

WATSON FARLEY  
&  
WILLIAMS

COMMODITY DISPUTES



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## WATSON FARLEY & WILLIAMS: KEY FACTS

140+  
PARTNERS

FOUNDED  
1982

14  
OFFICES

500+  
LAWYERS

11  
JURISDICTIONS

20+  
LANGUAGES  
SPOKEN

## OUR COMMODITY DISPUTES PRACTICE

With extensive experience in global commodity trading and finance, the pragmatic and effective lawyers at Watson Farley & Williams regularly act to resolve disputes involving commodities – from issues arising out of standard trading and financing transactions through to managing large, complex cases to trial or final hearing.



SHORTLISTED:

LAW FIRM OF THE YEAR

LEGAL BUSINESS AWARDS  
2015

### International approach

We provide our clients with first rate advice, no matter where they are in the world, or in which jurisdictions they are involved.

Working from fourteen offices in eleven jurisdictions, covering three continents, our lawyers operate as an integrated team across our international network.

With strong relationships with leading correspondent law firms in jurisdictions where we do not have a presence, we are used to dealing with parties in different and sometimes legally challenging jurisdictions.

### Broad focus

Combining thorough sector knowledge and extensive experience of a wide range of disputes techniques, we provide an effective and supportive service.

We have particular experience in the following sectors:

- oil & gas
- metals
- coal
- energy
- soft commodities
- shipping and transport.

### Our practice

Our aim is to assist clients in resolving disputes as quickly as possible, and in line with their disputes strategy.

We are very used to litigating in courts and arbitrating before well-known international centres, including the LCIA, ICC, SIAC, SCC, VIAC, AAA and others.

We are also experienced in conducting trade related arbitrations such as arbitrations pursuant to LME and GAFTA rules.

Working in small partner-led teams, we offer our clients more high level contact and support than they may be used to getting. As a result, clients have immediate access to the wealth of knowledge and experience held by our commercially aware partners.

In addition to our commodities expertise, we are also specialised in natural resources, trade finance and shipping, often key elements of the supply chain.

### Our clients and services

Supporting clients across the commodities sector, we work with a wide variety of participants including traders, investors, producers, banks, other financial institutions, governments and other stakeholders.

Areas in which we advise include:

- sale and purchase contracts
- offtake agreements
- natural resources investments
- insolvency-related issues
- documentary credits
- structured trade finance transactions
- insurance, including political risk and contract frustration cover
- warehousing
- shipping and transport.





## SPECIFIC COMMODITY DISPUTES

### Metals disputes

Supporting mining companies, producers, traders, banks and other parties in relation to disputes concerning a wide range of hard commodities, we have successfully acted in major international arbitrations for major corporations such as Hydro Aluminium.

Our advice covers complex transactions and projects related to metals in Europe, Latin America, Central Africa, the Middle East and Central Asia.



### Trade finance disputes

We regularly advise banks and other businesses in relation to trade finance disputes. These instructions relate to disputes over letters of credit, demand guarantees and counter guarantees as well as more complicated structured finance transactions.



### Energy disputes

Acting for producers, traders, shipowners, shippers and other participants in the international energy industry, we cover:

- crude oil and products
- liquefied natural gas (LNG)
- liquid petroleum gas (LPG)
- biofuels and renewables
- carbon.

### Insurance disputes

We have acted for clients advising in relation to some of the larger contract frustration and political risk insurance claims in the market. We have also advised in disputes relating to cargo insurance, warehousing insurance and credit insurance.

### Investment treaty arbitrations

We advise both governments and international investors in relation to investment treaty disputes and arbitrations.

### Derivatives disputes

Our experienced lawyers advise clients in relation to trade related derivatives including derivatives in oil, metal and freight.



### Soft commodities disputes

We act for producers, traders and banks in relation to a wide range of soft commodities, including:

- grains
- sugar
- cocoa
- coffee
- rice
- soy beans.

## OUR EXPERIENCE

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### CRUDE AND REFINED OIL

Acting successfully on behalf of a trader in relation to US\$11m High Court claims against operators of a Kazakh oil refinery.

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### LETTER OF CREDIT

Successfully acting on behalf of a Swiss commercial bank in relation to claims brought by a trader under a letter of credit.

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### COTTON APPEAL

Representing a cotton mill in relation to an appeal against an award of the International Cotton Association.

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### GOLD MINE

Acting for an international mining services provider against the operator of a gold mine in Africa in arbitration.

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### OIL DEPOSITS

Acting for an energy company in a dispute over an option to acquire an interest in an exploration licence relating to oil deposits in South Africa.

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### COPPER CONCENTRATES

Successfully acting for metal trader MRI Trading in relation to claims under a copper concentrates agreement in LME arbitration and a successful appeal to the English High Court.

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### LONG TERM SUPPLY AND PURCHASE AGREEMENT

Successfully acting on behalf of the commodities division of an investment bank in expedited LCIA arbitration in respect of a long term coal supply and purchase agreement.

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### R&D DEVELOPER

Acting for a party involved in a tax driven investment scheme in carbon trading.

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### SUGAR TRADERS

Representing Thai sugar traders in a variety of disputes.

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### VITOL SA

Acting on behalf of oil trading company Vitol in English High Court proceedings in relation to a long term supply agreement for Nigerian crude oil. The case was successfully settled.

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### INTERNATIONAL CONSOLIDATED MINERALS LIMITED

Acting on behalf of administrators in a US\$50m professional negligence claim against former administrators relating to the pre-packaged sale of assets including a poly-metallic mine in Peru.

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**SOONTHORN METAL INDUSTRIES**

Acting in a case against a milk and coffee producer, which arose after the termination of an exclusive supply contract.

**QINGDAO WAREHOUSE FRAUD**

Advising an international bank in relation to declaratory proceedings brought by a collateral warehouse manager arising out of a warehouse receipts financing in Qingdao.

**DAATS PAPER CO. LTD**

Advising Daats Paper in a US\$30m pulp and paper dispute with a Chinese paper machine supplier.

**THAI CUSTOMS AUTHORITY**

Representing the owners of a large shipment of oil in a highly publicised dispute with the Thai Customs Authority arising out of seizure and detention of their shipment.

**MAGNEZIT GROUP**

Advising Magnezit Group in relation to EC anti-dumping proceedings of magnesium bricks produced by a Chinese joint venture.

**MRI TRADING AG V ZHONG HUA MINING SPRL & OTHERS**

Acting in English High Court proceedings establishing jurisdiction over MRI's contracting parties, parent companies and principals for tortious interference with an agreement to offtake copper from a mine in the Democratic Republic of Congo.

**EXCELERATE ENERGY**

Advising Excelerate Energy in relation to judicial review proceedings against the UK Gas and Electricity Authority.

**LETTER OF CREDIT DISPUTES**

Acting for a trade finance bank in relation to mistaken payments under various letters of credit relating to purchase of crude oil.

**ENERGY COAL SPA**

Acting for Energy Coal SpA in relation to securing compensation from Vitol S.A. in respect of losses resulting from a disputed contract.

**REJECTION OF CARGOES**

Acting for Indian suppliers concerning the rejection of two maize cargoes to buyers in Aqaba, Jordan.

### HYDRO ALUMINIUM

Advising Hydro Aluminium in arbitrations with insurers and TadAZ, a state-owned enterprise in Tajikistan, in relation to export contracts for alumina. The claim against TadAZ was over US\$150m. This was a highly successful and substantial recovery action.



### OIL ADVANCE PAYMENT AGREEMENT

Advising an oil trader in relation to a dispute with a Latin American oil company.

### ZINC SALE AND PURCHASE AGREEMENT

Acting for a Swiss based metal trader in an LCIA arbitration against a Spanish Zinc producer. Further representing the successful claimant in Spanish insolvency proceedings.

### STEEL TRADING DISPUTE

Acting for purchasers against sellers of a cargo of steel bars to be re-exported from Senegal.

### OLYMPIA SPINNING & WEAVING MILLS LIMITED

Acting for Olympia against Dunavant Enterprises Inc. The case concerned the close out mechanism under the International Cotton Association bylaws and rules, and their interaction with a bespoke force majeure clause.

### ALCODIS

Advising Alcodis, a Belgian ethanol producer and trader, on a dispute concerning a CIF contract.



A close-up photograph of a metal structure, possibly a bridge or industrial framework, featuring a teal or blue-green patina. The joints and edges are heavily rusted, showing a brownish-orange color. The lighting is dramatic, with strong highlights and deep shadows, emphasizing the texture and geometry of the metal.

"... 'THEY ARE BRILLIANT LAWYERS –  
VERY RESPONSIVE, CLIENT-ORIENTED  
AND ALWAYS LOOKING FOR  
SOLUTIONS'."

CHAMBERS UK 2015

## REPUTATION

"... 'THEY ARE EXTREMELY KNOWLEDGEABLE, AND VERY GOOD AT MAXIMISING RESOURCES, SO ARE ULTIMATELY VERY GOOD VALUE FOR MONEY'."

CHAMBERS UK 2015

"ADVISES ON COMPLEX COMMERCIAL AND FINANCIAL LITIGATION, FREQUENTLY REPRESENTING MAJOR INVESTMENT BANKS, AIRLINES AND NATURAL RESOURCES COMPANIES."

CHAMBERS UK 2015



"... 'VERY KNOWLEDGEABLE, PRECISE, DILIGENT AND BUSINESS-ORIENTED'..."

CHAMBERS UK 2015

"THEY PUNCH SIGNIFICANTLY ABOVE THEIR WEIGHT WHEN YOU LOOK AT THE QUALITY OF THE WORK. THEY HAVE NO PROBLEM MIXING IT WITH THE BIG BOYS"

CHAMBERS UK 2017



"... 'THEY HAVE A VERY STRONG NETWORK AND ARE THEREFORE ABLE TO COVER ALL ASPECTS OF OUR BUSINESS, WHICH GIVES US CLARITY AND CONSISTENCY'."

CHAMBERS ASIA PACIFIC 2015

"... 'SIGNIFICANT BACKGROUND IN THE OIL AND GAS INDUSTRY'."

CHAMBERS ASIA PACIFIC 2015

"... 'VERY RESPONSIVE TO OUR REQUESTS'."

CHAMBERS ASIA PACIFIC 2015

"[WFW] PROVIDES 'A VERY GOOD SERVICE' ... ITS SECTOR EXPERTISE INCLUDES: OIL AND GAS..."

LEGAL 500 ASIA PACIFIC 2015

"... INCREDIBLY KNOWLEDGEABLE ABOUT INTERNATIONAL TRADE AND NAVIGATES MULTI-JURISDICTIONAL COMPLEXITIES WITH EASE."

LEGAL 500 UK 2016

"[WFW] 'REPRESENTS CLIENTS PERFECTLY'."

LEGAL 500 UK 2014

"... OIL AND GAS ARE THE MAIN AREAS OF FOCUS FOR THE LARGE TEAM AT [WFW]."

LEGAL 500 ASIA PACIFIC 2015

"[WFW] 'COMPETES WITH THE VERY BEST FIRMS' ... 'ONE OF THE BRIGHTEST IN THE MARKET'."

LEGAL 500 UK 2014



"... 'GO-TO LAWYER[S] FOR COMPLEX OIL AND GAS-RELATED DISPUTES'..."

LEGAL 500 UK 2014

"IT IS THEIR SPECIALIST KNOWLEDGE WHICH REALLY MAKES WATSON FARLEY STAND OUT FROM ITS COMPETITORS."

GLOBAL ARBITRATION REVIEW (GAR) 100 2016

"WATSON FARLEY & WILLIAMS LLP IS 'RIGHT AT THE TOP FOR COMMODITY TRADING MATTERS'."

LEGAL 500 UK 2016

## OUR OFFICES

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