



JUNE 30, 2017

CIRCULAR NO. 18/17

TO MEMBERS OF THE ASSOCIATION

Dear Member:

US SUPREME COURT TEMPORARILY PERMITS IMPLEMENTATION OF THE PRESIDENT'S EXECUTIVE ORDER ON IMMIGRATION: EFFECT ON VESSEL OWNERS WITH CREW FROM THE SIX DESIGNATED NATIONS

Members are referred to [Circular No. 11/17](#) of March 9, 2017 concerning President Trump's Executive Order No. 13780 (EO 13780) which, *inter alia*, suspended the entry into the US of nationals from six nations: Iran, Libya, Somalia, Sudan, Syria and Yemen.

Following the issuance of EO 13780, several US district courts issued injunctions preventing its implementation and enforcement, and two Circuit Courts of Appeal upheld those injunctions. The Trump Administration thereafter filed a petition for a writ of certiorari to have these substantive issues heard by the US Supreme Court. On June 26, the Supreme Court granted the petition and accepted the case for full consideration of the validity of EO 13780 during the its Fall Term in October 2017.

The Supreme Court also effectively lifted the injunctions imposed against the implementation of EO 13780 and ruled that the 90-day suspension of the entry of nationals from Iran, Libya, Somalia, Sudan, Syria and Yemen could go into effect, but it prohibited the ban of nationals from those countries having a bona fide relationship with a person or entity in the US (e.g., family relationships, or foreign student attending a US university, or a foreign worker who has accepted an offer of employment from a US company).

Your Managers attach, with thanks to Messrs. Freehill, Hogan & Mahar LLP, that firm's most recent Client Alert which discusses the scope and effect of the US Supreme Court's recent ruling on EO 13780 and, in particular, its effect on foreign crew members.

The Managers also reiterate the recommendations earlier contained in [Circular No. 05/17](#) of February 2, 2017 regarding Members whose vessels and/or personnel intend to call at US ports during the next 90 days or so. Members affected by these developments are also urged to contact the Managers with any queries regarding this issue.

Any such inquiries should be directed to the attention of George J. Tsimis, Senior Vice President – Global Claims Director & General Counsel at george.tsimis@american-club.com, or Ms. Danielle Centeno, Assistant Vice President – Loss Prevention & Survey Compliance, at danielle.centeno@american-club.com.

Yours faithfully,

Joseph E.M. Hughes, Chairman & CEO
Shipowners Claims Bureau, Inc., Managers for
THE AMERICAN CLUB



CLIENT ALERT:

**U.S. SUPREME COURT PERMITS IMPLEMENTATION OF
EXECUTIVE ORDER ON IMMIGRATION**

June 30, 2017

Introduction

On March 6, 2017 President Trump issued Executive Order 13780 which suspended entry into the U.S. for 90 days of nationals from Iran, Libya, Somalia, Sudan, Syria and Yemen, but excepted nationals from those countries who already held valid visas. The E.O. also suspended the entry of refugees into the U.S. for 120 days and capped the annual number of refugees to be admitted at 50,000. Several U.S. district courts issued injunctions preventing the implementation of the E.O. and two circuit courts of appeals upheld those injunctions. However, on June 26, 2017 the U.S. Supreme Court agreed to hear arguments on the validity of the E.O. in October 2017 and, in the meantime, substantially lifted the injunctions. As a result the E.O. was implemented by the U.S. authorities on June 29th.

The Supreme Court Ruling

In its June 26th ruling the Supreme Court granted the U.S. government's petition for certiorari, thereby accepting the case for full consideration of the validity of the E.O. in the Court's Fall term. The Court also largely lifted the injunctions imposed against the implementation of the E.O., ruling that the 90 day suspension on the entry of nationals from Iran, Libya, Somalia, Sudan, Syria and Yemen could go into effect, but excepting from the ban nationals from those countries who have a "credible claim of a bona fide relationship with a person or entity in the United States." By way of examples of such bona fide relationships, the Court cited family relationships, a foreign student admitted to a U.S. university or a foreign worker who has accepted an offer of employment from an American company.

In implementing the E.O. on June 29th the U.S. authorities announced that the exceptions would be construed narrowly and defined family relationships to include the presence in the U.S. of parents, spouses, children, adult sons or daughters, sons and daughter-in-laws, siblings and fiancés.

Impact On Shipping

The implementation of E.O. 13780 should not have a widespread impact on international shipping. Shipowners with crewmembers from the six designated nations should be aware that no new visas will be issued to those crewmembers for the next 90 days. Crewmembers holding valid visas will be permitted entry to the U.S. It is possible that vessels arriving in U.S. ports with crew from the six countries may be required to post guards to insure that those crewmembers without visas do not leave the vessel and enter the U.S. However, at this point we have seen no specific guidelines relating

to the treatment of vessels arriving in U.S. ports with crew onboard from the six designated countries who do not hold valid visas. Vessel owners should also be aware that the E.O. may complicate any crew changes in U.S. ports, as only replacement crew holding current valid visas will be permitted entry to the U.S.

Summary

E.O. 13780 went into effect on June 29th and suspends for 90 days the issuance of visas to nationals from Iran, Libya, Somalia, Sudan, Syria and Yemen. The suspension does not apply to nationals from those six countries who can establish a credible claim of a bona fide relationship with an individual or entity in the U.S. Crewmembers from the six countries who hold valid visas will be permitted to enter the U.S. Those who do not currently hold valid visas will be unable to apply for a visa for the next 90 days unless they can demonstrate a bona fide relationship with an individual or entity in the U.S.

Disclaimer: This Client Alert provides only a general summary of the recent U.S. Supreme Court decision regarding Executive Order 13780, and it is not intended to constitute comprehensive legal advice. Specific legal advice should be taken with respect to each individual inquiry regarding the Supreme Court decision and the implementation of Executive Order 13780. For additional clarification, please feel free to contact Bill Juska (juska@freehill.com), Gina Venezia (venezia@freehill.com), or Bill Pallas (pallas@freehill.com).

FREEHILL HOGAN & MAHAR LLP
80 Pine Street
New York, NY 10036
212-425-1900
www.freehill.com

William L. Juska, Jr. Gina M. Venezia William J. Pallas
juska@freehill.com venezia@freehill.com pallas@freehill.com
