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**THOUGHT
FOR THE MONTH**

**“We realize
the importance
of our voice
when we are
silenced.”**

Malala Yousafzai

Lurking in the shadows are Cargo Thieves



We are all well aware of the rough seas and troubled waters endured by the Shipping Industry over the past couple of years. To add to this murky situation, cargo theft is on the rise, which is posing as a major international problem.

Cargo theft is defined as any commercial good stolen between its origin and final destination. This includes thefts from trains, semi-tractors, boats, warehouses, and many other transportation and storage locations. Cargo theft comes under the category of organized retail crime (ORC). A term used to refer to professional shoplifting, cargo theft, retail crime rings and other organized crime occurring in retail environments. The thefts so committed are conducted by working in teams. Cargo thefts take different forms depending on the location of the perpetrators and circumstances. The issue has attracted global attention in the recent past as crimes committed are trans-boarder and trans-national, wherein equip with modern technology, criminals are able to rely on advanced methods in performing these crimes.

When there is an incident of cargo theft, it affects the entire supply chain, thereby impacting all parties involved, for instance the shippers, carriers, manufacturers, and consumers. Modern era has narrowed the gap between time, space and distance, this however poses as a challenge where cargo theft is concern; as there is a wide and open window period, for theft to take place anywhere between the originating point and the final destination of goods and products.

It is therefore pertinent and necessary for those involved in cargo movement to be aware of the methods used by these organised criminals, in order to better protect themselves. Some tactics used to steal cargo are (1) Stealing dropped lots – This usually takes place when a trailer is not connected to a truck, often referred to as dropped. Here the theft takes place by the gang hooking up the loaded trailer to their own truck; alternatively they may also opt to break into the trailer if it is an unsecured location and offload the cargo into an empty trailer and carry it away, untraced. (2)

Compromised driver integrity – Thieves also find ways to involve trailer driver in committing the crime, or entice them in providing tip offs to proceed with the theft. (3) Truck jacking – The thieves frequently adopt hijacking techniques to gain control over the trucks or trailers using their knowledge and skill in this area (4) **Forged bills of lading / documents** – Here the bill of lading and/or endorsements are fabricated and delivery is fraudulently taken from the carrier or their agent at destination. This method is becoming a hot favourite for cargo thieves. (5) Nexus between consignee and forwarders – this mostly takes place when there are 2 bills of lading involved i.e. the House Bill of lading and an Ocean/Master Bill of lading. In this the cargo gets released on the Ocean Bill of Lading without producing or sighting the original House Bills of Lading.

Many a time cargo thefts go un-noticed or are not given the attention and

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10 Tips to Stay Safe Online

1. Know the scams.

Read articles and blogs, follow the news, and share this so you can learn about different kinds of scams and what you can do to avoid them and also help your friends.

2. Think before you click.

Never click on links in messages from people you don't know or vaguely know. These phishing emails have links that lead to websites that can lure you into giving personal information or download malware to your computer. You should even be wary with emails from people you do know if it looks or sounds suspicious. Hackers can create a malicious email that looks like it came from your best friend's email account.

3. Safely peruse.

Beware of phony websites. These sites may have an address that's very similar to a legitimate site, but the page can have misspellings, bad grammar or low resolution images. However, scammers are getting better at replicating sites so make sure. If a site asks for personal information, that you double check the URL and make sure it's not asking for information it shouldn't.

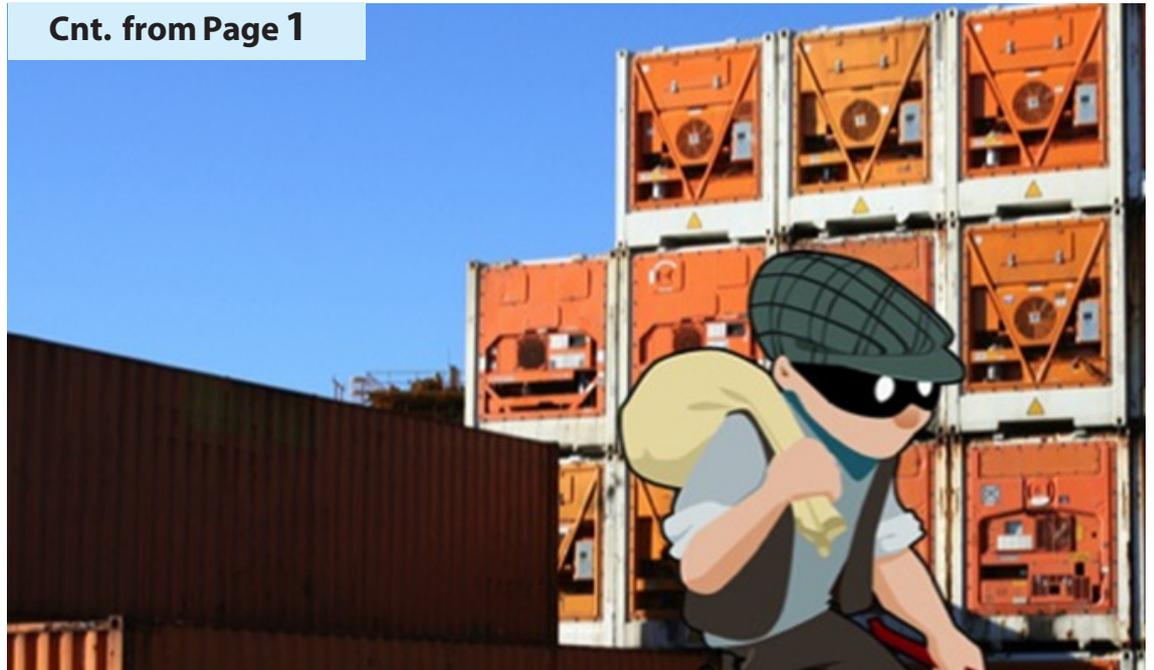
4. Shop safely.

Don't shop on a site unless it has the "https" and a padlock icon to the left or right of the URL. Also, protect yourself and use a credit card instead of a debit card while shopping online—a credit card company is more likely to reimburse you for fraudulent charges.

5. Kick-butt passwords.

Do away with the "Fitguy1982" password and use an extremely uncrackable one like 9&4yiw2pyqx#. Phrases are good too. Regularly change passwords and don't use the same passwords for critical accounts. For more tips on how to create strong passwords, go to <http://passwordday.org/>

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publicity that they deserve because there is a misconception that there is no real victim in the crime. This in fact has encouraged cargo crimes, as perpetrators are confident of such crimes not being given top priority, backed by low detection risk, minimal enforcement and prosecution capability, even the penalty imposed by most countries is disproportionate to deter such crimes.

We now turn to 2 international organisations that have joined hands and made it their mission to combat cargo theft/crimes. They are IUMI (International Union of Marine Insurance) which is a professional body that is run by and for its members. IUMI represents national and international marine insurers and considers issues of interest to the worldwide marine insurance industry and the other is The Transported Asset Protection Association (TAPA). TAPA's mission is to minimise cargo losses from the supply chain. TAPA achieves this through the development and application of global security standards, recognized industry practices, technology, education, benchmarking, regulatory collaboration, and the proactive identification of crime trends and supply chain security threats.

Cargo theft has now been on IUMI's agenda, and a position paper on the

topic was published recently highlighting members concerns and recommending measures to combat such crimes. In addition to the current measures and continued theft prevention activities by the industry, IUMI urges the following actions for the prevention of cargo theft (i) Relevant authorities should develop an overview of the cargo theft situation, including the theft of trailers and containers, in their respective country or region. Based on this, and in discussion with insurers and other industry stakeholders, decisions should be made on how to deal with the aforementioned hotspots and future measures against cargo theft. (ii) Exchange of best practices across borders on local initiatives proven to be successful. (iii) Improve law enforcement through transnational coordination and cooperation between countries and national law enforcements. (iv) Create special police units and specialised departments of public prosecution dealing with cargo crime. (v) As criminals use the internet, there should be specific attention given to cyber fraud, such as with bills of lading and permits. (vi) Increase police presence in commercial truck parking areas and cargo storage facilities especially during nighttime, weekends and holidays. (vii) Create a

network of high-security, accessible and affordable truck parks.

In addition to the above measures and specifically in relation to bills of lading being misused, it will be useful to adopt the practice of only issuing ocean bills of lading thereby avoiding any complication or liability created by house bills of lading or forwarders documents etc. As abundant caution carriers bills of lading should also bear watermarks to affirm the authenticity and to confirm the genuineness of the bill of lading. Mark Gruentjes, TAPA EMEA board member, emphasised in his remarks at IUMI's annual conference in Genova that the true cost of losses due to cargo theft far exceeded the financial cost of the goods themselves. Hence making minor amends would go a long way in curbing cargo thefts and would also facilitate safe and secure flow of goods within the global supply chain.

We must all bear in mind that there are far reaching consequence to unchecked cargo thefts, as gangs, cartels and criminal organisation use the income from the theft to fund their ancillary illicit activities. It is therefore high time that the governments step in to not only frame laws to combat organised retail crime but also empower enforcement authorities to deal hard handedly with the perpetrators of such crime.

Bad debts in Dubai : Can expats return without getting arrested?



If you're one of those hundreds of borrowers who once fled the UAE for failing to settle mounting loans, the doors are still open for you to come back and start your expatriate life again – without landing behind bars. According to legal experts in the UAE, there are still ways to secure another employment opportunity in the emirate, even if you've once been a runaway. The risk of getting arrested at the airport, however, is high – especially if there is still a police case pending in court or an arrest warrant is waiting – so it's better to plan your return. Back in 2009, when the global economy fell into a recession, a significant number of expatriates who racked up huge debts running into several hundreds and thousands of dirhams, absconded without repaying their banks or lenders. A lot of these expatriates now want to return to the UAE, to seek employment opportunities. Returning Dubai expats who think they have a police case filed against them are strongly advised to do some research before travelling to Dubai, or even passing through the airport. "If an expat has an ongoing police complaint against them, there is a risk they will be arrested and detained upon arrival in the UAE, even if only transferring flights," noted Paul Hughes, legal director of commercial litigation at Addleshaw Goddard Middle East.

Tourist visa

Even if you have secured a tourist visa to Dubai, it doesn't guarantee you free entry into UAE, either. "If the former resident was able to secure a visit visa to UAE, it does not follow that he has no pending criminal or police case," added Barney Almazar, director at the

corporate-commercial department of Gulf Law Middle East, Philippines and United Kingdom. "The authorities will be more than happy to grant him a UAE visa, so he can voluntarily 'surrender' when he enters the country. A visa will be denied if the applicant with a pending police case is inside the country. But if the applicant is outside the country, it will be approved." The main goal of the absconding expat is to have all police complaints lifted first. This can be achieved by getting in touch with their respective lenders. According to Hughes, any expat may be able to negotiate a settlement with their creditor in exchange for the withdrawal of a police complaint. In most cases, the bank or lender will ask the borrower to pay the outstanding balance/s in full. Making the bank agree to an instalment plan could also be an option.

Settlement agreement

"If an agreement can be reached, we would recommend entering into a formal settlement agreement which, among other things, directs the creditor to withdraw its police complaint once the debt has been satisfied," said Hughes. "Any debtor would be advised to await a written confirmation that the arrest warrant/police case has been withdrawn before travelling. If it's not possible to negotiate with the bank while you're outside the country, hiring the services of a lawyer in the UAE would be a good option. Hughes recalled a case of an expat who had sought their assistance over bad loans. The Indian national had left the country with a trail of unpaid debts. His creditors had filed complaints at three police stations and a standing warrant of arrest had been issued. "We were instructed to meet with the creditor at each of the police stations to satisfy the debt in full. In return, each creditor withdrew their complaint and the arrest warrant was lifted within 24 hours. That individual subsequently returned to Dubai and

started working again," Hughes told *Gulf News*.

Easier approach

Almazar said it is actually easier to arrange for "waiver of interests and penalties" if the borrower is outside the UAE because there is no "immediate threat of imprisonment." "They can appoint a representative in the UAE who can negotiate a settlement with the bank. The representative can likewise clear their names with the police and immigration once the clearance and release documents have been issued by the bank," Almazar advised. "A settlement agreement under the letterhead of the bank, stamped and signed by the bank's officer is a must before making any payment. This will ensure that the bank has authorized the waiver of penalties or reduction of outstanding balance." Those who fail to negotiate with the bank may request for the Central Bank assistance. Settling debts shouldn't just be the concern of returning expats. Even if you choose not to go back to the UAE, it is still a good idea to clear all your debt, because the long arm of the law can still reach you. Almazar said that banks can pursue the claim in the expat's home country or in places where the borrower has assets to cover for the unpaid liability. "Once the UAE court has issued the decision, the UAE police may only execute the decision within the country. Thus, the bank will have to request the debtor's home country court to recognize the decision of the UAE court." "This procedure is known as the recognition of foreign judgment. Once the local court has recognized the foreign decision, the local police will be able to execute the decision against the debtor." Hughes said that if a very large amount is involved, banks or lenders will find ways to go after the concerned borrower outside the UAE. Creditors can obtain a "money judgment" from the Dubai International Financial Centre (DIFC) courts that can be enforced overseas. This is applicable

to countries that have forged a memorandum of understanding with the DIFC courts for "mutual recognition and enforcement of monetary judgments." These jurisdictions include England and Wales, Singapore, New South Wales (Australia) and China, according to Hughes. "A judgment from the UAE Courts for a debt may also be enforceable in a debtor's home country depending on that country's approach to enforcing foreign judgments and whether any bilateral treaties are in place with the UAE for the enforcement of judgments."

Tips for loan absconders who want to return to Dubai:

- 1.) Check if there is a police complaint or arrest warrant against you. You can instruct a lawyer or representative in UAE to do this.
- 2.) Don't travel to or make a quick stopover at Dubai airport. Passengers with flight connections to UAE face the risk of getting arrested if there's been a case against them.
- 3.) Negotiate with the bank/lender in order to lift any police complaint or arrest warrant.
- 4.) If it's difficult to get in touch with the creditor, find a representative in UAE who can negotiate a settlement with the bank. If the bank is uncooperative, seek the Central Bank assistance.
- 5.) If a police complaint has been filed, the authorised representative will then meet with the bank at the concerned police station to satisfy the debt in full.
- 6.) Ensure that the creditor will issue a settlement agreement: printed on paper with the letterhead of the bank, stamped and signed by the bank's officer. One lawyer advised that this document is ready before making any payment because this will attest that your creditor has waived the penalties or reduced/cleared your debt.

- Gulf News

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