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► **Circular on the transport of Iranian oil via the United Arab Emirates**

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To all Members,

We have made aware that some tanker owners have recently fallen victim to attempts to export crude oil from Iran, in breach of sanctions. On several occasions, oil originating in Iran has been falsely described as of Iraqi origin and delivered to vessels in Khor Fakkan, UAE, by Ship to Ship (STS) transfer. Those vessels have then attempted to transport the oil to countries that do not benefit from a waiver under the applicable US Sanctions legislation.

It is unlawful for the Club to provide insurance to vessels which load Iranian cargo in such circumstances, and cover will cease immediately upon such cargo being loaded, in accordance with the Club's sanctions' cesser rule. Accordingly, the Club would like to alert our Members that documentation purporting to show oil as being of Iraqi origin should not be taken at face value.

Members should also be aware that the transport of Iranian oil to states which do not benefit from a waiver under US law, may trigger enforcement action by the US authorities against the vessel, its owners and related parties.

Members are advised to exercise extreme caution when engaging in STS operations in the Arabian Gulf. In particular, it is recommended that Members check with port agents whether vessels providing cargo by means of an STS transfer loaded the cargo at the port stated in the cargo documentation. This should be done before any cargo is received. It is also advisable to ensure that charter parties contain an appropriate sanctions clause.

**Alex McCooke**

**Offshore Syndicate Deputy Manager – Claims**