MARITIME)
 ORGANIZATION NUMBER 9398072,)
)
 Defendant *In Rem*, and)
)
 FUJAIRAH INTERNATIONAL OIL & GAS)
 CORPORATION,)
)
 Claimant)
 _____)

Civil Case No. 21-cv-305 (PLF)

VERIFICATION

I, Hani Ali, on behalf of Fujairah International Oil & Gas Corporation ("FIOGC"), verify under penalty of perjury under the laws of the United States of America that I have authority to act on behalf of FIOGC, and that the foregoing Verified Claim in this matter is true and correct.

Executed this 10th day of March, 2021 in Dubai, UAE.

Hani

 Hani Ali
 Commercial Manager
 on behalf of Fujairah International Oil & Gas Corporation



UNITED STATES DISTRICT COURT
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UNITED STATES OF AMERICA)

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ALL PETROLEUM-PRODUCT CARGO ET AL.)

Defendant)

Case No. Civil Case No. 21-cv-305 (PLF)

APPEARANCE OF COUNSEL

To: The clerk of court and all parties of record

I am admitted or otherwise authorized to practice in this court, and I appear in this case as counsel for:

FUJAIRAH INTERNATIONAL OIL & GAS CORPORATION .

Date: 03/11/2021

/s/ Gerald Morrissey

Attorney's signature

Gerald A. Morrissey III (Bar No. 488730)

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