Preface Table of Cases Table of Statutes	Page ix xvii xxiii
INTRODUCTION TO LETTERS OF INDEMNITY	1
Generally	1
Scope	1
Approaches to the use of letters of indemnity	3
2 LETTERS OF INDEMNITY AND THE CARRIAGE OF GOODS BY SEA	5
ntroduction	5
Γhe indemnity contract in English law	5
The interface between letters of indemnity and the bills of lading	8
B LETTERS OF INDEMNITY AND BILLS OF LADING	11
ntroduction	11
Shippers v carriers	11
Letters of indemnity and clean bills of lading	11
Letters of indemnity and delivery without production of a bill of lading	13
Letters of indemnity against a change to the cargo destination	15
Charterers v head owners	16
Letters of Indemnity and clean bills of lading	16
Letters of indemnity and delivery without production of the bill of lading	21
Letters of indemnity against a change to the cargo destination	25
Receivers v carriers	25
Letters of indemnity and clean bills of lading	25
Letters of indemnity and delivery without the production of the bill of lading	27
Letters of indemnity against a change to the cargo destination	27
Sellers v buyers	28
Letters of indemnity and clean bills of lading	28
Letters of indemnity and delivery without production of the bill of lading	28
Letters of indemnity against a change to the agreed discharge port	30
Banks v sellers	30
Letters of indemnity and clean hills of lading	3.1

Letters of indemnity and delivery without production of the bill of lading Letters of indemnity against a change to the cargo destination	32 34
4 LOIs, THE INTERNATIONAL APPROACH	37
Introduction	37
The CMI conferences	38
The 1927 Amsterdam conference	38
Proposal 1: Substitution of letters of indemnity with guarantees for shipper-sellers	s' banks 40
Notice of letter of indemnity between cargo underwriters and shipowners	41
Proposal 2: The report of the French Maritime Law Association, a proposal for an	
international convention	41
The 1954 Brighton CMI sub-committee meeting	43
The 1955 Madrid conference	45
Criminalization of illegitimate use of letters of indemnity	45
Form of Shipper's supplemental indemnity	46
5 "CLEAN BILLS" LOIs, THE ENGLISH POSITION	51
Introduction	51
United Baltic Corporation Ltd. v Dundee, Perth & London Shipping Company	52
Brown Jenkinson v Percy Dalton	53
The facts	53
The judgments	56
The High Court's judgment	56
Judgment of the Court of Appeal	58
Unenforceability, the exception or the rule?	61
Reliance on letters of indemnity by third parties	63
Notice of letter of the indemnity to third parties	65
5 POLICY CONSIDERATIONS	69
Introduction	69
Should clean bills LOIs be enforceable?	69
Effect of the maxim ex turpi causa non oritur actio?	71
Questions of fact, a case by case approach	74
The no-reliance test	75
Electronic bills of lading	78
DISCHARGE LOIS AND THE PRESENTATION RULE	81
Generally	81
Difficulties created by the presentation rule	81
The consequences of the impossibility of fulfilling the presentation rule	83
The use of a letter of indemnity and its consequences	84
The bank's action in coversion	87
The bank's position where the goods are discharged against a letter of indemnity:	
estoppel by convention or conduct	87
Where the carriage or sale contracts delivered to the bank provide for delivery ag	
letter of indemnity without production of the bill of lading	92
Banks financing the pre-shipment transaction	92
Banks' financing role under letters of credit	94
The Antwerpen clause	95

Where the letter of credit provides for alternative delivery of the goods against a LOI where the shipping documents are not available Summary of the Banks' position	99 104
Where the bank -irrespective of provisions in the contracts of sale and carriage -	
consents to delivery without production of the bill of lading	104
The bank's action in tort: civil conspiracy	106
8 ENFORCING "DISCHARGE" LETTERS OF INDEMNITY	109
Generally	109
The carrier's right of redress under a letter of indemnity	109
Countersigned letters of indemnity	116
Banks and the autonomy rule	118
Circumstances in which the autonomy principle has been held to apply to contracts of indemnity	119
Factual similarities between the letter of credit and the contract of indemnity	
and the application of the autonomy principle	120
The application of the fraud exception	121
The future	123
Would electronic bills of lading be negotiable, transferable documents?	126
Alternative systems to negotiability: towards an E-presentation rule?	127
The registry system	127
The private key system	128
The impact of the current situation on public policy	130
9 CHANGE OF DESTINATION LOIs	131
Generally	131
Letters of indemnity issued against a change of cargo destination	131
The shipper's right to request a change to the port of discharge	132
The bill of lading as a contract of carriage	135
The contract of carriage with the shipper	135
The contract of carriage between the carrier and the receiver	136
The obligation to deliver the goods at the port of destination	137
The enforceability of letters of indemnity issued against a change of discharge port	138
Electronic bills of lading	141
10 LETTERS OF INDEMNITY AND P&I COVER	143
Introduction	143
Exceptions for "illegality" and "wilful misconduct"	144
Exclusion of "illegal, hazardous or improper" trades or voyages	144
Wilful misconduct of the member	144
Bills of lading with a false description of the goods, their quantity or condition	145
Issue of ante- or post-dated bills of lading	146
Circumstances not amounting to "wilful misconduct"	147
Introduction	147
Discharge of cargo at a port or place other than that stipulated in the contract of carriage	147
Delivery of cargo without production of bills of lading	148
Delivery without production of a bill of lading, under instructions, in return	
for a letter of indemnity	149
Enforceability and contents of the IG recommended LOI	152

Enforceability	152
Commercial risks associated with the use of the IG LOI	153
Contents and interpretation of the IG-recommended LOI wording	154
11 IMPLIED INDEMNITIES	159
Generally	159
Implied terms generally	159
The carrier's right to an implied indemnity	161
Implied indemnities where the cargo is tendered without production of the bill of	flading 163
Implied indemnities against change of destination bills of ladings	165
Implied indemnities given for clean on board bills of ladings	165
APPENDICES	
1 Gafta contract form no. 100	167
2 Fosfa contract form no. 11	179
3 G18	183
4 G20	189
5 G19	195
Index	201