

JAFFA & CO

Superyacht & Aviation Lawyers



Our first newsletter...!

I am very pleased to be sending you the first Jaffa & Co newsletter.

It is something we have been meaning to do since the firm was founded, nearly six years ago but, as they say, good things take time...!

All things being well, we hope to send you a newsletter quarterly, with a handful of legal updates, details of the many interesting and exciting transactions and litigation cases we advise upon, and perhaps the occasional, amusing anecdote. We are known for doing things differently to other law firms; our newsletter should be no different.

The firm has grown considerably since Alison and I founded it, and although I am immensely proud of what it has become, I also feel we have only achieved a fraction of what the future holds.

We now boast one of the largest (and in our opinion the best!) specialist teams in the world of superyachts and business aviation, with two offices in the UK, Monaco and the US. The expansion has only been possible with the enduring support of our clients, who return to us

time and again, and to whom I am supremely grateful. They come back to us, though, because of the calibre of people who make Jaffa & Co what it is - whether the lawyers or the operational staff behind the scenes (and who keep me in check...mostly).

Putting together a newsletter isn't the only thing that has taken longer than we hoped. We have also been trying to come up with a strapline which reflects who we are, what we do and, crucially, for whom we do it (our clients!). The front runner at the moment is 'Jaffa & Co | For The Exceptional'. We think it's smart, because it describes the exceptional quality of our services, but also the exceptional quality of our clients and partners. Put simply, if you have dealings with Jaffa & Co, you must be exceptional. Let us know what you think and there's a prize (maybe, but probably not) for anybody who suggests something better...!

Until next time...

James Jaffa
Managing Partner



A Legal Update

Earlier this year the English Court of Appeal upheld the detention of the superyacht "Phi".

The Court of Appeal considered the detention of the luxury motor yacht "Phi" owned by a Russian national, under the Russia (Sanctions) (EU Exit) Regulations 2019.

The Court dismissed the appeal challenging the detention of 58.5- metre Phi, which was arrested in 2022, on the basis of recently-introduced sanctions law following Russia's invasion of Ukraine. The appeal was based on the fact the yacht's owner, a Russian national, has never appeared on any sanctions list.

The ruling held that the superyacht had not been detained for an improper purpose considering the owner's residency in Russia

and "economic activities", agreeing with the Respondent's claim that "directly or indirectly, a [Russian of significant wealth] is likely to have benefitted from the Russian regime."

Since the English decision, the General Court in Brussels handed down a judgment which seemingly softened the interpretation of the EU's approach to non-sanctioned Russian citizens.

Two Russian citizens were removed from the European list of sanctioned individuals because it had not been proved that they were directly involved in efforts to undermine or threaten the territorial integrity, sovereignty and independence of Ukraine.

More than 1,700 Russian Individuals and 400 entities have been subject to trade sanctions since 2014. In the case brought by Petr Aven and Mikhail Fridman, “a degree of proximity” to Mr. Putin was not enough to show they benefited from the Russian regime.

It will be interesting to see how this judgment affects the release of seized assets in the future.



A Few Things We've Learned...

Superyachts: Greek e-Charter

The Greek government has recently launched the “e-Charter Permission” system. This system allows non-EU-flagged vessels to charter in Greek national waters, which was previously disallowed. Before that foreign-flagged yachts were required to be owned by a company with a Greek branch of business to qualify for a Greek charter license. This new system simplifies the process and opens up charter opportunities for non-EU vessels.

This is excellent news for those many clients who love to cruise in Greece!

Aviation: The Netherlands Registry

Aircraft mortgages in the Netherlands are registered on a public register operated by the “Kadaster.” This separate register is distinct from the Dutch Civil Aviation aircraft register. To establish a mortgage, a notarial deed is required, followed by registration with the Kadaster. Unfortunately, the Kadaster register is not searchable online. So if you are buying or selling a Dutch aircraft, full due diligence is required!

Additionally, the Netherlands has not ratified the Cape Town Convention for the mainland Netherlands (only for Aruba, Curacao, Sint Maarten, and Caribbean Netherlands). Consequently, a mortgage granted by a Dutch owner for a Dutch-registered aircraft lacks the necessary “connecting factor” to be eligible for registration as an “International Interest” on the International Register.

In cases where a seller is unaware of relevant finance arrangements or procedural mistakes have occurred (such as unpaid mortgages), the owner must request the discharge of a mortgage registered on the Kadaster.

The Dutch court confirms interest holders' consent to the discharge, and upon authorization, the Kadaster register can perform the discharge. The confirmation of discharge is then sent to the Dutch national register for the aircraft to be de-registered.

Transaction of the month



Superyachts

The period between the major European and US yacht shows is always busy and 2024 has been no exception. Highlights include signing multiple 60+ metre sales contracts, and catching up with the owner's team on a 90- metre construction project.

A little late for our newsletter, but one of our favourite transactions of the year so far has been the acquisition of a beautiful new T52 Baglietto, which subsequently won its category at the World Superyacht Awards. And on that topic...belated congratulations to all winners and nominees for World Superyacht Awards. Unsurprisingly, Jaffa & Co is proud to represent a number of the award-winning yachts, and more of the nominees. Congratulations to all, and thank you for trusting Jaffa & Co with your beautiful yachts.



Jets

The Jaffa & Co team have been busy buying and selling a variety of aircraft, from Global 7500s to Phenom 300s, and almost everything in between. We were especially pleased to represent the US buyer (a repeat client) of a terrific Challenger 350, which will be based predominantly in the US but which will operate in Europe as well. Happy flying!

Team Update



There's so much going on at the Jaffa HQ these days we hardly know where to begin!

Our Monaco office overlooking the port is fully operational now we have our Monaco license (yes...we got one when others didn't!).

Florence O'Hara is one of our big new talent signings.

James Foley Comer, Sarah Fairweather, Paul Dickie, Chrysa Kitsou and Florence O'Hara all have been busy at yacht shows in Cannes and Monaco.

Ian Petts has been flying around speaking at various conferences, and was especially complementary of the Spanish Aviation Conference in Madrid.

And so much more...

Until next time...

