

## PRESS RELEASE

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Media Contacts: press@oag.state.md.us 410-576-7009

## Attorney General Brown Announces Lawsuit Seeking Damages from the M/V DALI Following the Cargo Ship's Crash that Destroyed the Francis Scott Key Bridge

**BALTIMORE, MD** (September 24, 2024) – Attorney General Anthony G. Brown, on behalf of the State of Maryland and all its agencies, including the Maryland Transportation Authority (MDTA), the Maryland Port Administration (MPA), and the Maryland Department of the Environment (MDE), filed a lawsuit against the owners – Grace Ocean Private Limited –and managers – Synergy Marine Pte Ltd. – of the M/V Dali for causing the allision with the Francis Scott Key Bridge on March 26, 2024, that destroyed the iconic bridge and resulted in both immediate and long-lasting harm to Maryland and its residents.

"For the past six months, and into the foreseeable future, Marylanders have had and will continue to shoulder the costs and burden caused by the misconduct of Grace Ocean Private Limited and Synergy Marine Pte Ltd. We have grieved the loss of six lives and mourned alongside their families. We have endured increased traffic and altered work commutes, degrading even the quality of the air we breathe. Our state has lost valuable tax and toll revenues, and Maryland's economy has been disrupted," said Attorney General Brown. "Maryland will rebuild the Francis Scott Key Bridge, but Marylanders should not have to pay for the DALI owner's and manager's negligence and incompetence."

"Marylanders rallied and moved in partnership to take bold action following the collapse of the Francis Scott Key Bridge. But the presence of action doesn't mean the absence of accountability. We can – and we will – pursue both at the same time," said Gov. Moore. "We will continue to work together to come back from this historic catastrophe, rebuild the Francis Scott Key Bridge, and make Marylanders whole."

In the early morning hours of March 26, the Dali crashed into the Francis Scott Key Bridge, causing its catastrophic collapse, the tragic death of six men, and injuries to two others. The wreckage from the bridge fell into the Patapsco River, blocked access to most of the Port of Baltimore, and caused enormous disruptions and other significant harms to the State and its residents that will be felt for decades to come.

Immediately before the allision, the Dali experienced two electrical power failures in quick succession. These failures caused the ship to lose propulsion and the ability to steer the vessel. The Dali's backup equipment failed to function as designed, the crew failed to restore the ship's power, and the pilots' requests to engage a bow thruster and drop the anchor were not followed in time to avoid the allision.

The State's investigation has revealed that this massive disaster was entirely preventable. The Dali had experienced two power failures the day before the allision. The ship's owner and operator failed to diagnose or correct these failures prior to leaving its berth and neglected to report them to the two pilots who boarded the ship to guide its departure from the Port. The power failure was caused by a longstanding vibration problem, which caused damage to the transformers and switchboards, including nuts and bolts coming loose and falling out. This damage resulted in a loose connection that caused the first power failure on March 26.

In addition, the ship's equipment, which was intended to automatically restore electrical power, failed to work as it was designed because the ship's management and crew intentionally circumvented critical safety features. These unsafe conditions had been present for many months, and the Dali's owner and operator failed to address them. They also failed to properly train the ship's crew to handle this type of emergency.

Other failures on the part of Dali's owner and operator also contributed to the cascade of the ship's problems that resulted in the disaster. For example, the ship's power was briefly restored after the initial failure but was lost again because the owner and operator had recklessly reconfigured the fuel supply to the ship's electrical power generators so they were running on the wrong fuel pump.

This catastrophe has caused wide-ranging, multifaceted, and significant harms to the State and its residents. The disabled Dali and its cargo blocked access to most of the Port of Baltimore for nearly two months, causing severe and far-reaching economic disruptions. The allision also resulted in the discharge of various pollutants and hazardous materials into the Patapsco River and deterioration of the State's air quality from increased traffic on roads and highways. These impacts will be felt disproportionately by communities already bearing increased health and economic burdens.

With the lawsuit filed today, in addition to punitive damages, Maryland is asking the court to award damages to the State for:

- Replacement of the bridge;
- All costs associated with the emergency response, salvage, demolition, and benefits paid to affected workers and businesses;
- Lost revenues, including tolls, fees, and taxes;
- Indemnification, damages, and attorneys' fees pursuant to the Tariff;
- Damage to the State's natural resources;
- All costs related to environmental contamination and penalties;
- Increased wear and tear on the State's infrastructure; and
- Other forms of economic loss flowing from the destruction of the bridge.

There is no question that the State has incurred a massive amount in damages as a result of the Dali's negligence, nor is there any doubt that those damages are continuing to accrue. The full scope of damages will be the subject of expert testimony in the litigation, and the State's investigation is ongoing.

The owners and managers of the Dali are also asking the court to limit its liability for this disaster to the value of the ship, an amount that would not come close to covering the State's damages. In today's filing, Maryland is asking the court to deny this request and hold Grace Ocean Private Limited and Synergy Marine fully accountable for their negligence, mismanagement, and incompetence.

In making today's announcement, Attorney General Brown thanks his Civil Division Deputy Chief of Litigation Robert A. Scott and Senior Assistant Attorney General Howard Feldman; Special Assistant Attorney General, Key Bridge Recovery and Restoration, Katie Dorian; Principal Counsel for the Maryland Transportation Authority Kim Millender; and Assistant Counsel – the firms of Kelley Drye & Warren, Liskow and Lewis, Partridge LLC, The Lanier Firm, and Downs Ward Bender Herzog & Kintigh.

The full complaint is available

here: <u>https://www.marylandattorneygeneral.gov/News%20Documents/Answer\_and\_Claim\_State\_of\_Maryland.pdf</u>.

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