

**CAYMAN ISLANDS**



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**MERCHANT SHIPPING LAW**

**(2016 Revision)**

Law 24 of 1997 consolidated with Laws 11 of 1999, 41 of 2001, 29 of 2004, 2 of 2005 (part), 11 of 2007, 25 of 2010, 19 of 2012 and 17 of 2014.

Revised under the authority of the Law Revision Law (1999 Revision).

Originally enacted-

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Law 11 of 1999-23<sup>rd</sup> April, 1999  
Law 41 of 2001-10<sup>th</sup> January, 2002  
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Law 2 of 2005-11<sup>th</sup> February, 2005  
Law 11 of 2007-3<sup>rd</sup> September, 2007\*  
Law 25 of 2010-30<sup>th</sup> June, 2010  
Law 19 of 2012-31<sup>st</sup> August, 2012  
Law 17 of 2014 -11<sup>th</sup> September, 2014.

Consolidated and revised this 28th day of July, 2016.

*Note (not forming part of the Law): This revision replaces the 2011 Revision which should now be discarded.*

***\*Commencement: See notes on page 267.***

**MERCHANT SHIPPING LAW**

**(2016 Revision)**

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**MERCHANT SHIPPING LAW**

**(2016 Revision)**

**PART I - Preliminary**

1. This Law may be cited as the Merchant Shipping Law (2016 Revision). Short title
2. In this Law- Definitions
- “British citizen”, “British Overseas Territories citizen”, “British Overseas citizen” and “Commonwealth citizen” have the same meanings as in the British Nationality Act 1981 of the United Kingdom (as amended); UK Act
- “British Overseas Territory” means any of the following territories-
- (i) Anguilla;
  - (ii) British Antarctic Territory;
  - (iii) Bermuda;
  - (iv) British Indian Ocean Territory;
  - (v) British Virgin Islands;
  - (vi) Cayman Islands;
  - (vii) Falkland Islands;
  - (viii) Gibraltar;
  - (ix) Montserrat;
  - (x) Pitcairn Islands (including Henderson, Oeno and Ducie Islands);
  - (xi) Saint Helena and Dependencies (Ascension Island and Tristan de Cunha);
  - (xii) Turks and Caicos Islands;
  - (xiii) South Georgia and South Sandwich Islands; and
  - (xiv) Sovereign Base Areas on Cyprus;
- “British ship” has the meaning given in section 1(1) of the Merchant Shipping Act 1995 of the United Kingdom; UK Act
- “Cayman Islands citizen” means a British Overseas Territories citizen by virtue of a connection with the Islands, and, for the purposes of this Law, includes an individual who, under the laws of the Islands, possesses Caymanian status or is a permanent resident of the Islands;
- “Cayman Islands ship” means a ship registered in the Islands under this Law, and “Cayman Islands vessel” and “Cayman Islands fishing vessel” shall be construed accordingly;
- “Cayman Islands waters” mean the sea or other waters within the seaward limits of the territorial sea of the Islands;

“Collision Convention” means the International Convention on Regulations for the Prevention of Collisions at Sea, 1972 as amended;

“commissioned military officer” means a commissioned officer in Her Majesty’s land forces on full pay;

“commissioned naval officer” means a commissioned officer in Her Majesty’s Navy on full pay;

“Consular officer”, in relation to a foreign country, means the officer recognised by Her Majesty as a consular officer of that foreign country;

“contravention” includes failure to comply (and “failure” includes refusal);

“Court” means the Grand Court;

“Crown Dependency” means any of the Channel Islands or the Isle of Man;

“Director” means the Director of the Cayman Islands Shipping Registry appointed under section 419;

“fishing vessel” means a vessel for the time being used or, intended to be used, for or in connection with fishing for sea fish other than a vessel used or intended to be used for fishing otherwise than for profit or a vessel for the time being used or intended to be used wholly for the purpose of conveying persons wishing to fish for pleasure;

“foreign”, in relation to a ship, means a ship which is not a Cayman Islands ship;

“Government” means the Government of the Cayman Islands;

“Government ship” means a ship owned by the Government or held by a person on behalf of or for the benefit of the Government;

“harbour” includes estuaries, navigable rivers, piers, jetties and other works in or at which ships can obtain shelter or ship and unship goods or passengers;

“length” has the same meaning as in the tonnage regulations;

“Load Line Convention” means the “1966 Convention” as defined in section 227 (1);

“Marine Pollution Convention” means the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 as amended;

“Maritime Authority” or “MACI” means the Maritime Authority of <sup>2013 Revision</sup> the Cayman Islands as established under the Maritime Authority Law (2013 Revision);

“master” includes every person (except a pilot) having command or charge of a ship and, in relation to a fishing vessel, means the skipper;

“mile” means an international nautical mile of 1,852 metres;

“Minister” means the Member of Cabinet for the time being responsible for merchant shipping and seafarers;

“national waters”, in relation to the Islands, mean Cayman Islands waters landward of the baselines for measuring the breadth of its territorial sea;

“Organisation” or “IMO” means the International Maritime Organisation;

“owner”, other than in Chapter I of Part XIV, in relation to a ship, or “shipowner” means, in respect of a registered ship, the registered owner and includes a demise charterer and a managing owner or a managing agent;

“passenger” means a person carried on a ship except-

- (a) a person employed or engaged in any capacity on the business of the ship;
- (b) a person on board the ship either in pursuance of the obligation laid upon the master to carry shipwrecked, distressed or other persons, or by reason of any circumstance that neither the master, owner nor charterer, if any, could have prevented or forestalled; or
- (c) a child under one year of age;

“passenger ship” means a ship carrying more than twelve passengers;

“pleasure vessel” means-

- (a) a vessel which at the time it is being used is-
  - (i) (A) in the case of a vessel wholly owned by an individual or individuals, used only for the sport or pleasure of the owner or the immediate family or friends of the owner;
  - (B) in the case of a vessel owned by a body corporate, one on which the persons on the vessel are employees, officers or shareholders (including beneficial owners of shares) of the body corporate, or their immediate family or friends; or
  - (C) in the case of a vessel owned by a trust or other ownership arrangement, one on which the persons on the vessel are beneficiaries under the trust or beneficial owners of the ownership arrangement, or their immediate family or friends; and
- (ii) in private use; or
- (b) a vessel wholly owned by or on behalf of a club formed for the purpose of sport or pleasure which, at the time it is being used, is used only for the sport or pleasure of members of the club or their immediate family, and for the use of which any charges levied are paid into club funds and applied for the general use of the club; and

in this definition “immediate family” means, in relation to an individual, the husband or wife of the individual, or a relative of the individual, or of the

individual's husband or wife; "relative" means brother, sister, ancestor or lineal descendant; "owner" includes charterer; and "private use" means that the vessel is used on a private voyage or excursion, and during such use is not engaged in trade by transporting merchandise or carrying passengers for reward or remuneration (other than as a contribution to the actual cost of the vessel or its operation for the period of the voyage or excursion), and is not offered to the public for use;

"port" includes place;

"Port Authority" includes all persons entrusted with the function of constructing, improving, managing, regulating, maintaining or lighting a harbour;

"proper officer" means-

UK Act

- (a) in relation to a port in the United Kingdom, a Crown Dependency or British Overseas territory, the Republic of Ireland or a country mentioned in Schedule 3 of the British Nationality Act 1981, an officer exercising in that port functions similar to those of a Shipping Master; and
- (b) in relation to any other port-
  - (i) a consular officer appointed by Her Majesty's Government in the United Kingdom or a person appointed by the Chief Executive Officer of the Maritime Authority; or
  - (ii) a person appointed by the Chief Executive Office of the Maritime Authority for the purposes of issuing a Provisional Certificate of Registry in accordance with section 27;

"Registrar of Shipping" has the same meaning as in section 10 of the Maritime Authority of the Cayman Islands Law (2013 Revision);

"registration regulations" means regulations made under sections 63, 64 and 65;

"ro-ro passenger ship" means a passenger ship provided with cargo or vehicle spaces not normally subdivided in any way and extending to either a substantial length or the entire length of the ship in which vehicles or cargo can be loaded or unloaded in a horizontal direction;

"STCW Convention" means the International Convention on Standards of Training, Certification and Watchkeeping, 1978 as amended in 1995;

"Safety Convention" means the International Convention for the Safety of Life at Sea, 1974 and its Protocols of 1978 and 1988, together with such amendments thereof or replacements therefor as may be in effect in respect of the Islands;

"safety regulations" means regulations under section 173, 174 or 205;

"seafarer" includes every person (except masters and pilots) employed or engaged in any capacity on board a ship;



“ship” includes every description of vessel used in navigation;

“Shipping Master” means an official exercising functions similar to those of a superintendent in the United Kingdom;

“standard scale” means the standard scale of fines established by section 460(4);

“surveyor of ships” means a surveyor appointed under section 419, and the reference to requirements, restrictions or prohibitions under this Law includes any such requirements, restrictions or prohibitions constituting the terms of any approval, licence, consent or exemption given in any document issued under this Law;

“territorial sea”, in relation to the Islands, has the meaning given in the Cayman Islands (Territorial Seas) Order 1989;

“Tonnage Convention” means the International Convention on Tonnage Measurement of Ships, 1969 as amended;

UKSI 1989/2397

“tonnage regulations” means regulations made under section 50; and

“wages” includes overtime pay, leave pay due in respect of leave earned and any other emoluments.

## PART II - Registration of Ships

### Registration

3. (1) A ship shall be a Cayman Islands ship for the purposes of this Part if the ship is registered in the Islands under this Part.

Cayman Islands ship

(2) A ship registered in the Islands under Part I of the Merchant Shipping Act 1894 of the United Kingdom or under the repealed Merchant Shipping Act, 1988 (Amendment) Law, 1992 shall be deemed to be a ship registered in the Islands under this Law.

UK Act  
Law 16 of 1992

4. (1) For the purposes of this Law, the following are persons qualified to be owners of Cayman Islands ships-

Qualifications for  
owning a Cayman  
Islands ship

- (a) British citizens;
- (b) British Overseas Territories and Crown Dependencies citizens;
- (c) British Overseas citizens;
- (d) British subjects;
- (e) persons who, under the Hong Kong (British Nationality) Order 1986, are British Nationals (Overseas);
- (f) Cayman Islands citizens;
- (g) persons, other than those referred to in paragraphs (a) to (f), who are nationals or citizens of a Member State of the European Union, European Economic Area or an approved country,

UK Order in Council

including the overseas countries, territories or dependencies of such Member State or country;

- (h) bodies corporate, shipping entities or foreign companies incorporated, established or registered in-
  - (i) the United Kingdom or any of its Overseas Territories or Crown Dependencies;
  - (ii) a Member State of the European Union or European Economic Area, including any overseas country, territory or dependency of such a Member State; or
  - (iii) an approved country or any overseas country, territory or dependency of such an approved country; and
- (i) foreign companies as defined in section 183 of the Companies Law (2016 Revision) carrying on business within the Islands which comply with all the requirements of foreign companies under that Law.

2016 Revision

(2) A person who is not qualified under subsection (1) to be an owner of a Cayman Islands ship may, nevertheless, be one of the owners of such a ship if-

- (a) a majority interest in the ship, within the meaning of section 5, is owned by persons who are qualified to be owners of Cayman Islands ships; and
- (b) the ship is registered in accordance with that section.

(3) In this section-

“approved country” means a country included in Schedule 3 to the Money Laundering Regulations (2015 Revision) as amended from time to time;

“shipping entity” includes-

- (a) a “partnership” and a “limited partnership” as defined in the Partnership Law (2013 Revision), and an “exempted limited partnership” as defined in the Exempted Limited Partnership Law, 2014; and
- (b) any other entity similar to those referred to in paragraph (a),

without any regard to where such entity is established, and whether or not the instrument of its creation and existence, expressly or by operation of law, confers or recognises its capacity under the law to sue and be sued in its own name or in the name of its lawful fiduciary or legal representative.

2013 Revision

Law 5 of 2014

Entitlement of ship to be registered under this Law

5. (1) Subject to sections 7 and 8, this section has effect for the purpose of determining whether a ship is entitled to be registered in the Islands under this Law.

(2) Subject to subsection (3), a ship shall be entitled to be registered if a majority interest in the ship is owned by one or more persons qualified to be owners of Cayman Islands ships by virtue of section 4(1).

(3) Subject to subsection (4), in the case of a ship where the person, or each of the persons, by whom the majority interest is owned is not resident in the Islands, the ship shall only be entitled to be registered if a representative person is appointed in relation to the ship.

(4) Where application is made in respect of a ship which has more than one owner, or its shares are owned by more than one owner, and there is no requirement for the appointment of a representative person under subsection (3), the ship shall only be entitled to be registered if-

- (a) either a representative person who is resident in the Islands is appointed; or
- (b) one of those owners who is resident in the Islands is nominated as the managing owner,

and, in such a case, section 6(3), (4), (5), (6) and (7) shall apply with respect to the managing owner in the same manner as they apply with respect to the representative person.

(5) For the purposes of this section-

- (a) one or more persons shall be treated as owning a majority interest in a ship if there is vested in that person or in those persons, taken together, the legal title to thirty-three or more or all of the sixty-four shares into which the property in the ship is divided, for the purpose of registration in accordance with section 12 (there being left out of account for this purpose any share in which a beneficial interest is owned by a person who is not qualified to be an owner of a Cayman Islands ship); and
- (b) a body corporate shall be treated as resident in the Islands if it is incorporated in the Islands and has a place of business there.

6. (1) Where the entitlement of a ship to be registered is, by virtue of section 5, conditional on the appointment of a representative person in relation to the ship, the owner of the ship shall-

Representative person

- (a) before applying for the ship to be registered, appoint an individual or body corporate satisfying the prescribed requirements to be the representative person in relation to the ship; and
- (b) ensure that, so long as the ship remains registered, an individual or body corporate satisfying those requirements is so appointed.

(2) For the purposes of subsection (1) the prescribed requirements are-

- (a) the representative person is either-
  - (i) an individual resident in the Islands; or
  - (ii) a body corporate incorporated in the Islands and having a place of business there; and
- (b) such other requirements as the Cabinet may, by regulation, prescribe.

(3) The owner of a ship in relation to which a representative person is for the time being appointed shall-

- (a) on applying for the ship to be registered, notify the Registrar of Shipping of the name and address of the representative person; and
- (b) in the event of a change in the identity, or in the address, of the representative person so appointed, notify the Registrar of Shipping of the name and address of the new representative person, or, as the case may be, of the new address, as soon as practicable after the change occurs,

and the Registrar of Shipping shall record any particulars notified to him in pursuance of this section in the register kept by him under this Law.

(4) A document required or authorised, by virtue of any statutory provision, to be served for the purpose of the institution of, or otherwise in connection with, proceedings for an offence under this Law, or under any instruments in force under this Law shall, where the person to be served is the owner of a registered ship, be treated as duly served on him if-

- (a) delivered to any representative person for the time being appointed in relation to the ship;
- (b) sent to any such person by post at the address notified (or, as the case may be, last notified) to the Registrar of Shipping under subsection (3) in relation to that person; or
- (c) left for any such person at that address.

(5) In addition to all other requirements of this section, a representative person shall-

- (a) provide such information with respect to the ship in relation to which he is a representative person, or the owner of such ship; and
- (b) carry out such instructions or directives with respect to the representative person's duties and responsibilities in relation to such ship or its owner,

as may be required by the Director.

- (6) (a) Subject to paragraph (b), a representative person who is duly appointed as such and whose name and address is notified to the Registrar of Shipping in accordance with subsection (3)(a), shall, for the purposes of this Law-
- (i) remain as the representative person in relation to the ship for which he was so appointed; and
  - (ii) be subject to all the requirements of this Law applicable to representative persons,
- until such time as the Registrar of Shipping is notified in accordance with subsection (3)(b), of a change in the identity or address of the representative person.
- (b) Paragraph (a) shall not apply where the Director is satisfied that it is not desirable or appropriate that the representative person to remain as such.

(7) A person who contravenes subsection (1)(b), (3)(b) or (5) commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

7. (1) Notwithstanding that any ship in respect of which an application for registration has been made is entitled to be registered, the Director may direct the Registrar of Shipping not to register a ship if he is satisfied that having regard to-

Refusal of registration

- (a) the condition of the ship so far as is relevant to safety or to a risk of pollution;
- (b) the safety, health and welfare of persons employed or engaged in any capacity on board the ship;
- (c) the possibility that the ship is being used for criminal purposes; or
- (d) the record of the owner's management and operational quality including in relation to the matters mentioned in paragraphs (a) to (c),

it would be detrimental to the interests of the Islands or of international shipping for the ship to be registered.

(2) If it appears to the Director that a ship in respect of which an application for registration has been made is not entitled to be registered, having regard to the matters mentioned in subsection (1)(a), (b), (c) or (d), he shall inform the applicant, or a representative person for the time being appointed in relation to the ship, and the Registrar of Shipping shall not register the ship.

8. (1) The Registrar of Shipping may, subject to subsection (5), terminate a ship's registration-

Termination of registration

- (a) where the Director is satisfied that-

- (i) having regard to the matters mentioned in section 7(1)(a), (b), (c) or (d), it would be detrimental to the interests of the Islands or of international shipping for a registered ship to continue to be registered;
- (ii) a penalty imposed on the owner of a registered ship in respect of a contravention of this Law, or of any instrument in force under this Law, has remained unpaid for a period of more than three months and no appeal against the penalty is pending; or
- (iii) a summons for any such contravention has been duly served on the owner of a registered ship and the owner has failed to appear at the time and place appointed for the trial of the information or complaint in question and a period of not less than three months has elapsed since that time, and the Director so informs the Registrar of Shipping;
- (b) if the annual tonnage fees of a registered ship have remained unpaid for a period of more than two years;
- (c) if a registered ship is no longer entitled to remain registered;
- (d) on application by the registered owner stating that he wishes to terminate the registration of the ship;
- (e) upon a registered ship becoming a total loss or being otherwise destroyed; or
- (f) if section 6 (1)(b) is contravened.

(2) In the event of a registered ship being in a condition referred to in subsection (1)(e), every registered owner of the ship or a share therein shall, immediately upon obtaining knowledge of the event, inform the Registrar of Shipping who shall make an entry thereof in the register.

(3) Where-

- (a) the registration of a ship is terminated under subsection (1), the Registrar of Shipping shall notify all registered mortgagees of the closure of the ship's registration, and a mortgagee's interest in respect of the ship shall remain registered except where it is proved that the mortgagee was privy to the possibility of the ship being used for criminal purposes, in which case the registration of the mortgagee's interest in the ship shall be deleted; and
- (b) the registration is terminated under subsection (1)(d) or (e), the Registrar of Shipping shall forthwith issue a closure transcript to the owner of the ship.

(4) On receipt of the closure transcript referred to in subsection (3)(b), the owner shall immediately surrender the ship's certificate of registry to the Registrar of Shipping for cancellation.

(5) Where-

- (a) the circumstances referred to in subsection (1)(a) apply, and it appears to the Registrar that subsection (1)(b), (c) or (f) apply, he may serve notice on the owner or on any representative person for the time being appointed in relation to that ship to produce, within twenty-one days, evidence sufficient to satisfy the Director or the Registrar of Shipping, that the ship is eligible to remain on the register; and if, at the expiry of that period, the Director or the Registrar of Shipping is not so satisfied, the Registrar may-
    - (i) extend the notice and ask for further information or evidence; or
    - (ii) serve a final notice informing the owner or the representative person of the termination of the ship's registry, and such termination shall take effect seven days after the service of that notice;
  - (b) the Registrar of Shipping serves a notice under this subsection on the owner of a ship in respect of which a mortgage is registered, the Registrar shall send a copy of that notice to the mortgagee at the address recorded for him in the register;
  - (c) a ship's registration is terminated under this subsection-
    - (i) the owner shall, immediately on being notified of the termination of the registration of the ship, surrender its certificate of registry forthwith to the Registrar; and
    - (ii) the Registrar shall issue a closed transcript after any outstanding fees payable to the Maritime Authority with respect to the ship have been paid to his satisfaction.
- (6) A person who-
- (a) in connection with the making of any representations under subsection (5)(a), knowingly or recklessly furnishes information which is false in a material particular commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale or on conviction on indictment to a fine of ten thousand dollars; or
  - (b) fails, without reasonable cause to surrender a certificate of registry when required to do so under subsection (4) or (5), commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.
9. (1) Where a body corporate commits an offence under this Law or any regulations made under it, and that offence is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, a director, manager, secretary or other similar officer of the body corporate or a person who was purporting to act in any such capacity, he, as well as the body

Penal liability

corporate commit that offence and are liable to be proceeded against and punished accordingly.

(2) Where the affairs of a body corporate are managed by its members, subsection (1) shall apply in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of the body corporate.

Registrar of Shipping 10. Neither the Registrar of Shipping nor any officer acting in that capacity or discharging any of his functions under this Law shall be liable for any loss or damage accruing to any person by reason of any act, omission or default of such officer.

#### **Procedure for Registration**

Register 11. (1) There shall be a register for registrations of ships, the registrations of mortgages as referred to in section 79 and the registrations of priority notices accepted under the provisions of section 80(2).

(2) The register for registrations of ships shall be so constituted as to distinguish, in separate parts, the registrations of-

- (a) ships which are not pleasure yachts or demise chartered ships;
- (b) pleasure yachts;
- (c) demise chartered ships;
- (d) ships under construction;
- (e) ships in respect of which a provisional certificate of registry is issued under section 27; and
- (f) submersible craft,

and may otherwise distinguish between classes or description of ships and ports of registry in the Islands.

(3) Upon completion of the construction of a ship registered in the part of the register for ships under construction, the registration may be transferred to another appropriate part of the register.

(4) The registration of a provisionally registered ship may, where appropriate, be transferred to another part of the register.

(5) The registers shall be maintained by the Registrar of Shipping in accordance with this Part, the relevant provisions of Parts IV and VIII, the registration regulations and any directions given by the Director.

(6) In this section-

“pleasure yacht” includes a pleasure vessel and any vessel to which regulations made in respect of vessels in commercial use for sport or pleasure are stated to apply.



12. Entries in the register in relation to property in a ship shall be made in accordance with the following provisions-

Entries in register in relation to the property in a ship

- (a) the property in a ship shall be divided into sixty-four shares;
- (b) subject to the provisions of this Law with respect to joint owners or owners by transmission, not more than sixty-four individuals shall be entitled to be registered at the same time as owners of any one ship; but this rule shall not affect the beneficial title of any number of persons or of a company represented by or claiming under or through a registered owner or joint owner;
- (c) except as provided otherwise in paragraph (e), a person shall not be entitled to be registered as owner of a fractional part of a share in a ship; but any number of persons not exceeding five may be registered as joint owners of a ship or of a share or shares therein;
- (d) joint owners shall be considered as constituting one person only as regards the persons entitled to be registered, and shall not be entitled to dispose in severalty of any interest in a ship, or in any share therein in respect of which they are registered;
- (e) in the case of a ship wholly or partly owned by a shipping entity without a legal personality separate and distinct from that of its members, a person may be entitled to be registered as owner of a fractional part of a share in a ship provided that the sum of all the shares in the ship shall be sixty-four; and
- (f) a body corporate shall be registered as owner by its corporate name.

13. (1) Subject to subsection (3) every ship shall, before registration, be surveyed by a surveyor of ships appointed under section 419 and its tonnage ascertained in accordance with the tonnage regulations made under this Law, and the surveyor shall grant his certificate specifying the ship's tonnage and build, and such other particulars descriptive of the identity of the ship as may for the time being be required by the Director and such certificate shall be delivered to the Registrar of Shipping before registration.

Survey and measurement of ships

(2) When the tonnage of a ship has been ascertained and registered in accordance with the tonnage regulations, that tonnage shall be treated as the tonnage of the ship except so far as regulations provide, in specified circumstances, for the ship to be remeasured and the register amended accordingly.

(3) The ascertainment of tonnage and the delivery of the certificate of survey referred to in subsection (1) shall not be required for a pleasure vessel of less than 24 metres in length if-

- (a) the owner or a duly authorised person acting on behalf of the owner submits to the satisfaction of the Registrar and in

- accordance with the registration regulations, prior to registration, the particulars of the vessel as required under that subsection; and
- (b) the Registrar reserves the right to require the ship to be inspected in accordance with subsection (1) in any case of doubt with respect to its particulars.

Marking of ship

14. (1) Every ship other than a pleasure vessel which is under twenty-four metres in length shall, before registration, be marked permanently and conspicuously to the satisfaction of the Director as follows-

- (a) its name shall be marked on each of its bows, and its name and the name of its port of registry shall be marked on its stern, in letters of a contrasting colour so as to be clearly visible, such letters to be of a length not less than one decimetre, and of proportionate breadth;
- (b) her official number and net tonnage shall be permanently marked on a main part of the ship's permanent structure that is readily visible and accessible in such manner as may be specified by a surveyor of ships;
- (c) subject to paragraph (e), in the case of every such ship built before the 1st May, 1988, a scale of feet denoting its draught of water shall be marked on each side of its stem and of its stern post in Roman capital numerals or in figures, not less than six inches in length, the lower line of such letters or figures to coincide with the draught line denoted thereby, and those letters and figures shall be marked by being cut in and painted in a contrasting colour so as to be clearly visible, or in such other way as the Director may approve;
- (d) in the case of every such ship built after the 1st May, 1988, a scale of decimetres, or of metres and decimetres, denoting a draught of water shall be marked on each side of its stem and its stern post in figures at two-decimetre intervals and at intervening two decimetre intervals, if the scale is in metres and decimetres, the capital letter "M" being placed after each metre figure; the top figure of the scale showing both the metre and (except where it marks a full metre interval) the decimetre figure; the lower line of the figures, or figures and letters (as the case may be), coinciding with the draught line denoted thereby; the figures and letters being not less than one decimetre in length and being marked by being cut in and painted in a contrasting colour so as to be clearly visible, or in such other way as the Director may approve; and
- (e) every ship built before the 1st May, 1988 may comply with the requirements of paragraph (d).

(2) Unless in special circumstances the Director directs otherwise, a pleasure vessel of twenty-four metres in length or over, shall be deemed to be in compliance with subsection (1)(a) if its name and the name of its port of registry is marked on its stern in the manner provided in that subsection.

(3) If the scale showing the ship's draught of water is in any respect inaccurate, so as to be likely to mislead, the owner of the ship commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

(4) The marks required by this section shall be permanently continued, and no alteration shall be made therein, except in the event of any of the particulars thereby denoted being altered in the manner provided by this Law.

(5) If an owner or master of a registered ship neglects to keep his ship marked as required by this section, or if a person conceals, removes, alters, defaces or obliterates or suffers a person under his control to conceal, remove, alter, deface or obliterate any of the said marks, except in the event referred to in subsection (4), that owner, master or person commits an offence, and for each such offence is liable to a fine not exceeding level 3 on the standard scale, and, on a certificate from a surveyor of ships that a ship is insufficiently or inaccurately marked, the ship may be detained until the insufficiency or inaccuracy has been remedied.

(6) It shall be a defence for an owner, master or person referred to in subsection (5) to prove-

- (a) that he took all reasonable precautions and exercised all due diligence to avoid the commission of the offence; or
- (b) that the commission of the offence was for the purpose of escaping capture by an enemy.

(7) Where a ship proceeds to sea without being marked in accordance with this section, the owner commits an offence and is liable on summary conviction to a fine of ten thousand dollars.

(8) The Director may exempt a class of ships from all or any of the requirements of this section.

15. An application for registration of a ship shall be made, in the case of individuals, by the person requiring to be registered as owner, or by one or more of the persons so requiring if more than one, or by his or their agent, and in the case of bodies corporate by their agent, and the authority of the agent shall be testified by writing, if appointed by individuals, under the hands of the appointers, and, if appointed by a body corporate, under the common seal of that body corporate or by deed or instrument under seal in accordance with section 83 of the Companies Law (2016 Revision)

Application for  
registration

2016 Revision

Declaration of eligibility	<p>16. (1) A person shall not be entitled to be registered as owner of a ship or of a share therein until he, or, in the case of a body corporate, the person authorised by this Law to make declarations on behalf of the body corporate, has made and signed a declaration of eligibility, referring to the ship as described in the certificate of the surveyor, and containing the following particulars-</p> <ul style="list-style-type: none"><li>(a) a statement of his qualifications to own a Cayman Islands ship, or in the case of a body corporate, of such circumstances of the constitution and business thereof as prove it to be qualified to own a Cayman Islands ship;</li><li>(b) in the case of a foreign ship, a statement of its foreign name;</li><li>(c) a statement of the number of shares in the ship the legal title to which is vested in him or, as the case may be, the body corporate, whether alone or jointly with any other person or persons; and</li><li>(d) a declaration that, to the best of his knowledge and belief, a majority interest in the ship is owned by persons qualified to be owners of Cayman Islands ships, and the ship is otherwise entitled to be registered.</li></ul> <p>(2) In the application of this section to a ship which is not wholly owned by persons qualified to be owners of Cayman Islands ships, subsection (1)(a) shall have effect only in relation to persons who are so qualified.</p>
Evidence of title on first registry	<p>17. On the first registration of a ship such evidence of title shall be produced as specified in the registration regulations.</p>
Entry of particulars in register	<p>18. When the requirements of this Law preliminary to registration have been complied with, the Registrar of Shipping shall register the ship in accordance with the registration regulations by entering, in the register, particulars respecting the ship as specified in the registration regulations.</p>
Documents to be retained by Registrar of Shipping	<p>19. On the registration of a ship, the Registrar of Shipping shall retain in his possession such documents as are specified in the registration regulations.</p>
Port of registry	<p>20. The port of registry of a ship registered under this Law and the port to which it belongs shall be one of the following ports-</p> <ul style="list-style-type: none"><li>(a) George Town;</li><li>(b) The Creek; or</li><li>(c) Bloody Bay,</li></ul> <p>and the Registrar may, on application, allow a vessel which is registered in one of the ports to transfer its registration to another of the ports mentioned in this section but the vessel shall be registered in one port only at any one time.</p>
<p><b>Certificate of Registry</b></p>	
Certificate of registry	<p>21. On completion of the registration of a ship, the Registrar of Shipping shall grant a certificate of registry.</p>

(2) A certificate of registry may be issued for an indefinite period or for a specified period at the discretion of the Registrar of Shipping, and where a certificate is issued for a specified period it may be extended or re-issued at the end of such period for a further specified period, or replaced with a certificate of certificate of registry valid for an indefinite period, in the Registrar's discretion.

(3) A certificate of registry issued for a specified period or extended or re-issued for a further specified period may be issued on such terms and conditions as the Registrar of Shipping may specify.

(4) A certificate of registry issued for a specified period, or extended or renewed for a further specified period, shall become invalid at the end of such period unless further extended or renewed and, upon the certificate of registry becoming invalid, the registration of the ship shall be deemed to be terminated.

(5) In the event that the registration of a ship is terminated in accordance with this section, section 8(3)(a) shall apply with respect to any registered mortgages relating to the ship.

22. (1) The certificate of registry shall be used only for the lawful navigation of the ship, and shall not be subject to detention by reason of any title, lien, charge or interest whatever had or claimed by any owner, mortgagee or other person to, on or in the ship.

Custody of certificate

(2) If a person, whether interested in the ship or not, refuses on request to surrender the certificate of registry when in his possession or under his control to the person entitled to the custody thereof for the purposes of the lawful navigation of the ship, or to the Registrar of Shipping, any officer of customs, or other person entitled by law to require such surrender, any justice by warrant under his hand and seal, or any court capable of taking cognisance of the matter, may summon the person so refusing to appear before such justice or court, and to be examined touching such refusal, and unless it is proved to the satisfaction of such justice or court that there was reasonable cause for such refusal, that person commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale, but if it is shown to such justice or court that the certificate is lost, the person summoned shall be discharged, and the justice or court shall certify that the certificate of registry is lost.

(3) If the person so refusing is proved to have absconded so that the warrant of a justice or process of a court cannot be served on him, or if he persists in not surrendering the certificate, the justice or court shall certify the fact, and the same proceedings may then be taken as in the case of a certificate mislaid, lost or destroyed, or as near thereto as circumstances permit.

23. If the master or owner of a ship uses or attempts to use for its navigation a certificate of registry not legally granted in respect of the ship, he commits an offence and is liable on summary conviction to a fine of twenty-five thousand dollars, and the ship is subject to forfeiture under this Law.

Penalty for use of improper certificate

Power to grant new certificate

24. The Registrar of Shipping may, with the approval of the Director, and upon the surrender to him of the certificate of registry of a ship, grant a new certificate in lieu thereof.

Duplicate certificates

25. (1) If it is shown to the satisfaction of the Registrar of Shipping that the certificate of registry has been lost, stolen or destroyed or has become defaced or illegible (“the event”), he may issue to the owner a duplicate of that certificate, which shall be marked as such, and shall be of the same effect as the original.

(2) Where a duplicate certificate of registry is issued, the original, if then available or if subsequently found or recovered, shall be forthwith surrendered to the Registrar.

(3) If-

- (a) the port where the ship is at the time of the event or, as the case may be, where it first arrives after the event, is not in the Islands; and
- (b) the master of the ship, or some other person having knowledge of the facts of the case, makes a declaration before the proper officer as to the loss, theft, destruction, defacement or illegibility of the certificate,

the proper officer shall notify the Registrar.

(4) On being notified of the event and being satisfied that the ship is entitled to be issued with a duplicate certificate, the Registrar shall-

- (a) send by facsimile or any other form of electronic transmission to the proper officer a copy of the duplicate certificate which the proper officer shall endorse with a statement of the circumstances under which it is granted; or
- (b) where there are no facsimile or other electronic transmission facilities, the proper officer shall issue a temporary certificate so endorsed.

(5) The facsimile or other electronically transmitted version of the duplicate certificate or the temporary certificate, as the case may be, shall be surrendered to the Registrar of Shipping as soon as an original duplicate certificate referred to in subsection (1) is received by the owner.

(6) A person who fails, without reasonable cause, to surrender a certificate of registry when required to do so by subsection (2) commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

26. (1) Whenever a change occurs in the registered ownership of a ship, the Registrar of Shipping may endorse the change on the certificate of registry or issue a new certificate of registry. Endorsement of change of ownership

(2) The master shall, for the purpose of such endorsement by the Registrar of Shipping, deliver the certificate of registry to the Registrar forthwith after the change.

(3) If the master fails to deliver, to the Registrar of Shipping, the certificate of registry as required by this section he commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

27. (1) If a ship becomes entitled to be registered while at port in a country outside the Islands, then, subject to this subsections (1), (2) and (3), the proper officer may, on the application of the master of the ship, grant to him a provisional certificate stating- Provisional certificate for ship becoming entitled to be registered while abroad

- (a) the name of the ship;
- (b) the time and place of the purchase of the ship and the names of the purchasers; and
- (c) the best particulars respecting the tonnage, build and description of the ship which the person granting the certificate is able to obtain,

and shall forward a copy of the certificate at the first convenient opportunity to the Registrar of Shipping.

(2) No provisional certificate shall be granted by a person under subsection (1) unless he is satisfied that an application under the registration regulations for registry of the ship has been made or is intended.

(3) A provisional certificate shall have the effect of a certificate of registry until-

- (a) the expiration of three months from its date; or
- (b) the ship's arrival at a port in the Islands,

whichever happens first, and shall then cease to be of any effect.

(4) Where a provisional certificate has been granted for a ship under this section, no further provisional certificate shall be so granted for the ship within one year from the date of that certificate except with the consent of the Director.

### **Demise Charter Registration**

28. (1) Subject to subsection (3), a ship of twenty-four metres or more in length shall be entitled to be registered under this Law in the Islands if- Registration of ships chartered by demise to a qualified person

- (a) the ship is operated under a charter by demise which complies with the requirements set out in subsection (2);
  - (b) the charterer is a person qualified to be an owner of a Cayman Islands ship by virtue of section 4;
  - (c) the requirements corresponding to those imposed on the owner of a majority interest in the ship by section 5(3) and (4)(b) with respect to entitlement to registration, are satisfied by the charterer;
  - (d) the ship is registered in a registry other than that of the Islands with respect to the rights and obligations referred to in section 32; and
  - (e) a provision substantially to the same effect as that of a dispensation under section 33 is granted in respect of the ship by the registry referred to in paragraph (d), where such provision is required under the law of the country of that registry.
- (2) The requirements referred to in subsection (1)(a) are that-
- (a) the charter is in writing;
  - (b) the demise effected by the charter is made-
    - (i) by the owner of the ship or by a charterer with the written consent of the owner of the ship;
    - (ii) to a charterer who has a single legal personality; and
    - (iii) for a fixed period of two years or more or such lesser period as may be allowed by the Director; and
  - (c) under the terms of the charter the operation, management and control of the ship (including responsibility for the engagement or employment of the master and crew of the ship) is vested in the charterer.
- (3) Without prejudice to subsection (4), the Registrar of Shipping may refuse to register a ship which is entitled to be registered under subsection (1) if-
- (a) he is not satisfied that-
    - (i) the owner of the ship has consented to the registration of the ship in the Islands; or
    - (ii) a mortgagee of the ship has consented to the registration of the ship in the Islands;
  - (b) the tonnage of the ship cannot be ascertained in accordance with the tonnage regulations;
  - (c) the ship cannot be marked in accordance with section 14;
  - (d) he reasonably believes that the ship would be precluded by some other law to which it is subject from flying the Islands' national colours in accordance with section 69;



- (e) the charter by demise has an unexpired period of less than two years at the date when the application to register the ship is made; or
- (f) it is not in the interests of the Islands that the ship should be registered in the Islands.

(4) Sections 6, 7 and 8 shall apply in respect of a ship entitled to be registered in the Islands under subsection (1) as if the ship was entitled to be registered under section 5.

29. (1) Where a ship is registered under section 28(1) it shall be a Cayman Islands ship for the purposes of this Law.

Consequences of registration under section 28(1)

(2) Where a ship is registered under section 28(1) it shall not fly any colours other than the Islands' national colours specified in section 69.

30. (1) Where application is made to register a ship which is entitled to be registered under section 28(1) or, application having been made to register a ship which is entitled to be registered under section 28(1), the ship has been registered-

Application of this Law where a ship is registered under section 28

- (a) this Part shall apply to the ship and its registration subject to the modifications and adaptations to those provisions set out in subsection (2); and
- (b) any act or thing as is mentioned in this subsection, required to be done or not done under this Law by an owner of such a ship shall be required to be done or not done by the charterer, and-
  - (i) the charterer shall be liable for doing or omitting to do such act or thing as if he were the owner of the ship; and
  - (ii) a reference to "owner" in this Law shall, in the case of such a ship as is mentioned in this subsection, be deemed to be a reference to "charterer" and the words "registered owner" and "registered ownership" shall be construed accordingly.

(2) The modifications and adaptations to this Part referred to in subsection (1) are as follows-

- (a) paragraphs (a) to (e) of section 12 shall not apply;
- (b) the ship shall not be required to be surveyed for the purpose of ascertaining the tonnage of the ship under section 13 if there is in force in respect of the ship an International Tonnage Certificate (1969), and in such case the tonnage of such ship shall be deemed to have been ascertained and, upon registration, registered in accordance with the tonnage regulations;
- (c) the declaration required by section 16 shall include in place of the statements referred to in paragraphs (c) and (d) of that section, a statement that the ship is subject to a charter by demise and that the person on whose behalf the declaration is made is the charterer of the ship under that charter and there shall be attached

- to such declaration and produced to the Registrar of Shipping a certified copy of that charter by demise;
- (d) section 17 shall not apply;
  - (e) in place of the particulars required to be entered in the register under section 18 the following particulars shall be entered-
    - (i) the name of the charterer as if he were the owner of the ship with such annotation as may be necessary to show that the ship is entitled to be registered under section 28(1);
    - (ii) the name and address of the owner or owners determined in accordance with paragraphs (a) to (e) of section 12;
    - (iii) the name and address of any person who has been granted a mortgage of the ship or a share in the ship by any owner whose name is or is to be noted on the register under subparagraph (ii);
    - (iv) such details of the terms of any mortgage referred to in subparagraph (iii) as the Registrar of Shipping shall require to be noted; and
    - (v) the previous name, if any, of the ship;
  - (f) the Registrar of Shipping shall retain in his possession, in addition to the surveyor's certificate issued under section 13, the certified copy of the charter by demise and any certified copy of a transfer referred to in section 31(1)(c) produced to him;
  - (g) a certificate of registry granted by the Registrar of Shipping under section 21 shall be granted for a fixed period of time expiring on the date upon which the charter by demise shall come to an end by effluxion of time;
  - (h) a ship shall cease to be entitled to be registered within the meaning of section 8(1)(c) upon the expiry of the fixed period specified in the certificate of registry or, if sooner, upon either-
    - (i) the termination of the charter by demise;
    - (ii) the transfer by the charterer of his rights and obligations under the charter in circumstances which cause the registration to cease under section 31;
    - (iii) the closure or annulment of the registry referred to in section 28(1)(d), in respect of the ship; or
    - (iv) the revocation or withdrawal of the dispensation referred to in section 28(1)(e); and
  - (i) sections 55 and 71 to 85 shall not apply.

Transfer of rights and obligations of charterer under the charter by demise

31. (1) Where a ship is registered under section 28(1) and the charterer transfers his rights and obligations under obligations of the charter by demise to another person so that the charterer is no longer under a contractual obligation to the owner of the ship in respect of the operation, management and control of the ship, the registration shall cease upon such transfer unless-

- (a) the transferee is qualified to own a Cayman Islands ship;
- (b) prior to the execution of the transfer, the transferee, or in the case of a body corporate, the person authorised by this Law to make declarations on behalf of the body corporate, makes and signs a declaration referring to the ship and containing a statement of the qualification of the transferee to own a Cayman Islands ship, or if the transferee is a body corporate of such circumstances of the constitution and business thereof as prove it to be qualified to own a Cayman Islands ship; and
- (c) a certified copy of the transfer executed by the charterer in favour of the transferee is produced to the Registrar of Shipping.

(2) In subsection (1)-

“transferee” means the person to whom the charterer has transferred his rights and obligations under the charter by demise.

32. Where a ship is registered under section 28(1) neither the rights nor proprietary interests of the owner in respect of the ship, nor the rights and obligations of the parties to a contract, bill of sale, mortgage, charge or other instrument creating or disposing of a legal or equitable interest in the ship whether existing at the date of registration of the ship under section 28(1) or created thereafter shall be affected by such registration or governed by this Law.

Rights and obligations relating to interests in ships registered under section 28(1)

33. (1) Where he is satisfied that it is proper for him to do so, the Director may grant to the owner of a ship of twenty-four metres or more in length registered in the Islands under this Law a dispensation under this section.

Dispensations for ships chartered by demise and registered outside the Islands

(2) The Director shall not grant a dispensation under subsection (1) unless he is satisfied-

- (a) that the ship is subject to a charter by demise pursuant to which the registered owner of the ship is not responsible for the management, operation or control of the ship for the period of the charter;
- (b) that a registered mortgagee of the ship has consented to the dispensation being granted;
- (c) that, in addition to the registration of the ship in the Islands, the ship is intended to be registered under the law of a country outside the Islands; and
- (d) that, upon registration under the law of a country outside the Islands, the ship will become subject to laws which implement and apply to the ship such provisions of the Collisions Convention, the relevant International Labour Conventions, the Load Line Convention, the Marine Pollution Convention, the Safety Convention and the STCW Convention to the same extent

as they apply in respect of the ship by virtue of its registration in the Islands.

(3) Where the Director has granted to the owner of a ship a dispensation under subsection (1), with effect from the date upon which the conditions set out in subsection (4) have been complied with, sections 67(4) and 69 shall not apply to the ship, and section 67(1) shall apply to the ship as though the ship was not a Cayman Islands ship.

(4) The conditions referred to in subsection (3) are that -

- (a) the owner has delivered to the Registrar of Shipping-
  - (i) a certified copy of the charter by demise referred to in subsection (2)(a);
  - (ii) in exchange for a receipt, the certificate of registry granted under section 21; and
  - (iii) any certificate issued in respect of the ship under this Law;
- (b) the owner, or in the case of a body corporate the person authorised by this Law to make declarations on behalf of the body corporate, has delivered to the Registrar of Shipping a declaration referring to the ship and containing a statement that the ship is lawfully registered in a named country outside the Islands and is subject to the jurisdiction of that country in respect of the enforcement of such provisions of the conventions referred to in subsection (2)(d) as apply in respect of the ship by virtue of its registration in the Islands; and
- (c) the Registrar of Shipping has received confirmation from the administration of the country outside the Islands in which the ship is registered that the ship is so registered and is subject to the jurisdiction of that country.

(5) The port of registry in the Cayman Islands shall no longer be the port of registry for a ship in respect of which a dispensation has been granted under this section, and the marking of the name of such port on its stern as provided in section 14(2) shall be removed.

Termination and  
revocation of  
dispensation granted  
under section 33

34. (1) A dispensation granted by the Director under section 33 shall terminate automatically if-

- (a) the ship ceases to be registered in the country named in the declaration made under section 33(4)(b); or
- (b) the charter by demise terminates, whether upon expiry or otherwise.

(2) The Director may revoke a dispensation granted by him under section 33-

- (a) upon the application of a registered owner or registered mortgagee of the ship;
- (b) if he is satisfied that a declaration made for the purpose of section 33(4)(b) is false or misleading;
- (c) at the request of the country named in the declaration made under section 33(4)(b); or
- (d) if it is not in the interests of the Islands that the dispensation should continue.

35. (1) Where a dispensation granted under section 33 has taken effect, the ship shall fly only the colours lawfully borne by ships registered in the country named in the declaration made under section 33(4)(b).

Flag to be used where a dispensation has been granted under section 33

(2) Without prejudice to section 33(3), where a ship flies colours in contravention of subsection (1) the registered owner commits an offence and is liable on summary conviction to a fine of ten thousand dollars.

#### **Interim Registration in the Course of Transfer of Ownership**

36. (1) This section applies where-

- (a) there is in existence a written contract for the transfer of a ship or a share in a ship;
- (b) under the terms of that contract, the owner has agreed-
  - (i) to transfer the ship or a share in the ship to a person qualified to own Cayman Islands ships and who intends to register the ship in the Islands; and
  - (ii) to provide the transferee with a bill of sale of the ship and a certificate stating that the ship is free from registered mortgages; and
- (c) upon the execution of the bill of sale, the ship will be entitled to be registered in the Islands provided the requirements of section 5 are satisfied.

Registration during the transfer of ownership

(2) Where this section applies, the Registrar of Shipping may, if satisfied that it is proper for him to do so-

- (a) enter in the register the particulars referred to in section 18 subject to the modifications set out in subsection (3); and
  - (b) grant to the transferee a certificate of registry which is valid for a period of twenty-one days from its date of issue.
- (3) The modifications referred to in subsection (2)(a), are that-
- (a) the name and other particulars required to be entered under any regulations which may be made relating to the registration of ships shall be the name and other particulars of the transferee of the ship or of the share therein; and

- (b) there shall also be entered a note that the registration is conditional upon a bill of sale transferring the ship or the share therein to the person or persons named in the register being produced to the Registrar of Shipping within twenty-one days.

(4) The Registrar of Shipping shall only be satisfied that it is proper for him to make the entry in the register and grant a certificate of registry under subsection (3) if-

- (a) sections 13, 14, 15 and 17 and section 18, as modified by subsection (3), have been complied with;
- (b) the transferee, or in the case of a body corporate the person authorised by this Law to make declarations on behalf of the body corporate, has made and signed a declaration, referring to the ship as described in the surveyor's certificate issued under section 13, and containing the following particulars-
  - (i) if he is a person qualified to own a Cayman Islands ship, a statement of his qualifications to own a Cayman Islands ship, or in the case of a body corporate, of such circumstances of the constitution and the business thereof as prove it to be qualified to own a Cayman Islands ship;
  - (ii) if the ship is a foreign ship, a statement of the ship's foreign name;
  - (iii) a statement that there is in existence a written contract for the transfer of the ship or a share in the ship;
  - (iv) a statement that the owner has agreed-
    - (A) to transfer the ship or a share in the ship to the transferee;
    - (B) to provide the transferee with a bill of sale of the ship and a certificate stating that the ship is free from registered mortgages; and
    - (C) to procure the termination of the registration of the ship in the country in which it is then registered;
  - (v) a statement that, to the best of his knowledge and belief, upon the execution of the bill of sale a majority interest in the ship will be owned by persons qualified to be owners of Cayman Islands ships, and the ship is otherwise entitled to be registered;
- (c) there is produced to the Registrar of Shipping a certified copy of the contract referred to in the declaration made under paragraph (b); and
- (d) in the case of a Cayman Islands ship, the existing certificate of registry is delivered to the Registrar of Shipping upon the issue of the certificate of registry under this section.

(5) Where a ship is registered under subsection (2), the transferee shall, within twenty-one days after the date of issue of the certificate of registry granted under subsection (2)(b), deliver to the Registrar of Shipping a declaration made in accordance with section 16 and a bill of sale executed under the contract, a certified copy of which has been produced to the Registrar of Shipping under subsection (4)(c), and thereupon the Registrar of Shipping shall make the entries in the register required by section 18 and grant a certificate of registry under section 21.

(6) If the transferee does not comply with the requirements of subsection (5), the registration of the ship shall automatically terminate at the expiration of the certificate of registry granted under subsection (2)(b) and the certificate of registry and any certificate issued in respect of the ship under this Law shall be delivered to the Registrar of Shipping.

37. (1) Where a ship is registered under section 36 it shall be deemed to be a Cayman Islands ship for the purposes of this Law.

Consequences of registration under section 36

(2) Where a ship is registered under section 36 it shall not hoist any colours other than the Islands' national colours specified in section 69.

38. Where a certificate of registry has been granted in respect of a ship under section 36(2)-

Provisions relating to application of this Law where a ship is registered under section 36

- (a) this Part, except sections 47 and 48, shall apply to the ship and its registration; and
- (b) any act or thing required to be done or not done under this Law by the owner of a ship shall be deemed to be required to be done or not done by the transferee, and-
  - (i) the transferee shall be liable for doing or omitting to do such act or thing as if he were the owner of the ship; and
  - (ii) a reference to "owner" in this Law shall, in the case of such a ship as is mentioned in this section, be deemed to be a reference to "transferee", and the words "registered owner" and "registered ownership" shall be construed accordingly.

39. In sections 36 and 38-

Definition of transferee in this Part

"transferee" means a person to whom the ownership of a ship or a share in a ship is to be transferred in the circumstances set out in section 36(1).

#### **Name of Ship**

40. (1) A ship shall not be described by a name other than that which it is for the time being registered.

Rules as to name of ship

(2) A change shall not be made in the name of a ship without the previous written permission of the Registrar of Shipping.

(3) Application for permission under subsection (2) shall be in writing and, if the Registrar of Shipping is of the opinion that the application is reasonable, he may grant permission, and may thereupon require notice thereof to be published in such form and manner as he thinks fit.

(4) On the grant of permission under subsection (3), the ship's name shall forthwith be altered in the register, in the ship's certificate of registry and on its bows and stern.

(5) If it is shown to the satisfaction of the Registrar of Shipping that the name of a ship has been changed without his permission, he shall direct that its name be altered to that which it bore before the change, and the name shall be altered in the register, in the ship's certificate of registry and on its bows and stern accordingly.

Offences

41. A person who acts, or suffers a person under his control to act, in contravention of section 40, or omits to do, or suffers a person under his control to omit to do, anything required by that section, commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale, and, except in the case of an application being made under section 40 with respect to a foreign ship which, not having at any previous time been registered as a Cayman Islands ship, has become a Cayman Islands ship, the ship may be detained until there is compliance with that section.

#### **Registration of Alterations and Registration Anew**

Registration of alterations

42. (1) When a registered ship is so altered as not to correspond with the particulars relating to its tonnage or description contained in the register, then the Registrar of Shipping shall, on application being made to him and on receipt of a certificate from the proper surveyor stating the particulars of the alteration, either cause the alteration to be registered or direct that the ship be registered anew.

Offences

43. If default is made in registering anew a ship, or in registering an alteration of a ship so altered as provided in section 42, the owner of the ship commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale and, in addition, to a fine of one hundred dollars for every day during which the offence continues after conviction.

Procedure for registration of alterations

44. (1) For the purpose of the registration of an alteration in a ship, the ship's certificate of registry shall be produced to the Registrar of Shipping, and the Registrar shall, in his discretion, either retain the certificate of registry and grant a new certificate of registry containing a description of the ship as altered, or endorse and sign on the existing certificate a memorandum of the alteration.

(2) The particulars of the alteration so made, and the fact of the new certificate having been granted, or endorsement having been made, shall be entered by the Registrar of Shipping in the register.



45. Where the ownership of a ship is changed, the Registrar of Shipping may, on the application of the owners of the ship register the ship anew, although registration anew is not required under this Law.

Registration anew on change of ownership

46. (1) Where a ship is to be registered anew, the Registrar of Shipping shall proceed as in the case of first registry, and on the surrender to him of the existing certificate of registry, and on compliance with the other requirements for registration, or in the case of a change of ownership, compliance with such of them as the Registrar thinks material, shall register the ship anew and grant a new certificate.

Procedure for registration anew

(2) When a ship is registered anew, its former register shall be considered as closed, except so far as relates to any unsatisfied mortgage or existing certificates of sale or mortgage entered thereon, but the names of all persons appearing on the former register to be interested in the ship as owners or mortgagees shall be entered in the new register, and the registration anew shall not in any way affect the rights of any of those persons.

#### **Transfer of Registration Between the Islands and the United Kingdom or a Crown Dependency or British Overseas Territory**

47. (1) Subject to subsection (2), the registration of a ship under this Part may be transferred from the Cayman Islands to the United Kingdom, a Crown Dependency or a British Overseas Territory, as the case may be, (hereafter referred to in this section as the intended country of registration), on application being made by declaration in writing to the Registrar of Shipping by all persons appearing in the Cayman Islands register to be interested in the ship as owners or mortgagees, but such a transfer shall not in any way affect the rights of those persons or any of them, and those rights shall, in all respects, continue in the same manner as if no such transfer had been effected.

Transfer of registration from the Cayman Islands to the United Kingdom, a Crown Dependency or a British Overseas Territory

(2) On any such application, the Registrar of Shipping shall notify the registrar in the intended country of registration and shall send to that registrar a copy of all particulars relating to the ship, and the names of all persons appearing in the register to be interested in the ship as owners or mortgagees.

(3) The ship's certificate of registry shall be surrendered to the registrar in the intended country of registration, either direct or through the Registrar of Shipping.

(4) Where an application is made under this section-

- (a) the Registrar of Shipping shall not proceed to deal with the application unless he is satisfied that laws in force in the intended country of registration do not preclude such transfer of registration; and
- (b) a certificate issued by the registrar in the intended country of registration and stating that any such registration of the ship is

not precluded by any such provision shall be conclusive evidence for the purposes of this subsection of the matters stated in such certificate.

(5) Where the registrar in the intended country of registration grants a new certificate of registry in pursuance of any such application as is mentioned in subsection (2), the ship in question shall thenceforth be considered as registered in that country, and the name of the Cayman port of registry shall be removed from the ship's stern.

(6) The Registrar of Shipping shall, on being notified by the registrar of the intended country of registration of the grant of the new certificate of registry, terminate the registration of the ship in the register.

Transfer of registration from the United Kingdom, a Crown Dependency or a British Overseas Territory to the Cayman Islands

48. (1) Where a ship is registered in the United Kingdom, a Crown Dependency or a British Overseas Territory, as the case may be, (hereafter referred to in this section as the existing country of registration), the registration of that ship may, subject to subsections (5) and (7), be transferred to the Cayman Islands, if-

- (a) an application to the registrar of the existing country of registration has been made for the purpose by a declaration in writing by all the persons appearing on his register to be interested in the ship as owners or mortgagees; and
- (b) the documents mentioned in subsection (2) have been transmitted to the Registrar of Shipping.

(2) The documents referred to in subsection (1) are-

- (a) a notice of the application for transfer made to the registrar of the existing country of registration;
- (b) a copy transmitted by the registrar of the existing country of registration of all the registered particulars of the ship and the names of all the persons appearing on his register to be interested in the ship as owners or mortgagees; and
- (c) the ship's certificate of registry.

(3) On receipt of those documents, the Registrar of Shipping shall, subject to subsection (5)-

- (a) enter in the appropriate part of the register all the particulars and names so transmitted; and
- (b) grant a new certificate of registry,

and thenceforth the ship in question shall be considered as registered in the Cayman Islands and the name of the port of registry to which the ship belongs in accordance with section 20 shall be substituted for the name of the former port of registry on the ship's stern

(4) The Registrar of Shipping shall notify the registrar of the existing country of registration of the grant of a new certificate of registry.

(5) Where the entitlement of a ship to be registered is, under section 5, subject to any condition specified in that section being satisfied, the registration of the ship shall not be transferred to the Cayman Islands under this section unless it appears to the Registrar of Shipping that the condition is satisfied.

(6) A transfer of registration under this section shall not in any way affect the rights of any of the persons mentioned in subsection (1)(a), and those rights shall in all respects continue in the same manner as if no such transfer had been effected.

(7) Section 7 shall apply, with any necessary changes, to this section.

### Tonnage Measurement

49. (1) Where it appears to him that the Tonnage Convention has been adopted by a foreign country and is in force there, the Director may apply that convention to the ships of such country as provided in this section.

Tonnage of ships of foreign countries adopting tonnage regulations

(2) The Director may order that ships of the foreign country shall, without being remeasured in the Islands, be treated as being of the tonnage denoted by their certificates of registry or other national papers, to the same extent and for the same purposes as the tonnage denoted in the certificate of registry of a Cayman Islands ship is treated as being the tonnage of that ship.

(3) Where the Director orders a ship to be treated as provided in subsection (2), any space shown in the ship's certificate of registry or other national papers as deducted from the tonnage shall, if a similar deduction in the case of a Cayman Islands ship depends on compliance with any conditions or on the compliance being evidenced in any manner, be treated as complying with those conditions and as being so evidenced, unless a surveyor of ships certifies to the Director that the construction and equipment of the ship as respects that space do not come up to the standard which would be required if the ship were a Cayman Islands ship.

(4) Any such order may-

- (a) operate for a limited time; and
- (b) be subject to such conditions and qualifications, if any, as the Director may consider expedient.

(5) If it appears to the Director that the tonnage of a foreign ship, as measured by the rules of the country to which the ship belongs, materially differs from what it would be under the tonnage regulations, he may order further that any of the ships of that country may, for all or any of the purposes of this Law, be remeasured in accordance with the tonnage regulations.

Tonnage regulations

50. (1) The tonnage of a ship to be registered under this Part shall be ascertained in accordance with regulations made by the Cabinet (“tonnage regulations”) and whenever the tonnage of a ship has been ascertained and registered in accordance with the tonnage regulations, the same shall be repeated in every subsequent registration thereof, unless any alteration is made in the form or capacity of the ship, or unless it is discovered that the tonnage of the ship has been erroneously computed; and in either of those cases the ship shall be remeasured, and its tonnage determined and registered according to the tonnage regulations.

(2) Tonnage regulations may-

- (a) make different provisions for different descriptions of ships or for the same description of ships in different circumstances;
- (b) make any regulations dependent on compliance with such conditions, to be evidenced in such manner as may be specified in the regulations;
- (c) prohibit or restrict the carriage of goods or stores in spaces not included in the net tonnage and provide for making the master and the owner each culpable in the commission of an offence and liable on summary conviction to a fine of ten thousand dollars where such a prohibition or restriction is contravened.

(3) Tonnage regulations may make provision-

- (a) for assigning to a ship, either instead of or as an alternative to the tonnage ascertained in accordance with the other provisions of the regulations, a lower tonnage applicable where the ship is not loaded to the full depth to which it can safely be loaded;
- (b) for indicating on the ship, by such mark as may be specified in the regulations, that such a lower tonnage has been assigned to it; and
- (c) where the lower tonnage has been assigned to it as an alternative, for indicating on the ship the depth to which the ship may be loaded for the lower tonnage to be applicable.

(4) Tonnage regulations may provide for the measurement and survey of ships to be undertaken, in such circumstances as may be specified in the regulations, by persons appointed by such organisations as may be authorised for the purpose by the Director.

(5) Tonnage regulations may provide for the issue, by the Director or by persons appointed by such organisations as may be authorised for the purpose by the Director, of certificates of the tonnage of any ship or of the tonnage which is to be taken for any purpose specified in the regulations as the tonnage of a ship

not registered in the Islands, and for the cancellation and surrender of such certificates in such circumstances as may be prescribed by the regulations.

(6) Regulations requiring the surrender of a certificate may make a failure to comply with the requirement an offence punishable on summary conviction with a fine not exceeding level 5 on the standard scale.

(7) In making the tonnage regulations, the Cabinet shall pay due regard to the provisions of the Tonnage Convention.

(8) Surveyors shall carry out surveys and measurements of ships in accordance with regulations made under this section.

### Unregistered Ships

51. (1) Where a ship-

- (a) is twenty-four metres or more in length;
- (b) has a majority interest which is owned by Cayman Islands citizens or a body corporate established under the law of the Islands and having a place of business in the Islands; and
- (c) is not registered in the Islands or elsewhere,

Liabilities of  
unregistered ships

then (notwithstanding that the ship is not entitled to any benefits, privileges, advantage or protection usually enjoyed by a Cayman Islands ship) the ship shall, for the purposes mentioned in subsection (2), be dealt with in the same manner in all respects as if the ship were a Cayman Islands ship.

(2) The purposes referred to in subsection (1) are-

- (a) payment of dues, fees or other charges;
- (b) liability to fines and forfeiture; and
- (c) punishment of any offences punishable under this Law.

52. (1) Subject to subsection (2), sections 88 to 103, 107, 108, 116, 121 (6), 133 to 138, 141, 331, 332 and 434 shall apply to seagoing ships of twenty-four metres or more in length-

Application of this Law  
to unregistered ships

- (a) in which a majority interest is owned by Cayman Islands citizens or a body corporate established under the law of the Islands and having a place of business in the Islands; and
- (b) which are not registered in the Islands or elsewhere.

(2) In the application of section 92 to ships described in subsection (1), for the reference to a ship ceasing to be registered in the Islands, there shall be substituted a reference to its ceasing to be entitled to be so registered.

(3) Subject to subsection (4), sections 133 to 138 and 434 shall apply to seagoing ships less than twenty-four metres in length described in subsection (1)(a) and (b).

(4) In the application of section 434 to ships described in subsection (3), where-

- (a) a person dies in a ship described in subsection (3); or
- (b) the master or a seafarer of such a ship dies in a country outside the Islands,

an inquiry into the cause of death shall be held only if the Director so directs.

#### Miscellaneous

Termination of overseas registration

53. (1) Where a ship is entitled to be registered in the Islands under section 5 and the ship is so registered, the ship shall not be registered under the law of a country outside the Islands except pursuant to a dispensation granted under section 33.

(2) Where a ship is entitled to be registered in the Islands under section 28(1) and the ship is so registered, the ship shall not be registered under the law of a country outside the Islands except where such registration is effected by an owner of the ship whose name is noted in the register under section 30(2)(e)(ii).

(3) Where a ship is registered under the law of a country outside the Islands in contravention of subsection (1) or (2), the registered owner is, subject to subsection (4), guilty of an offence and liable on summary conviction to a fine of ten thousand dollars.

(4) It shall be a defence for a person charged with an offence under this section to prove that he had taken all reasonable steps to secure the termination of the registry of the ship under the law of the country in which the ship is registered in contravention of subsection (1) or (2) as the case may be.

Requirement for insurance cover

54. (1) Every Cayman Islands ship shall carry insurance cover against risks of loss or damage to third parties, and in particular-

- (a) in respect of the shipowner's liabilities to a crew member under Part V; and
- (b) without prejudice to the relevant provisions of Part XIV, claims in respect of loss or damage caused by any cargo carried on board the ship.

(2) Every ship anchoring in or trading in or from Cayman Islands waters or entering a port in the Cayman Islands shall carry insurance cover against risks of loss or damage to third parties, and against wreck removal expenses in an amount satisfactory to the Receiver of Wreck.

(3) If a ship is in contravention of this section, the owner commits an offence and is liable on summary conviction to a fine of twenty thousand dollars.

55. (1) Subject to subsection (2), no trust, express, implied or constructive, shall be registered by the Registrar of Shipping.

Trusts, equitable interests and liabilities of beneficial interests

(2) Where, on the bankruptcy of a registered owner or mortgagee, his title is transmitted to his trustee in bankruptcy, that person may be registered as the owner or mortgagee of a Cayman Islands ship or a share therein, provided the ship remains entitled to be registered as a Cayman Islands ship under section 5.

(3) The expression “beneficial interest”, where used in this Part, includes interests arising under contract and other equitable interests, and without prejudice to the provisions of this Law for preventing trusts being entered in the register or received by the Registrar of Shipping, and without prejudice to the powers of disposition and of giving receipts conferred by this Law on registered owners and mortgagees, and without prejudice to the provisions of this Law relating to the exclusion of unqualified persons from the ownership of Cayman Islands ships, interests arising under contract or other equitable interests may be enforced by or against owners and mortgagees of ships in respect of their interest therein in the same manner as in respect of any other personal property.

(4) Where a person is beneficially interested, otherwise than by way of mortgage, in a ship or share in a ship registered in the name of some other person as owner, the person so interested shall, as well as the registered owner, be subject to all pecuniary penalties imposed by this or any other law on the owners of ships or shares therein, so nevertheless that proceedings may be taken for the enforcement of any such penalties again both or either of the aforesaid parties, with or without joining the other of them.

56. (1) When, under this Part, a person is required to make a declaration on behalf of himself or of a body corporate, or any evidence is required to be produced to the Registrar of Shipping, and it is shown to the satisfaction of the Registrar of Shipping that, from any reasonable cause, that person is unable to make the declaration, or that the evidence cannot be produced, the Registrar may, with the approval of the Director, on the production of such other evidence and subject to such terms as he may reasonably think fit, dispense with the declaration or evidence.

Registrar of Shipping may dispense with declaration or evidence

(2) Declarations required by this Part may be made on behalf of a body corporate by the secretary or any other officer of the body corporate authorised by it for the purpose.

57. (1) Such fees as the Director determines shall be paid in respect of the measurement of a ship’s tonnage.

Fees

(2) All fees authorised to be taken under this Part, shall, except where otherwise provided in this Law, be disposed of in such way as the Minister directs.

- Returns to be made by Registrar of Shipping
58. The Registrar of Shipping shall, if requested by the Registrar General of Shipping and Seafarers of the United Kingdom, transmit to him a full return, at such times and in such form as the said Registrar General may direct, of all registries, transfers, transmissions, mortgages and other dealings with ships which have been registered by or communicated to him in his capacity as Registrar of Shipping, and of the names of the persons concerned in the same, and of such other particulars as may be directed by the said Registrar General.
- Evidence of certificate of registry and other documents
59. (1) A person, on payment of a prescribed fee, may, on application to the Registrar of Shipping at a reasonable time during the hours of his official attendance, inspect the register.
- (2) The following documents shall be admissible in evidence in the manner provided by this Law-
- (a) a certificate of registry under this Law purporting to be signed by the Registrar of Shipping or other proper officer;
  - (b) an endorsement on a certificate of registry purporting to be signed by the Registrar of Shipping or other proper officer; and
  - (c) every declaration made under this Part.
- (3) A person shall be entitled, on payment of the prescribed fee, to obtain a copy, certified as a true copy by the Registrar of Shipping, of any information contained in an entry in the register.
- (4) A person shall be entitled, on payment of the prescribed fee, to obtain a certified copy of the information entered in the register in respect of the registration of a ship, together with a statement certified by the Registrar of Shipping showing who is, for the time being, the owner of the ship.
- (5) Section 448(5) applies to a document supplied under subsection (3) or (4) it applies to a document to which that section applies.
- (6) In subsections (1), (3) and (4)-
- “prescribed fee” means the fee fixed by the Director for the purposes of those subsections.
- Forms of documents
60. (1) The instruments and documents referred to in the Schedule 1 shall, subject to subsection (3), be in the form prescribed by the Director or as near thereto as circumstances permit.
- (2) The Registrar of Shipping shall not be required to receive and enter in the register a bill of sale, mortgage or other instrument of the disposal or transfer of any ship or share, or any interest therein, which is made in any form other than that for the time being required under this Part, or which contains any particulars other than those contained in such form.
- (3) In this section-



- (a) references to “form” include references to alterations made thereto from time to time as deemed necessary; and
- (b) such public notice of the alteration referred to in paragraph (a) shall be given as may be necessary in order to prevent inconvenience.

61. (1) A person who forges, or fraudulently alters-

Forgery of documents

- (a) any entry or endorsement in the register; or
- (b) any other document as respects which provision is made by, under or by virtue of this Part (or any entry or endorsement in or on such other document and as respects which provision is so made),

commits an offence and is liable-

- (i) on summary conviction to a fine not exceeding level 5 on the standard scale and to imprisonment for eighteen months; or
- (ii) on conviction on indictment, to a fine of ten thousand dollars and to imprisonment for three years.

62. (1) A person who, in the case of a declaration made in the presence of or produced to the Registrar of Shipping under this Part, or in a document or other evidence produced to the Registrar-

False declarations

- (a) wilfully makes, assists in making or procures to be made a false statement concerning the title to or ownership of, or the interest existing in a ship, or a share in a ship; or
- (b) utters, produces, or makes use of a declaration or document containing any such false statement knowing the same to be false,

commits an offence and is liable on summary conviction to a fine of ten thousand dollars.

(2) A person who wilfully makes a false declaration touching the qualification of himself, of any other person or of any body corporate to own a Cayman Islands ship or any share therein or with respect to the entitlement of a ship to be registered, commits an offence and is liable on summary conviction to a fine of fifteen thousand dollars, and that ship or share therein is subject to forfeiture under this Law to the extent of the interest therein of the declarant, and also, unless it is proved that the declaration was made without authority, of any person or body corporate on behalf of whom the declaration is made.

63. The Cabinet may make regulations for and in connection with the registration of ships as Cayman Islands ships, referred to in this Law as the “registration regulations”.

Registration regulations

Matters to be prescribed  
in registration  
regulations

64. (1) Regulations made under section 63 may, in particular, provide for-
- (a) the issue of certificates (including provisional certificates) of registry, their production and surrender;
  - (b) restricting and regulating the names of ships registered or to be registered;
  - (c) the marking of ships registered or to be registered, including marks for identifying the port to which a ship is to be treated as belonging;
  - (d) the period for which registration may remain effective without renewal;
  - (e) the survey and inspection of ships registered or to be registered and the recording of their tonnage as ascertained (or re-ascertained) under the tonnage regulations;
  - (f) the refusal, suspension and termination of registration, specifying circumstances;
  - (g) matters arising out of the expiration, suspension or termination of registration (including the removal of marks and the cancellation of certificates);
  - (h) the charging of fees in connection with registration or registered ships;
  - (i) the transfer of the registration of ships to and from the register, from and to registers, or corresponding records in registries other than in the Islands;
  - (j) inspection of the registry;
  - (k) any matter in relation to the registration of pleasure vessels; and
  - (l) any other matter which is authorised or required by this Law to be prescribed in registration regulations.
- (2) The regulations may-
- (a) make different provision for different classes or descriptions of ships and for different circumstances;
  - (b) without prejudice to paragraph (a), make provision for the granting of exemptions or dispensations by the Director from specified requirements of the regulations, subject to such conditions, if any, as he thinks fit to impose;
  - (c) make such transitional, incidental or supplementary provision as appears to the Cabinet to be necessary or expedient;
  - (d) make provision for the registration of any class or description of ships to be such as to exclude the application of the private law provisions for registered ships and, if they do, may regulate for the transfer, transmission or mortgaging of ships of the class or description so excluded;

- (e) make provision for any matter which is authorised or required by those provisions to be prescribed by regulations; and
- (f) provide for-
  - (i) the approval of forms by the Director; and
  - (ii) the discharge of specified functions by specified authorities or persons.

(3) The regulations may provide that any reference in any other law or in any instrument made under any other law to the port of registry or the port to which a ship belongs shall be construed as a reference to the port identified by the marks required for the purpose by this Law and the regulations.

(4) Regulations made under this section may make a contravention thereof an offence punishable on summary conviction with a fine of twenty-five thousand dollars or such lesser amount as may be specified in the regulations.

65. A document purporting to be a copy of any information contained in an entry in the register and to be certified as a true copy by the Registrar of Shipping shall be evidence of the matters stated in the document.

Certified copy of entry  
in register to be evidence

### **PART III - National Character and Flag**

66. (1) An officer of customs shall not grant clearance for any ship until the master of the ship has declared to the officer the name of the nation to which he claims that the ship belongs, and the officer shall thereupon write that name on the clearance.

National character of  
ship to be declared  
before clearance

(2) If a ship attempts to proceed to sea without such clearance, it may be detained until the declaration is made.

67. (1) If the master or owner of a ship which is not a Cayman Islands ship does anything, or permits anything to be done, for the purpose of causing the ship to appear to be a Cayman Islands ship then, except as provided by subsections (2) and (3), the ship is liable to forfeiture and each of the master, owner and charterer, if any, commits an offence and is liable as provided in section 68.

Offences relating to  
Cayman Islands  
character of ship

(2) No liability arises under subsection (1) where the assumption of Cayman Islands' national character has been made for the purpose of escaping capture by an enemy or by a foreign ship of war in the exercise of some belligerent right.

(3) Where the registration of a ship has terminated by virtue of a provision of this Law or the registration regulations, any marks prescribed by such regulations displayed on the ship within the period of fourteen days beginning with the date of termination of that registration shall be disregarded for the purposes of subsection (1).

(4) If the master or owner of a Cayman Islands ship does anything, or permits anything to be done, for the purpose of concealing the nationality of the ship, the ship is liable to forfeiture and each of the master, owner and charterer, if any, commits an offence and is liable as provided in section 68.

(5) Without prejudice to subsections (1) and (4), those subsections apply in particular to acts or deliberate omissions as respects-

- (a) the flying of a national flag;
- (b) the carrying or production of certificates of registry or other documents relating to the nationality of the ship; and
- (c) the display of marks required by the law of any country.

Penalties

68. (1) A person who commits an offence under section 67 is liable on summary conviction to a fine of twenty-five thousand dollars and to imprisonment for two years.

(2) This section and section 67 apply to things done outside, as well as to things done within, the Islands.

National colours and penalty for carrying improper colours or not showing colours

69. (1) The red ensign bearing the Islands' coat of arms usually worn by merchant ships, or without the coat of arms, is hereby declared to be the proper national colours for all Cayman Islands ships except in the case of Her Majesty's ships, or in the case of any other ship for the time being allowed to wear any other national colours under a warrant from Her Majesty or from the Admiralty.

(2) If any distinctive national colours, except such red ensign or the Union Jack with a white border, or if any colours usually worn by Her Majesty's ships or resembling those of Her Majesty, or if the pennant usually carried by Her Majesty's ships or any pennant resembling that pennant, are hoisted on board any Cayman Islands ship without warrant from Her Majesty or from the Admiralty, the master of the ship, the owner, if on board the ship, and every other person hoisting the colours or pennant, commits an offence and is liable on summary conviction to a fine of twenty-five thousand dollars.

(3) A commissioned officer on full pay in the military or naval service of Her Majesty, any officer of customs in Her Majesty's dominions or a British consular officer, may board a Cayman Islands ship on which any colours or pennants are hoisted contrary to this section, and seize the colours or pennant, and the colours or pennant shall be forfeited to Her Majesty.

(4) A Cayman Islands ship shall hoist the proper national colours-

- (a) on a signal being made to it by one of Her Majesty's ships (including any vessel under the command of an officer of Her Majesty's navy on full pay);
- (b) on entering or leaving any foreign port; and

- (c) if of fifty gross tonnage or upwards, on entering or leaving a port in the Islands.

(5) If default is made on board any such ship to which subsection (4) applies, the master of the ship commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

(6) The provisions of this section, with respect to colours worn by merchant ships, shall not affect any other power of the Admiralty in relation thereto.

70. (1) Where a ship has either wholly, or as to any share in it, become liable to forfeiture under this Law-

Proceedings on forfeiture of a ship

- (a) a commissioned naval or military officer; or
- (b) a person appointed by the Minister for the purposes of this section,

may seize and detain the ship and bring the ship for adjudication before the Court.

(2) Where a ship is subject to adjudication under this section, the Court may-

- (a) adjudge the ship and its equipment to be forfeited to the Government; and
- (b) make such order in the case as seems just.

(3) No officer or person bringing proceedings under this section is liable in damages in respect of the seizure or detention of the ship, notwithstanding that the ship has not been proceeded against or, if proceeded against, adjudicated not liable to forfeiture, if the Court is satisfied that there were reasonable grounds for the seizure or detention.

(4) If the Court is not so satisfied, the Court may award costs and damages to the party aggrieved and make such other order as the Court thinks just.

#### **PART IV - Proprietary Interests in Registered Ships**

##### **General**

71. (1) Subject to any rights and powers appearing from the register to be vested in any other person, the registered owner of a ship or of a share in a ship shall have power absolutely to dispose of it provided the disposal is made in accordance with this Law.

Rights of owners and mortgagees

(2) Subsection (1) does not imply that interests arising under contract or other equitable interests cannot subsist in relation to a ship or a share in a ship; and such interests may be enforced by or against owners and mortgagees of ships in respect of their interest in the ship or share in the same manner as in respect of any other personal property.

(3) The registered owner of a ship or of a share in a ship shall have power to give effectual receipts for any money paid or advanced by way of consideration on any disposal of the ship or share.

### **Transfers and Transmissions**

Transfers 72. (1) Any transfer of a registered ship, or a share in any such ship, shall be effected by a bill of sale.

(2) The bill of sale shall contain such description of the ship as is contained in the surveyor's certificate, or some other description sufficient to identify the ship to the satisfaction of the Registrar of Shipping, and shall be executed by the transferor in the presence of and attested by a witness or witnesses.

Declaration of transfer 73. (1) Where a registered ship or a share therein is transferred under section 72(1), the transferee shall not be entitled to be registered as owner thereof until he, or, in the case of a body corporate, the person authorised by this Law to make declarations on behalf of the body corporate, has made and signed a declaration (in this Law called a declaration of transfer) referring to the ship, and containing-

- (a) a statement of the qualification of the transferee to own a Cayman Islands ship, or if the transferee is a body corporate, of such circumstances of the constitution and business thereof as prove it to be qualified to own a Cayman Islands ship; and
- (b) a statement that, to the best of his knowledge and belief, a majority interest in the ship is owned by persons qualified to be owners of Cayman Islands ships, and the ship is otherwise entitled to be registered.

(2) In the application of this section to a ship which is not wholly owned by persons qualified to be owners of Cayman Islands ships, subsection (1)(a) shall have effect only in relation to persons who are so qualified.

Registration of transfer 74. (1) Every bill of sale for the transfer within the Cayman Islands Registry of a registered ship or of a share therein, when duly executed, shall be produced to the Registrar of Shipping, with the declaration of transfer, and upon being satisfied that the ship remains entitled to be registered in the Islands, the Registrar shall thereupon enter in the register the name of the transferee as owner of the ship or share, and shall endorse on the bill of sale the fact of that entry having been made, with the date and time thereof.

(2) Bills of sale of a ship or of shares therein shall be entered in the register in the order of their production to the Registrar of Shipping.

(3) Upon the transfer being registered in the manner provided in subsection (1), the Registrar shall issue a new certificate of registry.

75. (1) Where the property in a registered ship or share therein is transmitted to a person by any lawful means other than a transfer under section 72 and a majority interest remains in the ownership of a person qualified to be an owner of a Cayman Islands ship-

Transmission of property in ship on death, bankruptcy, marriage, etc.

- (a) that person shall authenticate the transmission by making and signing a declaration (in this Law called a declaration of transmission) identifying the ship and containing the several statements hereinbefore required to be contained in a declaration of transfer, or as near thereto as circumstances admit, and also provide a statement of the manner in which the property has been transmitted;
- (b) if the transmission is consequent on bankruptcy, the declaration of transmission shall be accompanied by such evidence as is acceptable by the Court as proof of the title of persons claiming under a bankruptcy;
- (c) if the transmission is consequent on death, the declaration of transmission shall be accompanied by the instrument of representation, or an official extract therefrom; and
- (d) if the transmission was consequent upon an order of a Court, a copy of the order or judgment of that Court.

(2) The Registrar of Shipping, on receipt of the declaration of transmission so accompanied, and upon being satisfied that the ship remains entitled to be registered in the Islands, shall enter in the register the name of the person entitled under the transmission as owner of the ship or share the property in which has been transmitted, and, where there is more than one such person, shall enter the names of all those persons in the register, but those persons, however numerous, shall, for the purpose of this Law with respect to the number of persons entitled to be registered as owners, be considered as one person.

76. (1) Where the property in a registered ship or share therein is transmitted to a person by any lawful means other than a transfer under section 72, but, as a result of the transmission, a majority interest in the ship no longer remains in the ownership of persons qualified to be owners of a Cayman Islands ship, then the Court may, on an application by or on behalf of that person, order a sale of the property so transmitted and direct that the proceeds of sale, after deducting the expenses of the sale, shall be paid to that person or otherwise as the Court directs.

Order for sale on transmission to unqualified person

(2) The Court may require any evidence in support of the application it thinks requisite, and may make the order on any terms and conditions it thinks just, or may refuse to make the order, and generally may act in the case as the justice of the case requires.

(3) Every such application for sale shall be made within four weeks after the occurrence of the event on which the transmission has taken place, or within

such further time (not exceeding in the whole one year from the date of the occurrence) as the Court allows.

(4) If such an application is not made within the time aforesaid, or if the Court refuses an order for sale, the ship or share transmitted shall thereupon be subject to forfeiture under this Law.

Transfer of ship on sale  
by order of court

77. Where the Court, whether under this Law or otherwise, orders the sale of a ship or share therein, the order of the Court shall contain a declaration vesting in some person named by the Court the right to transfer that ship or share, and that person shall thereupon be entitled to transfer the ship or share in the same manner and to the same extent as if he were the registered owner thereof; and the Registrar of Shipping shall deal with any application relating to the transfer of the ship or share made by the person so named as if that person were the registered owner.

Power of court

78. The Court may, if it thinks fit without prejudice to the exercise of any other power of the Court, on the application of any interested person, make an order prohibiting for a time specified, any dealing with a ship or any share therein, and the Court may make the order on any terms or conditions it thinks just, may refuse to make the order or may discharge the order when made, with or without costs, and generally may act in the case as the justice of the case requires, and the Registrar of Shipping, without being made a party to the proceedings, shall, on being served with the order or an official copy, obey the same.

### Mortgages

Mortgage of ship or  
share

79. (1) A registered ship, or a share in any such ship, may be made a security for the repayment of a loan or the discharge of any other obligation.

(2) The instrument creating any such security (referred to in this Part as a “mortgage”) shall be in the form prescribed.

(3) Where a mortgage executed in accordance with subsection (2) is produced to the Registrar of Shipping, he shall register the mortgage in the prescribed manner.

(4) Mortgages shall be registered in the order in which they are produced to the Registrar of Shipping for the purposes of registration and he shall enter and sign on each mortgage a statement to the effect that it has been registered by him, stating the date and time of the registration.

(5) Where it is stated in the mortgage instrument that it is prohibited to create further mortgages over a vessel without the prior written consent of the mortgagee, the Registrar of Shipping shall make a note in the register to such effect, and the Registrar shall not register a further mortgage unless the consent in writing of the holder of a prior mortgage is produced to him, and any mortgage registered in violation of this provision is null and void.



(6) Where it is stated in the mortgage instrument that it is prohibited to transfer the ownership of a ship or terminate the registration of the ship in the manner provided in section 8(1)(d) without the prior written consent of the mortgagee, the Registrar of Shipping shall make a note in the register to such effect, and the Registrar shall not record a transfer of ownership of the ship or terminate the ship's registration, as the case may be, unless the appropriate consent in writing of the holder of the mortgage is produced to him, and any recording in the register of a transfer of ownership or a termination of the ship's registration in the circumstances referred to in this subsection is null and void.

(7) A mortgage may be registered in the register referred to in section 11(1) in respect of a provisionally registered ship, and where a mortgage is so registered, it shall be subject to all relevant provisions relating to mortgages under this Law and the registration regulations.

(8) A mortgage registered under subsection (7) shall continue to be a registered mortgage until it is discharged, even if the provisional registration of the ship in respect of which the mortgage was registered ceases to be effective.

(9) For the purposes of subsection (1)-

“ship” includes a ship under construction.

(10) A mortgage in respect of a ship under construction shall be entered in the register referred to in section 11(1), so however, upon the registration of such ship under construction being transferred to another appropriate part of the register as provided in section 11(3), the entries relating to the mortgage, unless the mortgage is discharged, shall in like manner be transferred to the same appropriate part of the register.

(11) A mortgage in respect of a ship under construction shall, for the purposes of determining priority under this or any other law, and in all other respects, be treated as a registered ship mortgage and shall continue to be treated as such until it is discharged, even if the ship under construction ceases to be registered under this Law; and a ship under construction shall, for the purposes of a mortgage thereon under this or any other law, be treated as maritime property.

80. (1) Where two or more mortgages are registered in respect of the same ship or share, the priority of the mortgagees between themselves shall, subject to subsection (2), be determined by the order in which the mortgages were registered and not by reference to any other matter.

Priority of mortgages

(2) Registration regulations may provide for the giving to the Registrar of Shipping by intending mortgagees of “priority notices” in a form prescribed by or approved under the regulations which, when recorded in the register, determine the priority of the interest to which the notice relates.

Entry of discharge of mortgage	<p>81. (1) Where a registered mortgage is discharged, the Registrar of Shipping shall, on the production of the mortgage deed, with a receipt for the mortgage money endorsed thereon, duly signed and attested, make an entry in the register to the effect that the mortgage has been discharged, and on that entry being made the estate, if any, which passed to the mortgagee shall vest in the person in whom having regard to intervening acts and circumstances, if any, it would have vested if the mortgage had not been made.</p> <p>(2) If, for good reason, the registered mortgage cannot be produced to the Registrar of Shipping, he may, on being satisfied that the mortgage has been properly discharged, record in the register that the mortgage has been discharged.</p>
Protection of undischarged mortgage	<p>82. (1) Where the registration of a ship terminates by virtue of this Law, that termination shall not affect any entry in the register of any undischarged registered mortgage of that ship or any share therein.</p> <p>(2) Subsection (1) does not apply to an entry in the register in a case where the Registrar of Shipping is satisfied that a person appearing on the register to be interested as a mortgagee under the mortgage in question has consented to the entry ceasing to have effect.</p>
Mortgagee not owner and mortgagee's power of sale	<p>83. (1) Except as far as may be necessary for making a mortgaged ship or share available as a security for the mortgage debt, the mortgagee shall not by reason of the mortgage be deemed to be the owner of the ship or share, nor shall the mortgagor be deemed to have ceased to be owner thereof.</p> <p>(2) Subject to subsection (3), every registered mortgagee shall have power, if the mortgage money or any part of it is due, to sell the ship or share in respect of which he is registered, and to give effectual receipts for the purchase money.</p> <p>(3) Where two or more mortgagees are registered in respect of the same ship or share, a subsequent mortgagee shall not, except under an order of a court of competent jurisdiction, sell the ship or share without the concurrence of every prior mortgagee.</p>
Mortgage not affected by bankruptcy	<p>84. A registered mortgage of a ship or share shall not be affected by any act of bankruptcy committed by the mortgagor after the date of the registration of the mortgage, notwithstanding that the mortgagor at the commencement of his bankruptcy had the ship or share in his possession, order or disposition, or was the reputed owner thereof, and the mortgage shall be preferred to any right, claim or interest therein of the other creditors of the bankrupt or of any trustee or assignee on their behalf.</p>
Transfer of mortgages and transmission of mortgage interest by death, bankruptcy, etc.	<p>85. (1) A registered mortgage of a ship or share may be transferred to any person, and on production of the instrument effecting the transfer the Registrar of Shipping shall record it by entering in the register the name of the transferee as</p>

mortgagee of the ship or share, and shall enter and sign on the instrument of transfer a statement to the effect that it has been registered by him, stating the date and time of the registration.

(2) Where the mortgage interest in a ship or share is transmitted to a person by any lawful means, other than by a transfer under subsection (1), that person shall produce to the Registrar of Shipping a statement of the manner in which and the person to whom the property has been transmitted, and shall be accompanied by the like evidence as is by this Law required in case of a corresponding transmission of the ownership of a ship or share.

(3) The Registrar of Shipping, on the receipt of the documents and the production of the evidence referred to in subsection (2), shall enter the name of the person entitled under the transmission in the register as mortgagee of the ship or share.

## PART V - Masters and Seafarers

### General

86. (1) In this Part-

Definitions and  
interpretation in this Part

“crew agreement” has the meaning given to it by section 88;

“relief and maintenance” includes the provision of surgical or medical treatment and such dental and optical treatment (including the repair or replacement of any appliance) as cannot be postponed without impairing efficiency; and

“ship’s boat” includes a life-raft.

(2) References in this Part to “going to sea” include references to “going to sea from any country outside the Islands”.

(3) For the purposes of this Part, a seafarer is discharged from a ship when his employment in that ship is terminated.

(4) For the purposes of this Part, a seafarer discharged from a ship in any country and left there shall be deemed to be left behind in that country notwithstanding that the ship also remains there.

(5) Any power conferred by this Part to provide for or grant an exemption includes power to provide for or grant the exemption subject to conditions.

87. (1) With the exceptions specified in subsection (2), this Part applies only to ships which are seagoing ships, and masters and seafarers employed in seagoing ships.

Application of this Part

(2) The exceptions referred to in subsection (1) are sections 106, 109 to 115, 117, 118, 121, 124 to 131 and 132.

### Engagement and Discharge of Crews

Crew agreements

88. (1) Except as provided under subsection (5), an agreement in writing shall be made between each person employed as a seafarer in a Cayman Islands ship and the persons employing him, and shall be signed both by him and by or on behalf of them.

(2) The agreements made under this section with persons employed in a ship shall be contained in one document (in this Part referred to as a “crew agreement”), except that in such cases as the Director may approve-

- (a) the agreements to be made under this section with the persons employed in a ship may be contained in more than one crew agreement; and
- (b) one crew agreement may relate to more than one ship.

(3) The provisions and form of a crew agreement shall be of a kind approved by the Director, and different provisions and forms may be so approved for different circumstances.

(4) Subject to subsections (5) to (9), a crew agreement shall be carried in the ship to which it relates whenever the ship goes to sea.

(5) The Cabinet may make regulations providing for exemptions from the requirements of this section with respect to-

- (a) such descriptions of ships as may be specified in the regulations; or
- (b) such description of seafarers as may be specified.

(6) The Director may grant other exemptions from those requirements (whether with respect to particular seafarers or with respect to seafarers employed by a specified person, in a specified ship or in the ships of a specified person) in cases where the Director is satisfied that the seafarers to be employed otherwise than under a crew agreement will be adequately protected.

(7) Where, but for an exemption granted by the Director, a crew agreement would be required to be carried in a ship or a crew agreement carried in the ship would be required to contain an agreement with a person employed in a ship, the ship shall carry such document evidencing the exemption as the Director may direct.

(8) Regulations under this section may enable ships required under this section to carry a crew agreement to comply with the requirement by carrying a copy thereof, certified in such manner as may be provided by the regulations.

(9) If a ship goes to sea or attempts to go to sea in contravention of the requirements of this section, the master or the person employing the crew commits an offence and is liable on summary conviction to a fine of twenty thousand dollars and the ship, if in the Islands, may be detained.

89. (1) The Cabinet may make regulations with respect to recruitment and placement of seafarers, and with respect to crew agreements.

Regulations relating to crew agreements and recruitment and placement of seafarers

(2) Regulations made under subsection (1) with respect to crew agreements may require-

- (a) such notice as may be specified in the regulations to be given to the Shipping Master or proper officer, except in such circumstances as may be so specified, before a crew agreement is made or an agreement with any person is added to those contained in a crew agreement;
- (b) the delivery to the Shipping Master, proper officer or the Registrar of Shipping of crew agreements and agreements added to those contained in a crew agreement and of copies of crew agreements and of agreements so added;
- (c) the posting in ships of copies of or extracts from crew agreements;
- (d) copies of or extracts from crew agreements to be supplied to members of the crew demanding them and copies of or extracts from documents referred to in crew agreements to be made available, in such circumstances as may be specified in the regulations, for inspection by members of the crew; and
- (e) any documents carried in a ship under section 88 to be produced on demand to an officer of customs.

(2) Regulations under subsection (1) may make a contravention of any provision thereof an offence punishable on summary conviction with a fine of fifteen thousand dollars or such less amount as may be specified in the regulations.

90. (1) The Cabinet may make regulations prescribing the procedure to be followed in connection with the discharge of seafarers from Cayman Islands ships.

Discharge of seafarers

(2) Without prejudice to subsection (1), regulations under this section may require-

- (a) notice of such a discharge to be given at such time as may be specified in the regulations to the Shipping Master, proper officer at a place specified in or determined under the regulations; and
- (b) such a discharge to be recorded, whether by entries in the crew agreement and discharge book or otherwise, and requiring copies of any such entry to be given to the Shipping Master, proper officer or the Registrar of Shipping.

(3) Regulations under this section may provide that in such cases as may be specified in the regulations, or except in such cases as may be specified in or determined under the regulations, a seafarer shall not be discharged outside the Islands from a Cayman Islands ship without the consent of the proper officer.

(4) Regulations under this section may make a contravention of any provision thereof an offence punishable on summary conviction with a fine of fifteen thousand dollars or such less amount as may be specified in the regulations.

Seafarers left behind  
abroad otherwise than  
on discharge

91. Regulations made under section 90 may apply any provision thereof, with such modifications as appear to the Cabinet to be appropriate, to cases where a seafarer employed in a Cayman Islands ship is left behind outside the Islands otherwise than on being discharged from the ship.

Discharge of seafarer  
when the ship ceases to  
be registered in the  
Islands

92. Where a Cayman Islands ship ceases to be registered, any seafarer employed in the ship shall be discharged from the ship unless he consents in writing to continue his employment in the ship; and sections 93 to 96 shall apply in relation to his wages as if the ship had remained a Cayman Islands ship.

#### **Wages, etc.**

Payment of seafarers'  
wages

93. (1) Where a seafarer employed under a crew agreement relating to a Cayman Islands ship leaves the ship on being discharged from it, then, except as provided by or under this Part or any other enactment, the wages due to the seafarer under the agreement shall either-

- (a) be paid to him in full at the time when he so leaves the ship (in this section and in section 94 referred to as the "time of discharge"); or
- (b) be paid to him in accordance with subsections (4) and (5).

(2) If the amount shown in the account delivered to a seafarer under section 94(1) as being the amount payable to him under subsection (1)(a) is replaced by an increased amount shown in a further account delivered to him under section 94(3), the balance shall be paid to him within seven days of the time of discharge; and if the amount so shown in the account delivered to him under section 94(1) exceeds two hundred dollars and it is not practicable to pay the whole of it at the time of discharge, not less than two hundred dollars nor less than twenty-five per cent of the amount so shown shall be paid to him at that time and the balance within seven days.

(3) If any amount which, under subsection (1)(a) or (2), is payable to a seafarer, is not paid at the time at which it is so payable the seafarer shall be entitled to wages at the rate last payable under the crew agreement for every day on which it remains unpaid during the period of fifty-six days following the time of discharge; and if any such amount or any amount payable by virtue of this

subsection remains unpaid after the end of that period it shall carry interest at the rate of twenty per cent per annum.

(4) Where the crew agreement referred to in subsection (1) provides for the seafarers' basic wages to be payable up to date at specified intervals not exceeding one month, and for any additional amounts of wages to be payable within the pay cycle following that to which they relate, any amount of wages due to the seafarer under the agreement shall, subject to subsection (5), be paid to him not later than the date on which the next payment of his basic wages following the time of discharge would have fallen due if his employment under the agreement had continued.

(5) If it is not practicable, in the case of any amount due to the seafarer by way of wages additional to his basic wages, to pay that amount by the date mentioned in subsection (4), that amount shall be paid to him not later than what would have been the last day of the pay cycle immediately following that date if his employment under the crew agreement had continued.

(6) If any amount which, under subsection (4) or (5), is payable to a seafarer is not paid at the time at which it is so payable, it shall carry interest at the rate of twenty per cent per annum.

(7) Subsection (3) or (6) do not apply if the failure to pay was due to-

- (a) a mistake;
- (b) a reasonable dispute as to liability;
- (c) the act or default of the seafarer; or
- (d) any other cause, not being the wrongful act or default of the persons liable to pay his wages or of their servants or agents,

and so much of those provisions as relates to interest on the amount due shall not apply if the Court, in proceedings for its recovery, so directs.

(8) Where a seafarer is employed under a crew agreement relating to more than one ship, subsections (1) to (7) shall have effect, in relation to wages due to him under the agreement, as if for any reference to the time of discharge there were substituted a reference to the termination of his employment under the crew agreement.

(9) Where a seafarer, under section 92, is discharged from a ship outside the Islands but returns to the Islands under arrangements made by the persons who employed him, subsections (1) to (8) shall have effect, in relation to the wages due to him under a crew agreement relating to the ship, as if for the references in subsections (1) to (4) to the time of discharge there were substituted references to the time of his return to the Islands, and as if subsection (8) were omitted.

(10) For the purposes of this section, any amount of wages shall, if not paid to him in cash, be taken to have been paid to a seafarer-

- (a) on the date when a cheque, or a money or postal order issued by the Post Office, for that amount was dispatched by the recorded delivery service to the seafarer's last known address; or
- (b) on the date when any account kept by the seafarer with a bank or other institution was credited with that amount.

(11) Subject to subsection (3) and to sections 95, 99, 100, 101, 133, 134, 135, 136, 138 and 139, a seafarer's wages shall not be subject to forfeiture by the owner, master or employer of the seafarer.

Account of seafarers' wages

94. (1) Subject to subsections (4) and (5) and to regulations made under section 95 or 136, the master of every Cayman Islands ship shall deliver to every seafarer employed in the ship under a crew agreement an account of the wages due to him under that crew agreement and of the deductions subject to which the wages are payable.

(2) The account shall indicate that the amounts stated therein are subject to any later adjustment that may be found necessary and shall be delivered not later than twenty-four hours before the time of discharge or, if the seafarer is discharged without notice or at less than twenty-four hours' notice, at the time of discharge.

(3) If the amounts stated in the account require adjustment, the persons who employed the seafarer shall deliver to him a further account stating the adjusted amounts; and that account shall be delivered not later than the time at which the balance of his wages is payable to the seafarer.

(4) Where section 93(4) or (5) applies to the payment of any amount of wages due to a seafarer under a crew agreement-

- (a) the persons who employed the seafarer shall deliver to him an account of the wages payable to him under that subsection and of the deductions subject to which the wages are payable; and
- (b) any such account shall be so delivered at the time when the wages are paid to him; and
- (c) subsections (1) to (3) shall not apply,

and section 93(10) shall apply for the purposes of this subsection as it applies for the purposes of that section.

(5) Where a seafarer is employed under a crew agreement relating to more than one ship, any account which, under subsections (1) to (4), would be required to be delivered to him by the master shall instead be delivered to him by the persons employing him, on or before the termination of his employment under the crew agreement.



(6) A person who fails without reasonable excuse to comply with subsections (1) to (5) commits an offence and is liable on summary conviction to a fine of ten thousand dollars.

95. The Cabinet may make regulations-

Regulations relating to wages and accounts

- (a) authorising deductions to be made from the wages due to a seafarer under a crew agreement (in addition to any authorised by this Part or any other enactment for the time being in force) in cases where a breach of his obligations under the agreement is alleged against him and such conditions, if any, as may be specified in the regulations are complied with, or in such other cases as may be specified in the regulations;
- (b) regulating the manner in which any amounts deducted under the regulations are to be dealt with;
- (c) prescribing the manner in which wages due to a seafarer under a crew agreement are to be or may be paid;
- (d) prescribing the maximum amount which may be deducted from a seafarer's wages as a contribution to the seafarer's repatriation expenses where the seafarer has been dismissed for breaches of a crew agreement made under section 88 or breaches of a code of conduct referred to in section 123.
- (e) regulating the manner in which such wages are to be dealt with and accounted for in circumstances where a seafarer leaves his ship in the Islands otherwise than on being discharged therefrom; and
- (f) prescribing the form and manner in which any account required to be delivered by section 94 is to be prepared and the particulars to be contained therein (which may include estimated amounts).

96. (1) Any dispute relating to the amount payable to a seafarer employed under a crew agreement may be submitted by the parties to a Shipping Master or proper officer for decision; but the Shipping Master or proper officer shall not be bound to accept the submission or, if he has accepted it, to decide the dispute, if he is of the opinion that the dispute, whether by reason of the amount involved or for any other reason, ought not to be decided by him.

Power of Shipping Master or proper officer to decide disputes on wages

(2) The decision of a Shipping Master or proper officer on a dispute submitted to him under this section shall be final.

97. (1) As respects the wages due or accruing to a seafarer employed in a Cayman Islands ship-

Restriction on assignment of and charge upon wages

- (a) the wages shall not be subject to attachment;
- (b) an assignment thereof before they have accrued shall not bind the seafarer, and the payment of the wages to the seafarer shall be valid notwithstanding any previous assignment or charge; and

- (c) a power of attorney or authority for the receipt of the wages shall not be irrevocable.

(2) Nothing in this section shall affect the provisions of this Part with respect to allotment notes.

Power of court to award interest on wages due

98. In any proceedings by the master of a ship or a person employed in a ship otherwise than under a crew agreement for the recovery of any sum due to him as wages, the Court, unless it appears to it that the delay in paying the sum was due to-

- (a) a mistake;
- (b) a reasonable dispute as to liability;
- (c) the act or default of the person claiming the amount; or
- (d) any other cause, not being the wrongful act or default of the persons liable to make the payment or their servants or agents,

may order them to pay, in addition to the sum due, interest on it at the rate of twenty per cent per annum or such lower rate as the Court may specify, for the period beginning seven days after the sum became due and ending when the sum is paid.

Allotment notes

99. (1) Subject to subsections (2) to (4), a seafarer may, by means of an allotment note issued in accordance with regulations made by the Cabinet, allot to any person or persons part of the wages to which he will become entitled in the course of his employment in a Cayman Islands ship or ships.

(2) A seafarer's right to make an allotment under this section shall be subject to such limitations as may, by virtue of subsections (3) and (4), be imposed by regulations made by the Cabinet.

(3) Regulations made by the Cabinet for the purposes of this section may prescribe the form of allotment notes and may-

- (a) limit the circumstances in which allotments may be made;
- (b) limit (whether by reference to an amount or by reference to a proportion) the part of the wages that may be allotted and the number of persons to whom it may be allotted and prescribe the method by which that part is to be calculated;
- (c) limit the persons to whom allotments may be made by a seafarer to persons of such descriptions or persons standing to him in such relationships as may be prescribed by the regulations;
- (d) prescribe the times and the intervals at which payments under allotment notes are to be made.

(4) Regulations under this section may make different provisions in relation to different descriptions of seafarers and different circumstances.

100. (1) A person to whom a part of a seafarer's wages has been allotted by an allotment note issued in accordance with regulations made under section 99 shall have the right to recover that part in his own name, and for that purpose shall have the same remedies as the seafarer has for the recovery of his wages.

Right of person named in allotment to sue in own name

(2) In any proceedings brought by a person named in such an allotment note as the person to whom a part of a seafarer's wages has been allotted it, shall be presumed, unless the contrary is shown, that the seafarer is entitled to the wages specified in the note and that the allotment has not been varied or cancelled.

101. (1) Where a Cayman Islands ship is wrecked or lost, a seafarer whose employment in the ship is thereby terminated before the date contemplated in the agreement under which he is so employed shall, subject to subsections (2) to (4), be entitled to wages at the rate payable under the agreement at the date of the wreck or loss for every day on which he is unemployed in the two months following that date.

Right, or loss of right, to wages in certain circumstances

(2) Where a Cayman Islands ship is sold while outside the Islands or ceases to be a Cayman Islands ship and a seafarer's employment in the ship is thereby terminated before the date contemplated in the agreement under which he is so employed, then, unless it is otherwise provided in the agreement, he shall, subject to subsections (3) and (4), be entitled to wages at the rate payable under the agreement at the date on which his employment is terminated for every day on which he is unemployed in the two months following that date.

(3) A seafarer shall not be entitled to wages under subsection (1) or (2) for a day on which he was unemployed, if it is shown-

- (a) that the unemployment was not due to the wreck or loss of the ship or, as the case may be, the termination of his employment on the sale of the ship or its ceasing to be a Cayman Islands ship; or
- (b) that the seafarer was able to obtain suitable employment for that day but unreasonably refused or failed to take it.

(4) This section shall apply to a master as it does to a seafarer.

102. (1) A seafarer's lien, his remedies for the recovery of his wages, his right to wages in case of the wreck or loss of his ship and any right he may have or obtain in the nature of salvage shall not be capable of being renounced by any agreement.

Protection of certain rights and remedies

(2) Subsection (1) does not affect such of the terms of any agreement made with the seafarer belonging to a ship which, in accordance with the agreement, is to be employed on salvage service, as provide for the remuneration to be paid to them for salvage services rendered by that ship.

Remedies of master for remuneration, disbursements, etc.

103. The master of a ship shall have the same lien for his remuneration, and all disbursements or liabilities properly made or incurred by him on account of the ship, as a seafarer has for his wages.

**Safety, Health and Welfare**

Obligation of shipowners as to seaworthiness

104. (1) In every contract of employment between the owner of a Cayman Islands ship and the master of, or a seafarer employed in, the ship there shall be implied an obligation on the owner of the ship that-

- (a) the owner of the ship;
- (b) the master of the ship; and
- (c) every agent charged with
  - (i) the loading of the ship;
  - (ii) the preparing of the ship for sea; or
  - (iii) the sending of the ship to sea,

shall use all reasonable means to ensure the seaworthiness of the ship for the voyage at the time when the voyage commences and to keep the ship in a seaworthy condition for the voyage during the voyage.

(2) The obligation imposed by subsection (1) applies notwithstanding any agreement to the contrary.

Shipowner's relief from liability for unseaworthiness

105. No liability on the owner of a ship arises under section 104(1) in respect of the ship being sent to sea in an unseaworthy state where, owing to special circumstances, the sending of the ship to sea in such a state was reasonable and justifiable.

Crew accommodation and living and working conditions of seafarers

106. (1) The Cabinet may make regulations with respect to-

- (a) the crew accommodation to be provided in Cayman Islands ships; and
- (b) living and working conditions of seafarers on board Cayman Islands ships.

(2) Without prejudice to subsection (1), regulations made under this section may, in particular-

- (a) prescribe the minimum space per person which shall be provided by way of sleeping accommodation for seafarers and the maximum number of persons by whom a specified part of such sleeping accommodation may be used;
- (b) regulate the position in the ship in which the crew accommodation or any part thereof may be located and the standards to be observed in the construction, equipment and furnishing of any such accommodation;

- (c) require the submission, to a surveyor of ships, of plans and specifications of any works proposed to be carried out for the purpose of the provision or alteration of any such accommodation and authorise the surveyor to inspect any such works; and
- (d) provide for the maintenance and repair of any such accommodation and prohibit or restrict the use of any such accommodation for purposes other than those for which it is designed.

(3) Regulations under this section may exempt ships of any description from any requirements of the regulations, and the Director may grant other exemptions from any such requirement with respect to any ship.

(4) Regulations under this section may require the master of a ship or any officer authorised by him for the purpose to carry out such inspections of the crew accommodation as may be prescribed by the regulations.

(5) If any regulations under this section are contravened the owner or master of the ship concerned commits an offence and is liable on summary conviction to a fine of fifteen thousand dollars and the ship, if in the Islands, may be detained.

(6) In this section-

“crew accommodation” includes sleeping rooms, mess rooms, sanitary accommodation, hospital accommodation, recreation accommodation, store rooms and catering accommodation provided for the use of seafarers but does not include any accommodation which is also used by or provided for the use of passengers.

107. (1) If three or more seafarers employed in a Cayman Islands ship consider that the provisions or water provided for the seafarers employed in that ship are not in accordance with safety regulations made under this Law containing requirements as to the provisions and water to be provided on ships (whether because of bad quality, unfitness for use or deficiency in quantity), they may complain to the master, who shall investigate the complaint.

Complaints about provisions or water

(2) If the seafarers are dissatisfied with the action taken by the master as a result of his investigation or by his failure to take any action, they may state their dissatisfaction to him and may complain to the Shipping Master or proper officer, and, upon such statement being made, the master shall make adequate arrangements to enable the seafarers to make their complaint as soon as the service of the ship permits.

(3) The Shipping Master or proper officer to whom a complaint has been made under subsection (2) shall investigate the complaint and may examine the provisions or water or cause them to be examined.

(4) A master who fails without reasonable excuse to comply with the provisions of subsection (2) commits an offence and is liable on summary conviction to a fine of ten thousand dollars, and if he has been notified in writing by the person making an examination under subsection (3) that any provisions or water are found to be unfit for use or not of the quality required by the regulations, then-

- (a) if they are not replaced within a reasonable time, the master or owner commits an offence and is liable on summary conviction to a fine of fifteen thousand dollars unless he proves that the failure to replace them was not due to his neglect or default; or
- (b) if the master, without reasonable excuse, permits them to be used he commits an offence and is liable on summary conviction to a fine of fifteen thousand dollars.

Expenses of medical and other treatment during voyage

108. (1) If a person, while employed in a Cayman Islands ship, receives outside the Islands any surgical or medical treatment or such dental or optical treatment (including the repair or replacement of any appliance) as cannot be postponed without impairing efficiency, the reasonable expenses thereof shall be borne by the persons employing him.

(2) If a person dies while employed in a Cayman Islands ship and is buried or cremated outside the Islands, the expenses of his burial or cremation shall also be borne by the persons employing him.

(3) The reference in subsection (2) to dying in a ship includes a reference to dying in a ship's boat.

#### **Manning, Qualifications, Training and Uniform**

Application of sections 110 to 114

109. Sections 110 to 114 apply to every Cayman Islands ship and also to any ship registered under the law of a country outside the Islands which carries passengers-

- (a) between places in the Islands; or
- (b) on a voyage which begins and ends at the same place in the Islands and on which the ship calls at no place outside the Islands.

Manning

110. (1) Subject to subsection (3), the Cabinet may make regulations, referred to in this Law as the "safe manning regulations"-

- (a) requiring ships to which this section applies to carry such number of qualified officers of any description, qualified doctors and qualified cooks and such number of other seafarers or qualified seafarers of any description as may be specified in the regulations;

- (b) prescribing or enabling the Cabinet to specify standards of competence to be attained and other conditions to be satisfied (subject to any exceptions allowed by or under the regulations) by officers and other seafarers of any description in order to be qualified for the purposes of this section; and
- (c) prescribing medical fitness requirements for seafarers.

(2) In making regulations under subsection (1), the Cabinet shall have due regard to the STCW Convention.

(3) The Cabinet shall not exercise its power to make regulations requiring ships to carry seafarers other than doctors and cooks except to the extent that it appears to it necessary or expedient in the interests of safety.

(4) Regulations under subsection (1) may make different provisions for different descriptions of ships or for ships of the same description in different circumstances.

(5) Without prejudice to subsection (1)(b), the conditions prescribed or specified under that paragraph may include conditions as to nationality, and regulations made for the purposes of that paragraph may make provision, or enable the Director to make provision, for-

- (a) the manner in which the attainment of any standard or the satisfaction of any other condition is to be evidenced;
- (b) the conduct of any examinations, the conditions for admission to them and the appointment and remuneration of examiners; and
- (c) the issue, form and recording of certificates and other documents,

and different provisions may be so made or enabled to be made for different circumstances.

(6) A person who makes a statement which he knows to be false, or recklessly makes a statement which is false in a material particular, for the purpose of obtaining for himself or another person a certificate or other document which may be issued under this section, commits an offence and is liable on summary conviction to a fine of twenty thousand dollars.

111. (1) The Director may exempt any ship or description of ship from any requirements of regulations made under section 110.

Power to exempt from  
manning requirements

(2) An exemption given under subsection (1) may be confined to a particular period or to one or more particular voyages.

112. (1) Subject to section 111, if a ship to which this section applies goes to sea or attempts to go to sea without carrying such officers and other seafarers as it is required to carry under section 110, the owner or master commits an offence and is liable-

Prohibition on going to  
sea undermanned

- (a) on summary conviction, to a fine of twenty-five thousand dollars; or
- (b) on conviction on indictment, to a fine of fifty thousand dollars,

and the ship, if in the Islands, may be detained.

(2) Subsection (1) shall, in its application to ships which are not seagoing ships, have effect as if for the words “goes to sea or attempts to go to sea” there were substituted the words “goes on a voyage or excursion or attempts to do so” and as if the words “if in the Islands” were omitted.

Production of certificates and other documents of qualifications

113. (1) A person serving or engaged to serve in any ship to which this section applies and holding any certificate or other document which is evidence that he is qualified for the purposes of section 110 shall, on demand, produce it to the Shipping Master, to any surveyor of ships or proper officer and (if he is not himself the master) to the master of the ship.

(2) A person who, without reasonable excuse, fails to comply with subsection (1) commits an offence and is liable on summary conviction to a fine of fifteen thousand dollars.

Crew's knowledge of English

114. (1) Where, in the opinion of the Shipping Master or proper officer, the crew of a ship to which this section applies consists of or includes persons who may not understand orders given to them in the course of their duty because of their insufficient knowledge of English and because of the absence of adequate arrangements for transmitting the orders in a language of which they have sufficient knowledge-

- (a) if the Shipping Master or proper officer has informed the master of that opinion, the ship shall not go to sea; and
- (b) if the ship is in the Islands, it may be detained.

(2) If a ship goes to sea or attempts to go to sea in contravention of subsection (1), the owner or master commits an offence and is liable on summary conviction to a fine of twenty thousand dollars.

Unqualified seafarer going to sea as qualified person

115. (1) A person who goes to sea as a qualified officer or seafarer of any description without being such a qualified officer or seafarer commits an offence and is liable-

- (a) on summary conviction to a fine of ten thousand dollars; or
- (b) on conviction on indictment, to a fine of twenty thousand dollars.

(2) In subsection (1)-

“qualified” means qualified for the purposes of section 110.

Medical treatment on board ship

116. Where a Cayman Islands ship does not carry a doctor among the seafarers employed in it, the master shall make arrangements for securing that any medical



attention on board the ship is given either by him or under his supervision by a person appointed by him for the purpose.

117. (1) The Director may issue and record documents certifying the attainment of any standard of competence relating to ships or their operation, notwithstanding that the standard is not among those prescribed or specified under section 110(1)(b), and the Cabinet may, in relation thereto, make regulations for purposes corresponding to those mentioned in section 110(4). Special certificates of competence

(2) A person who makes a statement which he knows to be false or recklessly makes a statement which is false in a material particular for the purpose of obtaining for himself or another person a document which may be issued under this section commits an offence and is liable on summary conviction to a fine of twenty thousand dollars.

118. (1) A person under school-leaving age shall not be employed in a Cayman Islands ship except as permitted by regulations under subsection (2). Young persons

(2) The Cabinet may make regulations-

- (a) prescribing circumstances in which and conditions subject to which persons under school-leaving age who have attained such age as may be specified in the regulations may be employed in a ship in such capacities as may be so specified; and
- (b) prescribing circumstances and capacities in which persons over school leaving-age but under the age of eighteen years or such lower age as may be specified in the regulations shall not be employed in a Cayman Islands ship or may be so employed only subject to such conditions as may be specified in the regulations.

(3) Regulations made for the purposes of this section may make different provisions for different employments and different descriptions of ships and any other different circumstances.

(4) If a person is employed in a ship in contravention of this section or if any condition subject to which a person may be employed under regulations made for the purposes of this section is not complied with, the owner or master commits an offence and is liable on summary conviction to a fine of fifteen thousand dollars.

(5) For the purposes of this section, a person employed in a ship shall be deemed to be over school-leaving age if he has, and under school-leaving age if he has not, attained the age which is the upper limit of compulsory school age under the law relating to education in the Islands.

119. (1) The Minister may give a person or body of persons of any description determined by him, financial assistance in respect of expenses incurred or to be incurred by any such person or body in connection with the training of officers Financial assistance

and seafarers for service in merchant ships, including expenses incurred or to be incurred by any such person in connection with his undergoing any such training.

(2) Assistance under this section may be given by way of a grant or a loan or otherwise, and in giving any such assistance the Minister may impose such conditions as he thinks fit, including conditions requiring a grant to be repaid in specified circumstances.

(3) This section is without prejudice to any other power of the Cabinet to give financial assistance in connection with any such training as is mentioned in subsection (1).

Uniform

120. (1) Subject to subsection (3), a person who, not being entitled to wear the merchant navy uniform, wears that uniform or any part thereof, or any dress having the appearance or bearing any of the distinctive marks of that uniform, commits an offence.

(2) A person who commits an offence under subsection (1) is liable on summary conviction-

- (a) except in a case falling within paragraph (b), to a fine not exceeding level five on the standard scale;
- (b) if he wears it in such a manner or under such circumstances as to be likely to bring contempt on the uniform, to a fine not exceeding level five on the standard scale or to imprisonment for one month.

(3) Subsection (1) shall not prevent a person from wearing any uniform or dress in the course or for the purposes of a stage play or representation, or a music-hall or circus performance if the uniform is not worn in such a manner or under such circumstances as to bring it into contempt.

(4) A person who, being entitled to wear the merchant navy uniform when aboard a ship in port or on shore, appears dressed partly in uniform and partly not in uniform under such circumstances as to be likely to bring contempt on the uniform, or, being entitled to wear the uniform appropriate to a particular rank or position, wears the uniform appropriate to some higher rank or position, commits an offence and is liable on summary conviction to a fine not exceeding level five on the standard scale.

#### **Offences by Seafarers**

Conduct endangering  
ship, persons, etc.

121. (1) This section applies-

- (a) to the master of, or any seafarer employed in, a Cayman Islands ship; and
- (b) to the master of, or any seafarer employed in, a ship which-
  - (i) is a foreign ship; and

- (ii) is in a port in the Islands or within Cayman Islands waters while proceeding to or from any such port.

(2) If a person to whom this section applies, while on board his ship or in its immediate vicinity-

- (a) does any act which causes or is likely to cause-
  - (i) the loss or destruction of or serious damage to his ship or its machinery, navigational equipment or safety equipment;
  - (ii) the loss or destruction of or serious damage to any other ship or any structure; or
  - (iii) the death of or serious injury to any person; or
- (b) omits to do anything required-
  - (i) to preserve his ship or its machinery, navigational equipment or safety equipment from being lost, destroyed or seriously damaged;
  - (ii) to preserve any person on board his ship from death or serious injury; or
  - (iii) to prevent his ship from causing the loss or destruction of, or serious damage to, any other ship or any structure, or the death of or serious injury to any person not on board his ship,

and either of the conditions specified in subsection (3) is satisfied with respect to that act or omission, he is, subject to subsections (6) and (7), guilty of an offence.

(3) The conditions referred to in subsection (2) are-

- (a) that the act or omission was deliberate or amounted to a breach or neglect of duty; and
- (b) that the master or seafarer in question was under the influence of drink or a drug at the time of the act or omission.

(4) If a person to whom this section applies-

- (a) discharges any of his duties, or performs any other function in relation to the operation of his ship or its machinery or equipment, in such a manner as to cause, or to be likely to cause, any such loss, destruction, death or injury as is mentioned in subsection (2)(a); or
- (b) fails to discharge any of his duties, or to perform any such function, properly to such an extent as to cause, or to be likely to cause, any of those things,

he is, subject to subsections (6) and (7), guilty of an offence.

(5) A person who commits an offence under this section is liable-

- (a) on summary conviction, to a fine not exceeding level 5 on the standard scale; or
  - (b) on conviction on indictment, to a fine of ten thousand dollars and to imprisonment for two years.
- (6) In proceedings for an offence under this section it is a defence to prove-
- (a) in the case of an offence under subsection (2), where the act or omission alleged against the accused constituted a breach or neglect of duty, that the accused took all reasonable steps to discharge that duty;
  - (b) in the case of an offence under subsection (2), that at the time of the act or omission alleged against the accused he was under the influence of a drug taken by him for medical purposes and either that he took it on medical advice and complied with any directions given as part of that advice or that he had no reason to believe that the drug might have the influence it had;
  - (c) in the case of an offence under subsection (4), that the accused took all reasonable precautions and exercised all due diligence to avoid committing the offence; or
  - (d) in the case of an offence under subsection (2) or (4)-
    - (i) that he could have avoided committing the offence only by disobeying a lawful command; or
    - (ii) that in all the circumstances the loss, destruction, damage, death or injury in question, or (as the case may be) the likelihood of it being caused, either could not reasonably have been foreseen by the accused or could not reasonably have been avoided by him.

(7) In the application of this section to a person falling within subsection (1)(b), subsections (2) and (4) shall have effect as if subsection (2)(a)(i) and (b)(i) were omitted.

(8) In this section-

“breach or neglect of duty”, except in relation to a master, includes any disobedience to a lawful command;

“duty”-

- (a) in relation to a master or seafarer means any duty falling to be discharged by him in his capacity as such; and
- (b) in relation to a master, includes his duty with respect to the good management of his ship and his duty with respect to the safety of operation of his ship, its machinery and equipment; and

“structure” means any fixed or movable structure (of whatever description) other

than a ship.

122. (1) A person who, being a seafarer employed in a Cayman Islands ship, combines with other seafarers employed in that ship-

Concerted disobedience  
and neglect of duty

- (a) to disobey lawful commands which are required to be obeyed at a time while the ship is at sea;
- (b) to neglect any duty which is required to be discharged at a time while the ship is at sea; or
- (c) to impede, at a time while the ship is at sea, the progress of a voyage or the navigation of the ship,

commits an offence.

(2) A person who commits an offence under subsection (1) is liable-

- (a) on summary conviction, to a fine of ten thousand dollars; or
- (b) on conviction on indictment, to a fine of fifteen thousand dollars and to imprisonment for two years.

(3) For the purposes of this section, a ship shall be treated as being at sea at any time when it is not securely moored in a safe berth.

### Disciplinary Offences

123. (1) The Cabinet may make regulations under the following provisions of this section for the purpose of maintaining discipline on board Cayman Islands ships; and in this section-

Breaches by seafarers of  
codes of conduct

“disciplinary body” means a body established or approved by the Minister under subsection (6).

(2) Regulations may provide for the hearing on shore in the Islands, by a disciplinary body, of a complaint by the master or owner of a Cayman Islands ship, other than a fishing vessel, against a seafarer alleging that during his employment on board the ship the seafarer contravened, on or off the ship and in the Islands or elsewhere, a provision of a code of conduct approved by the Director for the purposes of this section.

(3) Regulations may enable a disciplinary body-

- (a) to dismiss the complaint if it finds the allegation not proved; or
- (b) if it finds the allegation proved-
  - (i) to warn the seafarer;
  - (ii) to reprimand the seafarer; or
  - (iii) to recommend to the Director that the seafarer shall, either for a period specified in the recommendation or permanently, cease to be entitled to a discharge book under

section 144 and shall be required to surrender any such book which has been issued to him.

- (4) Regulations may-
- (a) enable the seafarer to appeal against such a recommendation to another disciplinary body (an “appellate body”); and
  - (b) enable an appellate body-
    - (i) to confirm the recommendation;
    - (ii) to cancel the recommendation; or
    - (iii) in the case of a recommendation that the seafarer shall cease to be entitled to a discharge book permanently or for a particular period, to substitute for it a recommendation that he shall cease to be so entitled, instead of permanently, for a period specified in the substituted recommendation or, instead of for the particular period, for a shorter period so specified.

(5) Regulations may make provision for securing that a recommendation that the seafarer shall permanently cease to be entitled to a discharge book is not submitted to the Director unless it has been confirmed, either on appeal or otherwise, by an appellate body.

(6) Regulations may make provision for the establishment or approval for the purposes of this section of such number of bodies as the Minister thinks fit and for the composition, jurisdiction and procedure of any such body.

(7) Regulations may make provision for the payment of such remuneration and allowances as the Minister may determine to any member of such a body.

(8) Regulations may make different provisions for different circumstances and may contain such incidental and supplemental provisions as the Cabinet considers appropriate.

(9) Without prejudice to subsection (1) to (7), regulations may include provision for any proceedings to take place notwithstanding the absence of the seafarer to whom they relate.

(10) Nothing in the regulations or done in pursuance of the regulations shall be construed as affecting any power to institute, prosecute, entertain or determine proceedings (including criminal proceedings) under any other enactment or at common law.

#### **Disqualification of Seafarers and Inquiries**

Inquiry into fitness or  
conduct of officer

124. (1) If it appears to the Director that an officer-

- (a) is unfit to discharge his duties, whether by reason of incompetence or misconduct or for any other reason;
- (b) has been seriously negligent in the discharge of his duties; or
- (c) has failed to comply with section 150,

the Director may cause an inquiry to be held by one or more persons appointed by him and, if he does so, may, if he thinks fit, suspend, pending the outcome of the inquiry, any certificate issued to the officer under section 110 and require the officer to deliver it to him.

(2) Where a certificate issued to an officer has been suspended under subsection (1), the suspension may, on the application of the officer, be terminated by the Court, and the decision of the Court on such an application shall be final.

(3) An inquiry under this section shall be conducted in accordance with rules made under section 128(1), and those rules shall require the persons holding the inquiry to hold it with the assistance of one or more assessors.

(4) The persons holding an inquiry under this section into the fitness or conduct of an officer-

- (a) may, if satisfied of any of the matters mentioned in subsection (1)(a) to (c), cancel or suspend any certificate issued to him under section 110 or censure him;
- (b) may make such order with regard to the costs of the inquiry as they think just; and
- (c) shall make a report on the case to the Director,

and, if the certificate is cancelled or suspended, the officer (unless he has delivered it to the Director under subsection (1)) shall deliver it forthwith to the persons holding the inquiry or to the Director.

(5) Any costs which a person is ordered to pay under subsection (4)(b) may be recovered from him by the Director.

125. (1) Where it appears to the Director that a person who is the holder of a certificate to which this section applies is unfit to be the holder of such a certificate, whether by reason of incompetence, misconduct or for any other reason, the Director may give him notice in writing that he is considering the suspension or cancellation of the certificate.

Disqualification of holder of certificate other than officer

(2) The notice shall state the reasons why it appears to the Director that the person is unfit to be the holder of such a certificate and shall state that within a period specified in the notice, or such longer period as the Director may allow, he may make written representations to the Director or claim to make oral representations to the Director.

(3) After considering any representations made under subsection (2), the Director shall decide whether or not to suspend or cancel the certificate, and shall give the holder of it written notice of his decision.

(4) Where the Director decides to suspend or cancel the certificate the notice given under subsection (3) shall state the date from which the cancellation is to take effect, or the date from which and the period for which the suspension is to take effect, and shall require the holder to deliver the certificate to the Director not later than the date so specified unless, before that date, the holder has required the case to be dealt with by an inquiry under section 126.

(5) Where, before the date specified in the notice, the holder requires the case to be dealt with by an inquiry under section 126, then, unless the holder withdraws the requirement, the suspension or cancellation shall not take effect except as ordered in pursuance of the inquiry.

(6) The Cabinet may make regulations prescribing the procedure to be followed with respect to the making and consideration of representations in pursuance of this section, the form of any notice to be given under this section and the period to be specified in any such notice as the period within which any steps are to be taken.

(7) This section applies to every certificate issued under section 117 and to any certificate issued under section 110 other than one certifying that a person is qualified as an officer.

Inquiry into fitness or  
conduct of seafarer

126. (1) Where a person has, before the date mentioned in section 125(4), required his case to be dealt with by an inquiry under this section, the Minister shall cause an inquiry to be held by one or more persons appointed by him.

(2) An inquiry under this section shall be conducted in accordance with rules made under section 128(1) and those rules shall require the persons holding the inquiry to hold it with the assistance of one or more assessors.

(3) The persons holding an inquiry under this section-

- (a) may confirm the decision of the Director, and cancel or suspend the certificate accordingly;
- (b) may, where the decision was to cancel the certificate, suspend it instead;
- (c) may, where the decision was to suspend the certificate, suspend it for a different period;
- (d) may, instead of confirming the decision of the Director, censure the holder of the certificate or take no further action;
- (e) may make such order with regard to the costs of the inquiry as they think just; and
- (f) shall make a report on the case to the Minister,

and if the certificate is cancelled or suspended it shall be delivered forthwith to the



persons holding the inquiry or to the Director.

(4) Any costs which a person is ordered to pay under subsection (3)(e) may be recovered from him by the Minister.

127. (1) Where an inquiry has been held under section 124 or 126 the Minister may order the whole or part of the case to be reheard, and shall do so-

Rehearing and appeal from inquiry

- (a) if new and important evidence which could not be produced at the inquiry has been discovered; or
- (b) if there appear to the Minister to be other grounds for suspecting that a miscarriage of justice may have occurred.

(2) An order under subsection (1) may provide for the rehearing to be by the Court.

(3) Where the persons holding the inquiry have decided to cancel or suspend the certificate of a person or have found a person at fault, then, if no application for an order under subsection (1) has been made or such an application has been refused, that person or any other person who, having an interest in the inquiry, has appeared at the hearing and is affected by the decision or finding, may appeal to the Court.

128. (1) The Cabinet may make rules for the conduct of inquiries under sections 124 and 126 and for any rehearing or appeal under section 127.

Rules as to inquiries and appeals

(2) Rules made under subsection (1) may provide for the appointment and summoning of assessors, the manner in which any facts may be proved, the persons allowed to appear and the notices to be given to persons affected.

(3) Rules of Court made for the purpose of rehearings under section 127 which are held by the Court, or of appeals to the Court, may require the Court, subject to such exceptions, if any, as may be allowed by the rules, to hold such a rehearing or hear such an appeal with the assistance of one or more assessors.

129. A person who fails to deliver a certificate as required under section 124, 125 or 126 commits an offence and is liable on summary conviction to a fine of fifteen thousand dollars.

Failure to deliver cancelled or suspended certificate

130. Where a certificate has been cancelled or suspended under section 124, 125, 126 or 127, the Director, if of the opinion that the justice of the case requires it, may re-issue the certificate, reduce the period of suspension and return the certificate or grant a new certificate of the same or a lower grade in place of the cancelled or suspended certificate.

Power to restore certificate

131. (1) The persons holding an inquiry under section 124 or 126 may-

Power to summon witness to inquiry

- (a) by summons, require a person to attend, at a time and place stated in the summons, to give evidence or produce any documents in

his custody or under his control which relate to any matter in question at the inquiry; and

- (b) take evidence on oath (and for that purpose administer oaths) or, instead of administering an oath, require the person examined to make a solemn affirmation.

(2) If, on the failure of a person to attend an inquiry under section 124 or 126 in answer to a summons under this section-

- (a) the persons holding the inquiry are satisfied by evidence on oath that-
  - (i) the person in question is likely to be able to give material evidence or produce any document which relates to any matter in question at the inquiry;
  - (ii) he has been duly served with the summons; and
  - (iii) a reasonable sum has been paid or tendered to him for costs and expenses; and
- (b) it appears to them that there is no just excuse for the failure,

they may issue a warrant to arrest him and bring him before the inquiry at a time and place specified in the warrant.

Refusal to give evidence to inquiry

132. (1) If a person attending or brought before an inquiry referred to in section 131 refuses without just excuse to be sworn or give evidence, or to produce any document, the persons holding the inquiry may-

- (a) commit him to custody until the end of such period not exceeding one month as may be specified in the warrant or until he gives evidence or produces the document (whichever occurs first); and
- (b) impose on him a fine not exceeding level 1 on the standard scale.

(2) A fine imposed under subsection (3)(b) shall be treated for the purposes of its collection, enforcement and remission as having been imposed by the Court, and the persons holding the inquiry shall, as soon as practicable after imposing the fine, give particulars of it to the Clerk of the Court.

#### **Civil Liability of Seafarers for Offences**

Civil liability for absence without leave

133. (1) Subsections (2) and (3) shall apply with respect to the liability of a seafarer employed in a Cayman Islands ship to damages for being absent from his ship at a time when he is required under his contract of employment to be on board.

(2) If he proves that his absence was due to an accident, mistake or some other cause beyond his control and that he took all reasonable precautions to avoid being absent, his absence shall not be treated as a breach of contract.

(3) Where subsection (2) does not apply-

- (a) if no special damages are claimed, his liability shall be three hundred dollars; and
- (b) if special damages are claimed, his liability shall not be more than five hundred dollars.

134. If a seafarer employed in a Cayman Islands ship is found in civil proceedings before a court in the Islands to have committed an act of smuggling, whether within or outside the Islands, he shall be liable to make good any loss or expense that the act has caused to any other person.

Civil liability for smuggling

135. (1) Subsections (2) and (3) apply where, at a time when a Cayman Islands ship is in the national or territorial seas of any country outside the Islands, a seafarer employed in the ship is absent without leave and present in that country in contravention of that country's laws.

Civil liability for fines under immigration laws

(2) If, by reason of the contravention, a penalty is incurred under those laws by the persons employing the seafarer, the penalty shall be treated as being attributable to his absence without leave and may, subject to section 133, be recovered from him as special damages for breach of contract.

(3) If, by reason of the contravention, a penalty is incurred under those laws by any other person, the amount thereof, or, if that amount exceeds one hundred dollars, then one hundred dollars may be recovered by him from the seafarer.

#### **Relief and Repatriation and Relief Costs**

136. (1) Where-

- (a) a person employed as a seafarer in a Cayman Islands ship is left behind in any country outside the Islands or is taken to such a country on being shipwrecked; or
- (b) a person who became so employed under an agreement entered into outside the Islands is left behind in the Islands or is taken to the Islands on being shipwrecked,

Relief and return of seafarers left behind or shipwrecked

the persons who last employed him as a seafarer shall make such provision for his return and his relief and maintenance until his return and such other provisions as may be required by regulations made by the Cabinet.

(2) The provisions to be so made may include the repayment of expenses incurred in bringing a shipwrecked seafarer ashore and maintaining him until he is brought ashore and the payment of the expenses of the burial or cremation of a seafarer who dies before he can be returned.

(3) The Cabinet may make regulations providing for the manner in which any wages due to any person left behind or taken to any country as mentioned in subsection (1), and any property of his left on board ship, are to be dealt with.

(4) The Cabinet may make regulations requiring the Shipping Master or proper officer to make such provision as may be prescribed by the regulations with respect to any matter for which provision may be required to be made by regulations under subsections (1) to (3).

(5) Without prejudice to subsections (3) and (4), regulations may make provision for-

- (a) determining the place to which a person is to be returned;
- (b) requiring the master of any Cayman Islands ship to convey a person to a place determined in accordance with the regulations and for enabling the Shipping Master or proper officer to give the master directions for that purpose;
- (c) the making of payments in respect of the conveyance of a person in accordance with the regulations; and
- (d) the keeping of records and rendering of accounts.

(6) Regulations under subsections (2) to (4) may make a contravention of any provision thereof an offence punishable on summary conviction with a fine of fifteen thousand dollars or such less amount as may be specified in the regulations.

(7) This section applies to a person left behind on being discharged under section 92, whether or not at the time he is left behind the ship is still a Cayman Islands ship.

(8) This section applies to the master of a ship as it applies to a seafarer, and sections 137 and 138 shall have effect accordingly.

Limit of employer's liability under section 136

137. Where a person left behind in or taken to any country, as mentioned in section 136(l), remains there after the end of a period of three months, the persons who last employed him as a seafarer shall not be liable under that section to make provision for his return or for any matter arising after the end of that period, unless they have, before the end of that period, been under an obligation imposed on them by regulations under that section to make provision with respect to him.

Recovery of expenses from employer incurred for relief and return

138. Where expenses are incurred in respect of a matter for which the employers of a seafarer are required to make provision under section 136-

- (a) if the expenses are incurred by the Minister, or are incurred by the government of any country outside the Islands and repaid to them on behalf of the Government, the Minister may recover them from the employers; or
- (b) if the expenses are incurred by the seafarer, he may recover them from the employers unless they prove either that under the terms

of his employment they were to be borne by him or that he would not have been left behind but for his own wrongful act or neglect.

139. Where, in the case of any seafarer, expenses are incurred by the Minister or are incurred by the government of any country outside the Islands and repaid to them on behalf of the Government-

Recovery of expenses  
from seafarers

- (a) in respect of any matter for which, but for section 137, the seafarer's last employers would have been required to make provision under section 136; or
- (b) in respect of any matter for which provision is required to be made under section 136(5)(b),

the Minister may recover them from the seafarer or, if he has died, from his personal representatives.

### Documentation

140. (1) Except as provided by regulations made under this section, an official log book in a form approved by the Director shall be kept in every Cayman Islands ship.

Official and other log  
books

(2) The Cabinet may make regulations prescribing the particulars to be entered in English in official log books, the persons by whom such entries are to be made, signed or witnessed, and the procedure to be followed in the making of such entries and in their amendment or cancellation.

(3) The regulations may require the production or delivery of official log books to such persons, in such circumstances and within such times as may be specified therein.

(4) Regulations made under this section may exempt ships of any description from any requirements thereof, either generally or in such circumstances as may be specified in the regulations.

(5) Regulations made under this section may make a contravention of any provision thereof an offence punishable on summary conviction with a fine of ten thousand dollars or of such lesser amount as may be specified in the regulations.

(6) All Cayman Islands ships shall, in addition to the official log book, carry on board a deck log book and an engine room log book in which shall be recorded particulars relating to the deck watch and the engine room watch respectively.

(7) Subject to subsection (8), the entries in the deck log book and engine room log book referred to in subsection (6) shall be made in English except where all persons making entries in those log books have a common language other than English in which case the entries may be made in that common language.

(8) The Director may require a log book or an extract thereof written in a language other than English to be translated officially into English.

(9) All log books referred to in this section shall be admissible in evidence.

(10) A person who intentionally destroys, mutilates or renders illegible any entry in any log book commits an offence and is liable on summary conviction to a fine of fifteen thousand dollars.

Lists of crew

141. (1) Except as provided by regulations made under this section, the master of every Cayman Islands ship shall make and maintain a list of the crew containing such particulars as may be required by the regulations.

(2) The Cabinet may make regulations-

- (a) specifying the particulars to be entered in a list of the crew;
- (b) limiting the time for which a list of the crew may remain in force;
- (c) providing for the maintenance by such persons as may be specified in the regulations and either in such place as may be specified in the regulations or, if it is so specified, in the ship, of a copy or copies of each list of a crew and for the notification to such persons of any changes therein;
- (d) for the production of a list of the crew to such persons, in such circumstances and within such time as may be specified in the regulations; and
- (e) for the delivery to the Shipping Master, proper officer or the Registrar of Shipping, in such circumstances as may be specified in the regulations, of a list of the crew or a copy thereof maintained under the regulations and for the notification to him of any changes in such a list.

(3) Regulations under this section may enable a list of the crew to be contained in the same document as a crew agreement and may treat any particulars entered in the crew agreement as forming part of the particulars entered in the list.

(4) Regulations under this section may exempt from the requirements thereof such descriptions of ship as may be specified in the regulations and may make different provisions for different circumstances.

(5) Regulations made under this section may make a contravention thereof an offence punishable on summary conviction with a fine of ten thousand dollars or such lesser amount as may be specified in the regulations.

Cayman Islands  
seafarer's cards

142. (1) The Cabinet may make regulations-

- (a) providing for the issue to Cayman Islands seafarers of cards (in this section referred to as "Cayman Islands seafarer's cards") in

such form and containing such particulars with respect to the holders thereof and such other particulars, if any, as may be prescribed by the regulations, and for requiring Cayman Islands seafarers to apply for such cards;

- (b) requiring the holders of Cayman Islands seafarers' cards to produce them to such persons and in such circumstances as may be prescribed by the regulations;
- (c) providing for the surrender of Cayman Islands seafarers' cards in such circumstances as may be prescribed by the regulations; and
- (d) for any incidental or supplementary matters for which the Cabinet thinks it expedient for the purposes of the regulations to provide,

and the regulations having effect by virtue of paragraph (a) may be so framed as to apply to all Cayman Islands seafarers or any description of them and as to have effect subject to any exemptions for which provision may be made by the regulations.

(2) Regulations made under this section may make a contravention thereof an offence punishable on summary conviction with a fine of ten thousand dollars or such lesser amount as may be specified in the regulations.

(3) A person who makes a statement which he knows to be false, or recklessly makes a statement which is false in a material particular, for the purpose of obtaining for himself or another a Cayman Islands seafarer's card, commits an offence and is liable on summary conviction to a fine of ten thousand dollars.

143. (1) The Cabinet may make regulations -

Discharge books

- (a) providing for the issue to persons who are or have been employed in Cayman Islands ships of discharge books in such form and containing such particulars with respect to the holders thereof and such other particulars, if any, as may be prescribed by the regulations and for requiring such persons to apply for such discharge books;
- (b) requiring the holders of discharge books to produce them to such persons and in such circumstances as may be prescribed by the regulations;
- (c) providing for the surrender of discharge books in such circumstances as may be prescribed by the regulations; and
- (d) for any incidental or supplementary matters for which the Cabinet thinks it expedient for the purposes of the regulations to provide,

and any regulations having effect by virtue of paragraph (a) may be so framed as to apply to all such persons as are mentioned in that paragraph or any description of such persons and as to have effect subject to any exemptions for which provision may be made by the regulations.

(2) Regulations under this section may provide for -

- (a) a person to cease to be entitled to a discharge book in consequence of a recommendation made by a disciplinary body by virtue of regulations made under section 123 (3) or (4); and
- (b) the re-issue of discharge books which have been surrendered in consequence of such a recommendation.

(3) Regulations under subsection (1) may make a contravention of any provision thereof an offence punishable on summary conviction with a fine of ten thousand dollars or such lesser amount as may be specified in the regulations.

(4) A person who, in the Islands or elsewhere-

- (a) obtains employment as a seafarer on board a Cayman Islands ship and does so when he is disentitled to a discharge book by virtue of regulations made under subsection (2)(a); or
- (b) employs as such a seafarer a person whom he knows or has reason to suspect is disentitled as aforesaid,

commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale or on conviction on indictment to a fine of ten thousand dollars and to imprisonment for one year.

Handing over of documents by master

144. (1) If a person ceases to be the master of a Cayman Islands ship during a voyage of the ship he shall deliver to his successor the documents relating to the ship or its crew which are in his custody.

(2) If, without reasonable excuse, the master of such a ship fails to comply with subsection (1), he commits an offence and is liable on summary conviction to a fine of ten thousand dollars.

## **PART VI - Prevention of Collisions and Safety of Navigation**

### **Collision Regulations, Distress and Safety**

Collision regulations

145. The Cabinet may make regulations, hereinafter referred to as "collision regulations"-

- (a) for the prevention of collisions at sea;
- (b) respecting the lights to be carried and exhibited; and
- (c) respecting the steering and sailing rules to be observed by ships,



and in making such regulations he shall have regard to any international convention for the time being in force for the prevention of collisions at sea.

146. (1) All owners and masters of Cayman Islands ships shall obey the collision regulations and shall not carry or exhibit any other lights or use any fog signals other than such as are prescribed by those regulations. Cayman Islands ships to observe collision regulations

(2) If an infringement of the collision regulations is caused by the wilful default of the master or owner of a ship, he commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

(3) Subsections (1) and (2) apply to the owners and pilots of seaplanes on the surface of water as they apply to the owners and masters of ships.

147. The collision regulations shall be observed by all foreign ships and seaplanes within Cayman Islands waters, and in any case before a court in the Islands concerning a breach of the collision regulations arising within Cayman Islands waters, foreign ships and seaplanes shall be treated as if they were Cayman Islands ships and seaplanes registered in the Islands. Foreign ships in Cayman Islands waters

148. (1) Liability for collision damage, including damage to vessels, their cargoes, the effects or other property of the crew, passengers or other persons on board, or to third parties, shall be apportioned according to the degree of fault of each ship involved in a collision. Collision liability

(2) Where it is not possible to determine the degree of fault of each vessel, or if it appears that the faults are equal, liability shall be apportioned equally.

(3) There shall be no presumption of fault against a ship for a contravention of the collision regulations without proof of fault or negligence.

(4) If the collision is accidental or caused by force majeure, or if the cause is left in doubt, the damages shall be borne by those who have suffered them, notwithstanding that the vessels, or any one of them, may have been at anchor, or was otherwise made fast, at the time of the collision.

(5) If the collision is caused by the fault of one of the vessels, liability to make good the damage shall attach to the one which has committed the fault.

(6) In respect of damage caused by death or personal injuries, the vessels in fault shall be jointly and severally liable to third parties, without prejudice, however, to the right of the vessel which has paid a larger part than that which, in accordance with subsections (1) and (2), it ought ultimately to bear, to obtain a contribution from the other vessel or vessels at fault.

(7) Collision liability shall attach in accordance with this section in cases where the collision may be caused by the fault of a pilot whether or not the pilot is carried by compulsion of law.

(8) The right of action for the recovery of damages resulting from a collision is not conditional upon the entering of a protest or the fulfilment of any other special formality.

(9) Where no collision has actually taken place, liability for damage to the vessels involved in the incident, or to goods or persons on board the vessels resulting from the execution or non-execution of a manoeuvre or a contravention of the collision regulations shall be determined in accordance with this section.

Inspection to enforce compliance with collision regulations

149. A surveyor or inspector may inspect a ship of any nationality in a port of the Islands to determine whether the ship is properly provided with lights and shapes and the means of making sound signals as required by the collision regulations; and if the surveyor or inspector finds that the ship is not so provided, he shall specify in writing the action required to rectify the deficiency and detain the ship until such deficiency is rectified to his satisfaction.

Duty to render assistance following collision

150. (1) In every case of collision between ships, the master of each ship shall, if and so far as he can do so without damage to his own ship, crew and passengers, if any-

- (a) render to the other ship, the master, crew and passengers, if any, thereof, such assistance as may be practicable and as may be necessary to save them from any danger by the collision, and stand by the other ship, until he has ascertained that such ship has no need for further assistance; and
- (b) give the master of the other ship the name and port of registry of his ship, and the names of the ports from which his ship sailed and to which his ship is bound.

(2) Subsection (1) shall apply to the masters of Cayman Islands ships and to the masters of foreign ships when in Cayman Islands waters.

(3) The failure of the master of a ship to comply with this section shall not raise any presumption of law that the collision was caused by his wrongful act, neglect or default.

Offence

151. A person who, being the master of a ship, fails without reasonable cause to comply with section 150 commits an offence and is liable upon conviction -

- (a) in the case of a failure to comply with section 150(1)(a), to a fine of ten thousand dollars and to imprisonment for six months; and
- (b) in the case of a failure to comply with section 150(1)(b), to a fine not exceeding level 5 on the standard scale,

and in either case if he is a certificated officer, an inquiry into his conduct may be held, and his certificate cancelled or suspended.

Master to notify hazards to navigation

152. (1) The master of any Cayman Islands ship, upon encountering any of the dangers to navigation specified in subsection (2), shall send information thereof

by any means of communication at his disposal to the appropriate shore based authorities via a coast radio station, as listed in the Admiralty List of Radio Signals Volume 1, and such information shall be repeated to such ships in the vicinity as may be practicable.

- (2) The dangers to navigation referred to in subsection (1) are -
  - (a) dangerous ice;
  - (b) a dangerous derelict;
  - (c) a tropical storm;
  - (d) air temperatures below freezing point associated with gale force winds causing severe ice accretion on the superstructure of ships;
  - (e) winds of force 10 or above on the Beaufort scale for which no storm warning has been received; and
  - (f) any other direct danger to navigation.
- (3) The information referred to in subsection (1) shall-
  - (a) be sent on the authority of the master of the ship in English, or by means of the International Code of Signals; and where it is transmitted by radio messages, it may be sent in one of the working languages of the International Telecommunication Union and, where language difficulties are encountered, the IMO Standard Communication Phrases may be used; or
  - (b) when sent on the authority of the master of the ship by means of radio, be preceded by the safety signal or code sequence as prescribed by the radio regulations, and be in a format permitted under those regulations.

(4) Every person in charge of a radio station in the Islands or on board any Cayman Islands ship shall, on receiving the signal prescribed in the regulations for indicating that a message is about to be sent under this section, refrain from sending messages for a time sufficient to allow other stations to receive the message, and, if so required by regulations made under subsection (1), shall transmit the message in the prescribed manner.

(5) A person who being a master, fails to comply with this section, commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale:

Provided that it shall be a defence for a person so charged to show that he took all reasonable precautions to avoid the commission of the offence.

- (6) In this section-

“Admiralty List of Radio Signals” means the publication of that name published by the Hydrographer of the Navy in the United Kingdom in force on the 19th July,

1999, and any amendment, correction or replacement thereto;

“International Code of Signals” means the publication of that name published by the Organisation in 1985, and includes any document published by the Organisation amending that publication;

“radio regulations” means the radio regulations annexed to, or regarded as being annexed to, the International Telecommunication Convention, 1992 and includes all amendments now in force; and

“tropical storm” means a hurricane, typhoon, cyclone or other storm of a similar nature, and a master of a ship shall be deemed to have encountered a tropical storm if he has reason to believe that there is such a storm in the vicinity.

(7) A transmission of messages under this section shall be without charge.

Master to proceed  
moderately in danger area

153. (1) The master of a Cayman Islands ship, when ice is reported on or near his course, shall at night either proceed at a safe speed adapted to the prevailing circumstances or change his course so as to keep amply clear of the ice reported and of the area of danger.

(2) The master of a ship who fails to comply with this section commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

Duty to assist ships in  
distress

154. (1) The master of a Cayman Islands ship, on receiving at sea a signal from any source that a ship or aircraft or a survival craft thereof is in distress, shall proceed with all speed to the assistance of the persons in distress, informing them, if possible, that he is doing so, and if-

- (a) he is unable to do so; or
- (b) in the special circumstances of the case he considers it unreasonable or unnecessary to proceed to their assistance,

he shall enter in the log book of the ship the reason for failing to proceed to the assistance of the persons in distress.

(2) The master of a ship shall be released from the duty imposed by subsection (1) as soon as he is informed of the requisition of one or more ships, other than his own, under section 155 and that the requisition is being complied with by the ship or ships requisitioned.

Right to requisition  
ships when in distress

155. (1) The master of a ship in distress, after consultation, so far as may be possible, with the masters of the ships which answer his call for assistance, has the right to requisition one or more of those ships as he considers best able to render assistance, and it shall be the duty of the masters of the ships requisitioned to comply with the requisition by proceeding with all speed to the assistance of persons in distress.

(2) The master of a ship shall be released from the duty imposed by section 154(1) and, if his ship has been requisitioned, from the duty imposed by subsection (1), if he is informed by the persons in distress or by the master of another ship which has reached such persons that assistance is no longer required.

156. The master of a ship shall, so far as he can do so without serious danger to his own ship and persons thereon, render assistance to any person in danger of being lost at sea.

Duty to assist persons in danger at sea

157. (1) The duties imposed on the master of a ship by sections 154, 155 and 156 shall apply to the masters of Cayman Islands ships and to the masters of foreign ships when in Cayman Islands waters.

Application of duties imposed by sections 154, 155 and 156; penalties for failure to comply and salvage rights

(2) A person who, being a master, fails to comply with section 154, 155 or 156 commits an offence and is liable on summary conviction to a fine of ten thousand dollars and to imprisonment for six months.

(3) Compliance by a master with sections 154, 155 and 156 shall not affect his right, or the right of any other person, to salvage.

158. (1) The Cabinet may make regulations relating to signals of distress and urgency, and the signals prescribed by the regulations shall be deemed to be signals of distress and urgency.

Regulations for signals of distress

(2) A person who, being a master of a ship, uses or displays, or causes, or permits a person under his authority to use or display-

- (a) any signal except in circumstances and for the purposes prescribed; and
- (b) any signal that is liable to be mistaken for any prescribed signal,

commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale, and in addition is liable to pay compensation for any labour undertaken, risk incurred or loss sustained in consequence of the signal having been supposed to be a signal of distress or urgency; and such compensation may, without prejudice to any other remedy, be recovered in the same manner in which salvage is recoverable.

(3) Where the master who contravenes subsection (2) is a certificated officer under this Law, he shall be subject to an inquiry into his conduct as provided in section 124.

159. (1) When a ship-

- (a) has sustained or caused any accident occasioning loss of life or any serious injury to any person; or
- (b) has sustained any material damage affecting its seaworthiness or its efficiency, either in its hull or in any part of its machinery,

Reports of accidents to ships

the owner or master thereof shall, within twenty-four hours after the happening of

the accident or causing of the damage or as soon as possible thereafter, transmit to a proper officer if the ship is in a foreign port, or otherwise to the Director, a report of the accident or damage.

(2) Every report of accident or damage to a ship made under subsection (1) shall be signed by the owner or master of the ship, and shall state-

- (a) the name of the ship, the port to which the ship belongs, the official number, if any, of the ship and the place where the ship is located;
- (b) the circumstances in which the accident or damage occurred; and
- (c) the probable cause of the accident or damage.

(3) If the owner or managing owner, or if there is no owner or managing owner resident in the Islands, the representative person of the owner or the agent of any ship to which this section applies, has reason to believe that the ship has sustained or caused any such accident or received any such damage as is mentioned in subsection (1), he shall satisfy himself that the accident or damage has been reported to the Director by the master; and, where any such owner, managing owner, representative person or agent has reason to believe that the accident or damage has not been so reported, he shall, as soon as possible, send to the Director notice in writing stating the name of the ship, its official number and its port of registry or the port to which it belongs, stating to the best of his knowledge and belief, the nature and extent of the accident or damage, the probable cause thereof and the location of the ship.

(4) A person who, being a master, owner, managing owner, representative person or agent, who fails, without reasonable cause, to comply with this section commits an offence and is liable on summary conviction to a fine not exceeding level 4 on the standard scale.

(5) This section applies to all Cayman Islands ships and to all foreign ships carrying passengers between places in the Islands.

Apprehended loss of ship

160. (1) If the owner, managing owner or agent of any Cayman Islands ship has reason, owing to the non-appearance of the ship or to any other circumstance, to believe that the ship has been lost, he shall cause a reasonable search to be made for the ship and shall, as soon as may be convenient, send to the Director a notice in writing signed by him and stating-

- (a) the name of the ship, the port to which the ship belongs and the official number, if any, of the ship; and
- (b) a report of the loss of the ship and the circumstances and probable cause of such loss.

(2) A person who, being the managing owner or agent of a ship, fails without reasonable cause, to comply with this section within a reasonable period from the time when he has reason to believe that the ship has been lost, commits

an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

161. (1) The master of every Cayman Islands ship shall enter a statement in the official log book of every occasion on which life boat and fire drill is practised on board, and on which the appliances and equipment required to be carried are examined to see whether they are fit and ready for use, and of the result of any such examination.

Record of boat drill to be kept in official log book

(2) Where in the case of-

- (a) a passenger ship, lifeboat drill or fire drill was not practised in any week;
- (b) any other ship, lifeboat drill or fire drill was not practised in any two weeks; or
- (c) any ship, the said appliances and equipment were not examined in any such period as prescribed,

the master shall state the reasons therefor in the official log book.

162. (1) The Director shall take appropriate steps to advise the seafaring community and the public of any developing or existing situations which may adversely affect maritime safety.

Notices to mariners and navigational warnings

(2) Such information may take the form of Notices to Mariners, and navigational warnings may be issued and communicated by any means as the circumstances may warrant.

(3) The Director may require the assistance of any person in the communication of such information.

### **Aids to Navigation and Charts and Publications**

163. (1) For the purposes of this section and sections 164 to 169-

Definitions and application

“aids to navigation” and “aids” mean all lighthouses, buoys, beacons, radio aids, or any other light, signal or mark established to aid marine navigation, and includes all buildings, moorings and other works associated therewith; and

“coastal area” includes the coast of the Islands and all Cayman Islands waters except those within the limits of ports and harbours under the Port Authority Law (1999 Revision) and the approaches thereto.

1999 Revision

(2) Sections 164 to 169 apply to the coastal areas of the Islands.

164. (1) There shall be established within the coastal areas of the Islands such aids to navigation as may be necessary to facilitate safe navigation.

Establishment and management of aids

(2) If it is proposed to establish or discontinue an aid, or alter the lighting characteristics or any other distinguishing features of an aid, the Director shall be consulted before any such proposal is carried into effect.

Nautical publications,  
charts and other  
information

165. (1) The Director may cause the publication and updating of information on aids to navigation and declare such publications, and any other publications, to be approved nautical publications.

(2) In any legal proceedings, the production of an approved nautical publication authenticated by the Director shall be *prima facie* evidence of the matters appearing therein.

(3) The Cabinet may make regulations specifying such charts, directions or information as appear to him to be necessary or expedient for the safe operation of ships.

(4) Regulations made under this section may require Cayman Islands ships or such descriptions of Cayman Islands ships as may be specified in the regulations, to carry and use, either at all times or on such voyages as may be specified in the regulations, the charts, copies of directions or information so specified.

(5) If a ship goes to sea or attempts to go to sea without carrying the charts, copies of directions or information which it is required to carry according to the regulations made under this section, the master and owner are both guilty of an offence and liable upon summary conviction to a fine not exceeding level 5 on the standard scale.

Prosecution of offences  
relating to aids

166. A person who-

- (a) contravenes section 164;
- (b) wilfully or negligently damages, destroys or allows a ship to foul an aid;
- (c) wilfully or negligently does anything which causes the view of an aid to be obstructed in such a manner as to lessen its efficiency;
- (d) wilfully, negligently or without lawful authority does anything which interferes with an aid so as to hinder the effective use of an aid; or
- (e) trespasses on or without lawful excuse, is found in or on an aid, or on any land upon which an aid is situated,

commits an offence and, in addition to the expenses of making good any damage so occasioned, is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

Detention of ships

167. Where a ship damages, destroys or fouls an aid, the ship may be detained until the cost of repairing or replacing the aid or rendering the aid effective again is paid.



168. (1) No person shall show a light, including light from a fire, in such a place or manner as to mislead ships navigating in the coastal areas of the Islands. Fire or lights detrimental to navigation

(2) A person who contravenes subsection (1) commits an offence and is liable on summary conviction to a fine of ten thousand dollars.

(3) The Director may cause to be extinguished any fire or light in respect of which notice is given under this section where the person to whom the notice has been given fails to comply within the time specified therein.

(4) For the purpose of extinguishing false or unauthorised lights, an officer authorised by the Port Authority or the Director may enter the place where the light is situated and forthwith extinguish the same without causing unnecessary damage.

169. The Director may prescribe the system of lighting and other characteristics, and marks and features of aids, and in doing so shall have due regard to the International Association of Lighthouse Authorities' IALA Harmonised Buoyage "System B", or any other international system of buoyage which may replace it. Characteristics of aids

## **PART VII - Safety of Life at Sea and Maritime Security**

### **General**

170. In this Part- Definitions in this Part

"anniversary date" means the day and the month of each year which will correspond to the date of expiry of the relevant certificate;

"cargo ship" means any ship that is not a-

- (a) passenger ship;
- (b) ship of war;
- (c) fishing vessel; or
- (d) pleasure vessel;

"Cargo Ship Safety Construction Certificate", "Cargo Ship Safety Equipment Certificate", "Cargo Ship Safety Radio Certificate", "Cargo Ship Safety Certificate" and "Passenger Ship Safety Certificate" mean the certificates of those names issued under section 185;

"certificate" means a certificate issued in accordance with the Safety Convention as defined therein;

"fishing vessel" means a vessel used for catching fish, whales, seals, walrus or other living resources of the sea;

"ISPS Code" means the International Code for the Security of Ships and Port Facilities adopted by the Conference of Contracting Governments to the

International Convention for the Safety of Life at Sea 1974 on the 12th December 2002, together with such amendments thereof or replacements therefor as may be in effect from time to time in relation to the Islands;

“intentional unlawful act” means a deliberate act which, by its nature or context, could harm vessels used for international or national maritime traffic, their passengers or cargoes or any port facilities whether or not actually used by such vessels;

“international voyage” means a voyage between a port in one country and a port in another country where at least one of the ports is in a Safety Convention country;

“maritime security” means the combination of measures intended to protect shipping and port facilities against intentional unlawful acts;

“Passenger Certificate” and “Cayman Islands Cargo Ship Safety Construction Certificate” mean the certificates of those names issued under section 186;

“port facility” means a location where an interface between ships and ports takes place, and includes anchorages, waiting berths and approaches from seaward;

“radio installation” means any radio installation provided on board a ship in life saving appliances, in compliance with the relevant regulations;

“radio-navigational equipment” means the equipment required by the relevant regulations;

“Safety Convention country” means a country, the Government of which has accepted the Safety Convention, and which has not denounced that Convention, or a territory of such country to which the Convention extends and remains extended;

“Safety Convention Certificate” means a certificate that is required to be issued to a Safety Convention ship that complies with the relevant provisions of the Safety Convention, and includes a Cargo Ship Safety Certificate, Safety Construction Certificate, Safety Equipment Certificate, Safety Radio Certificate and any such certificate that is limited, modified or restricted by an Exemption Certificate;

“security level” means the quantification of the degree of risk that a security incident will be attempted or will occur;

“security incident” means any suspicious act or circumstance threatening the security of-

- (a) a ship, including a mobile offshore drilling unit and a high speed craft;
- (b) a port facility;
- (c) a ship/port interface; or
- (d) a ship to ship activity;

“ship/port interface” means the interactions that occur when a ship is directly and

immediately affected by actions involving the movement of persons, goods or the provision of port services to or from the ship;

“ship-to-ship activity” means any activity not related to a port facility that involves the transfer of goods or persons from one ship to another;

“short international voyage” means an international voyage-

- (a) in the course of which a ship is not more than two hundred nautical miles from a port or place in which the passenger and crew could be placed in safety; and
- (b) which does not exceed six hundred nautical miles in length between the last port of call and the final destination, no account being taken of any deviation by a ship from its intended voyage due solely to stress of weather or any other circumstances that neither the master, owner nor charterer, if any, of the ship could reasonably have prevented or forestalled;

“tanker” means a cargo ship constructed or adapted for the carriage in bulk of liquid cargoes of a flammable nature, and its age shall be determined from the year of build as indicated on its certificate of registry; and

“tons” means gross tonnage, and a reference to tons in relation to a ship having alternative gross tonnages is a reference to the larger of those two tonnages.

171. (1) Subject to subsection (2), the Safety Convention, including all its related instruments, shall, unless excepted by this Law, apply to all Cayman Islands ships and all other ships engaged on international voyages while they are in Cayman Islands waters.

Application of Safety Convention and exceptions thereto

(2) Unless expressly provided otherwise, the Safety Convention shall not apply to-

- (a) ships of war and troop ships;
- (b) cargo ships of less than five hundred tons;
- (c) ships not propelled by mechanical means;
- (d) wooden ships of primitive build;
- (e) pleasure vessels not engaged in trade; and
- (f) fishing vessels.

(3) Except as expressly provided in this Law or in regulations made under this Law, nothing in the Safety Convention shall apply to Cayman Islands ships solely navigating the Great Lakes of North America and the St. Lawrence River as far east as a straight line drawn from Cap des Rosiers to West Point, Anticosti Island and on the north side of Anticosti Island, the sixty-third meridian.

(4) Notwithstanding that any provision of this Part or of any regulations made hereunder is expressed to apply to ships that are not Cayman Islands ships while they are within any port in the Islands, such provision shall not apply to a ship that would not be within any such port but for such stress of weather or any

other circumstances that neither the master, owner nor charterer, if any, of the ship could have prevented or forestalled.

(5) This Part applies to Cayman Islands ships wherever they may be and to other ships whilst they are in Cayman Islands waters, but not to fishing vessels or pleasure vessels.

(6) For the purposes of this Part, the classes for passenger ships not engaged on international voyages shall be defined in regulations to be made under this section.

Exemptions

172. (1) The Director, or such person as he may authorise for the purpose, may exempt any ship or class of ship from any safety requirements imposed by or under this Law either absolutely or subject to such conditions as he thinks fit.

(2) Without prejudice to subsection (1), where a ship not normally engaged on international voyages is required to undertake a single international voyage, the Director, if he is of the opinion that the ship complies with safety requirements imposed by or under this Law, may exempt the ship while engaged on that voyage.

(3) Without prejudice to subsection (1), any ship which embodies features of a novel kind may be exempted from any requirements imposed by or under this Law relating to safety construction, life-saving appliances and radio communications, the application of which might seriously impede research into the development of such features and their incorporation in ships engaged in international voyages; such ship shall, notwithstanding, comply with safety requirements which, in the opinion of the Director or such person as he may authorise for the purpose, are adequate for the service for which it is intended and are such as to ensure the overall safety of the ship; and where any such exemption is granted, the Director shall communicate to the Organisation particulars of the exemptions and the reasons therefor.

(4) The Director or such person as he may authorise for the purpose may, if he considers that the sheltered nature and conditions of the voyage are such as to render the application of any specific requirements relating to safety construction, life-saving appliances and radio communications unreasonable or unnecessary, exempt from those requirements individual Cayman Islands ships, or classes of ships which, in the course of their voyage, do not proceed more than twenty miles from the nearest land.

Regulations relating to safety at sea

173. (1) The Cabinet may make such regulations as may appear to it to be necessary and expedient to give effect to the Safety Convention and its related instruments, and to provide generally for safety at sea.

(2) For the purpose of giving effect to Chapter VIII of the Annex to the Safety Convention, the Cabinet may make such regulations as it considers appropriate with respect to ships provided with nuclear power plants.

### Surveys and Certification

174. (1) The Cabinet may make regulations, in this Law referred to as “cargo ship safety construction and survey regulations”, prescribing requirements for the hull, equipment and machinery of ships to which this section applies and requiring any Cayman Islands ship to be surveyed to such an extent, in such a manner and at such intervals as may be prescribed.

Regulations for cargo ship safety construction requirements and surveys

(2) Regulations made under subsection (1) shall include such requirements as appear to the Cabinet to be necessary to implement the provisions of the Safety Convention in relation to the hull, equipment and machinery of such ship.

(3) This section applies to-

- (a) Cayman Islands cargo ships of not less than five hundred tons;
- (b) Cayman Islands cargo ships of such lower tonnage and of such description as the Cabinet may specify; and
- (c) foreign cargo ships while they are within Cayman Islands waters and while they are not exempted under this Law.

175. (1) Surveyors shall, as and when required by or under this Law, carry out surveys of-

Surveyor's duties

- (a) the hull and machinery of ships;
- (b) the equipment of ships, including its tackle, and appurtenances;
- (c) the life-saving, fire-fighting and other safety equipment of ships;
- (d) the radiotelegraphy and radiotelephony installations of ships; and
- (e) the stowage and manner of loading of ships' cargoes and the stowage of dangerous goods,

and issue such Safety Convention certificates as may be authorised by the Director.

(2) The survey and inspections of ships, so far as regards the enforcement of this Part, shall be carried out by surveyors appointed under section 419.

176. (1) A surveyor may, at all reasonable times, inspect any ship in Cayman Islands waters and Cayman Islands ships anywhere for the purpose of ensuring that it is in compliance with the Safety Convention, the Load Line Convention, collision regulations and the relevant regulations made under this Law.

Surveyor's powers of inspection

(2) Where the surveyor finds that the Conventions or regulations referred to in subsection (1) have not been complied with, he shall give written notice to the owner or master of the ship stating in what respect there is deficiency and what action, in his opinion, is required to rectify such deficiency.

(3) Every notice so given shall be communicated in a manner directed by the Director to the proper officer of customs of any port at which the ship may

seek a clearance, and if the surveyor so requires such clearance may be denied and the ship may be detained.

(4) Where the surveyor considers such ship unsafe, or, if a passenger ship, unfit to carry passengers, or the machinery or equipment defective in any way so as to expose persons on board to serious danger, he shall detain that ship, and a surveyor may also detain any ship in respect of which any of the provisions of this Law have not been complied with, if, in his opinion, such detention is warranted in the circumstances, and in any such case of detention as is referred to in this subsection, section 444 shall apply.

(5) Where, under this section, a surveyor visits any ship, he may ask the owner or his agent, the master or chief engineer, or any other person on board and in charge or appearing to be in charge of the ship, any questions concerning the ship as he thinks fit, and every such person shall fully and truthfully answer every such question.

(6) A surveyor may reasonably require of the owner or his agent, the master or chief engineer or any other person on board or in charge, or appearing to be in charge of the ship, that the machinery of the ship be activated or dismantled so that he may satisfy himself as to its condition, and every person of whom such a request is made, capable of so doing, shall comply with the requirement.

(7) A person who contravenes subsections (5) or (6) commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

Surveyor to report to  
Director

177. A surveyor, if satisfied on inspection that he can with propriety do so, shall forward a report to the Director which shall contain a statement showing-

- (a) that the hull and machinery are sufficient for the service intended and in good condition;
- (b) that the hull and machinery are constructed, arranged and fitted in accordance with any regulations made under this Part;
- (c) that the safety equipment and radio installations required under this Part are on board and in good condition;
- (d) that the master, mates and engineers are persons duly certificated as required under this Law, and that the crew is sufficient and efficient;
- (e) the class of voyage on which the ship is fit to ply and the time, if less than one year, for which the hull, equipment and machinery will be sufficient;
- (f) if the ship is a passenger ship, the number of passengers which it may carry; and
- (g) the steam pressure that may be carried on the boilers.

178. A surveyor shall keep a record of the inspections he makes and certificates he issues in such form and with such particulars respecting them as the Director may direct, and shall furnish copies thereof and any other information pertaining to the duties of his office which the Director may require.

Record of inspections  
and certificates

179. The structure, machinery and equipment of a passenger ship shall be subjected to the following surveys under this Part-

Survey requirements for  
passenger ships

- (a) an initial survey, before the ship is put in service, which shall include a complete inspection of its structure, machinery and equipment, including the outside of the ship's bottom and the inside and the outside of the boilers, and shall be such as to ensure that the arrangements, material and scantlings of the structure, boilers and other pressure vessels and their appurtenances, main and auxiliary machinery, electrical installation, radio installations including those used in lifesaving appliances, fire protection, fire safety systems and appliances, life-saving appliances and arrangements, shipborne navigational equipment, nautical publications, means of embarkation for pilots, lights, shapes, means of making sound and distress signals and other equipment fully comply with the relevant regulations applicable to the ship, are in a satisfactory condition, are fit for the service for which the ship is intended and that the workmanship of all parts of the ship and its equipment is in all respects satisfactory;
- (b) a renewal survey, before the Passenger Ship Safety Certificate or Passenger Certificate may be renewed, which shall include an inspection of the ship's structure, machinery and equipment referred to in paragraph (a) to ensure that they comply with the relevant regulations applicable to the ship, are in a satisfactory condition, are fit for the service for which the ship is intended and that the workmanship of all parts of the ship and its equipment is in all respects satisfactory; and
- (c) an additional survey, either general or partial, according to the circumstances, to be made after a repair resulting from investigations prescribed in section 183(2), or whenever any repairs or renewals are undertaken which could materially affect the safety and condition of the ship and which shall be such as to ensure that the necessary repairs or renewals have been effectively made, that the material and workmanship of such repairs or renewals are in all respects satisfactory and that the ship complies in all respects with the relevant regulations applicable to the ship.

Survey requirements for the radio installations of cargo ships

180. (1) The radio installations, including those used in life-saving appliances, of a cargo ship of three hundred tons or over engaged on international voyages shall be subjected to the following surveys under this Part-

- (a) before the ship is put in service, an initial survey as set out in subsection (2);
- (b) at intervals specified in such a Cayman Islands Shipping Notice as may be issued under this Law or the regulations and, subject to regulation 14 of the 1988 Protocol to the Safety Convention, being no more than five years, a renewal survey as set out in subsection (3);
- (c) within three months before or after each anniversary date of the issue of the ship's Cargo Ship Safety Radio Certificate, a periodical survey as set out in subsection (3); and
- (d) after a repair resulting from investigation prescribed in section 183(2), an additional survey.

(2) An initial survey shall include a complete inspection of the radio installations, including, when appropriate, those used in life-saving appliances, to ensure that they comply with the relevant regulations applicable to the ship, are in a satisfactory condition and are fit for the service for which the ship is intended.

(3) A renewal and a periodical survey shall include an inspection of the radio installations, including, when appropriate, those used in life-saving appliances, to ensure that they comply with the relevant regulations applicable to the ship, are in a satisfactory condition and are fit for the service for which the ship is intended.

(4) An additional survey, either general or partial, according to the circumstances, to be made after a repair resulting from investigations prescribed in section 183(2), or whenever any repairs or renewals are undertaken which could materially affect the safety and condition of the ship, shall be such as to ensure that the necessary repairs or renewals have been effectively made, that the material and workmanship of such repairs or renewals are in all respects satisfactory, and that the ship complies in all respects with the relevant regulations applicable to the ship.

Survey requirements for safety equipment of cargo ships

181. (1) The life saving appliances and other equipment of a cargo ship of five hundred tons or over engaged on international voyages shall be subjected to the following surveys under this Part-

- (a) before the ship is put in service, an initial survey as set out in subsection (2);
- (b) at such intervals as may be prescribed by a Cayman Islands Shipping Notice made under this Law or the regulations and, subject to regulation 14(b), (e) and (f) of the 1988 Protocol to the



- Safety Convention, being no more than five years, a renewal survey as set out in subsection (3);
- (c) within three months before or after the second or third anniversary date of a Cargo Ship Safety Equipment Certificate first being issued, a periodical survey as set out in subsection (3);
  - (d) within three months before or after each anniversary date of the issue of the ship's Cargo Ship Safety Equipment Certificate, other than where a periodical survey is required to be carried out within that period, an annual survey as set out in subsection (4); and
  - (e) after a repair resulting from investigations prescribed in section 183(2), or whenever any important repairs or renewals are made, an additional survey.

(2) The initial survey shall include a complete inspection of the life-saving appliances and arrangements (except radio installations where only the arrangements shall be inspected), the shipborne navigational equipment, the fire safety systems and appliances, the fire control plans, the means of embarkation of pilots, the nautical publications, lights, shapes and means of making sound and distress signals and other equipment to which Chapter II-1, II-2, III and V of the Safety Convention apply to ensure that they comply with the relevant regulations applicable to the ship, are in a satisfactory condition and are fit for the service for which the ship is intended.

(3) A renewal survey and a periodical survey shall include an inspection of the equipment referred to in subsection (2) to ensure that it complies with the relevant regulations applicable to the ship, is in a satisfactory condition and is fit for the service for which the ship is intended.

(4) An annual survey shall include a general inspection of the equipment referred to in subsection (2) to ensure that it is being maintained in accordance with the relevant regulations and section 183(1)(a) and it remains fit to proceed to sea without danger to the ship or persons on board, and for the service for which the ship is intended.

(5) An additional survey, either general or partial, according, to the circumstances, to be made after a repair resulting from an investigation prescribed in section 183(2), or whenever any repairs or renewals are undertaken which could materially affect the safety and condition of the ship, shall be such as to ensure that the necessary repairs or renewals have been effectively made, that the material and workmanship of such repairs or renewals are in all respects satisfactory, and that the ship complies in all respects with the relevant regulations applicable to the ship.

182. The structure, machinery and equipment, excluding the radio installations and safety equipment to which sections 180 and 181 apply, of cargo ships of five

Survey requirements for the structure, machinery and equipment of cargo ships

hundred tons or engaged on international voyages shall be subjected to the following surveys under this Part-

- (a) before the ship is put in service, an initial survey as set out in subsection (3);
- (b) at such intervals as may be prescribed by a Cayman Islands Shipping Notice made under this Law or the regulations, subject to regulation 14 of the 1988 Protocol to the Safety Convention being intervals of no more than five years, a renewal survey as set out in subsection (4);
- (c) within three months before or after the second or third anniversary date of a Cargo Ship Safety Construction Certificate being issued, an intermediate survey as set out in subsection (5);
- (d) within three months before or after the anniversary date of the issue of the ship's Cargo Ship Safety Construction Certificate, other than where an intermediate survey has taken place within that period, an annual survey as set out in subsection (6);
- (e) the number of inspections of the ship's bottom specified in such a Cayman Islands Shipping Notice as may be issued under this Law or the regulations, being not less than two, to take place-
  - (i) subject to subsection (2), within any five year period; and
  - (ii) at intervals not exceeding thirty-six months; and
- (f) after a repair resulting from investigations prescribed in section 183(2), or whenever any important repairs or renewals are made, an additional survey.

(2) For the purpose of subsection (1)(e), where a renewal survey takes place within three months after the end of the five year period of validity of a Convention certificate, and that certificate has been extended in accordance with section 190(1) or (2), the period of extension of the certificate shall be deemed to be within the five year period.

(3) An initial survey of the structure, machinery and equipment of a cargo ship shall include-

- (a) an inspection of the outside of the ship's bottom; and
- (b) a complete inspection of the ship's structure, machinery and equipment such as to ensure that-
  - (i) the arrangements, materials, scantlings and workmanship of the structure, boilers and other pressure vessels, their appurtenances, main and auxiliary machinery including steering gear and associated control systems, electrical installations and other equipment; and
  - (ii) in the case of tankers, the pump-rooms, cargo, bunker and ventilation piping systems and associated safety devices,

comply with the requirements of such relevant regulations as may be made in this regard, are in satisfactory condition and are fit for the service for which the ship is intended and that the required stability information is provided.

(4) A renewal survey shall include an inspection of the ship's structure, machinery and equipment such as to ensure that they comply with the requirements of the relevant regulations, are in satisfactory condition and are fit for the service for which they are intended.

(5) An intermediate survey shall include an inspection of-

- (a) the structure, boilers and other pressure vessels, machinery and equipment, the steering gear and the associated control systems and electrical installations; and
- (b) in the case of tankers, the pump-rooms, cargo, bunker and ventilation piping systems and associated safety devices and the testing of insulation resistance of electrical installations in dangerous zones.

(6) An annual survey shall include a general inspection of the structure, machinery and equipment referred to in subsection (3)(b) to ensure-

- (a) that they have been maintained to conform with such relevant regulations as may be made in this regard, to ensure that the ship in all respects will remain fit to proceed to sea without danger to the ship or persons on board; and
- (b) that they remain satisfactory for the service for which the ship is intended.

(7) An inspection of the outside of the ship's bottom and the survey of related items inspected at the same time shall be such as to ensure that they remain satisfactory for the service for which the ship is intended.

183. (1) The owner and master of every ship to which this section applies shall ensure that-

- (a) the condition of the ship, including its structure, machinery and equipment, is maintained so as to comply with the relevant provisions of this Part applicable to the ship and that the ship in all respects will remain fit to proceed to sea without danger to the ship or persons on board;
- (b) after any survey required by this Part has been completed, no material change is made to the structure, machinery and equipment of the ship which was subject to the survey without the approval of a surveyor, except by direct replacement; and
- (c) whenever an accident occurs to a ship or a defect is discovered either of which affects the safety of the ship or the efficiency or

Responsibilities of  
owner and master and  
compliance with ISM  
Code

completeness of the ship, including its structure, machinery and equipment-

- (i) it is reported at the earliest opportunity to a surveyor or a proper officer; and
- (ii) if a Cayman Islands ship is in such a case in a port outside the Islands, it is also reported to the appropriate authorities of the country in which the port is situated.

(2) Whenever an accident or defect is reported to a surveyor or to a proper officer under subsection (1)(c)(i), the surveyor or proper officer, as the case may be, shall cause investigations to be initiated to determine whether a survey is necessary and shall, in that event, require such a survey to be carried out.

(3) Subsections (1) and (2) apply to-

- (a) Cayman Islands ships; and
- (b) except as regards subsection (1)(a), other ships which have been surveyed under this Part.

(4) All Cayman Islands ships, all other ships while in Cayman Islands waters and all companies in relation to ships referred to in this section shall comply with the ISM Code.

(5) For the purposes of subsection (4)-

“ISM Code” means the International Management Code for the Safe Operation of Ships and for Pollution Prevention adopted by the Organisation as may be amended from time to time; and

“Company” has the same meaning as in the ISM Code.

Procedure to be adopted when the ship, including its structure, machinery and equipment is deficient

184. (1) In any case where a surveyor determines that the condition of a ship to which this section applies, including its structure, machinery and equipment, does not correspond substantially with the particulars on one or more of the certificates referred to in this Part or is such that the ship is not fit to proceed to sea without danger to the ship or persons on board, the surveyor shall advise the owner or master of the corrective action which, in his opinion, is required, and shall notify the Director.

(2) If such corrective action is not taken within a reasonable period as a surveyor may specify, the surveyor, shall, at the end of that time, immediately notify the Director who may, on receipt of such notification, suspend the validity of the particular certificate issued to the ship and notice of any such suspension to the owner and to the surveyor, who in turn shall notify the master.

(3) This section applies only to Cayman Islands ships and other ships which have been surveyed under this Part.

185. (1) When a survey or surveys to meet the requirements of this Part are satisfactorily completed the Director, or any other person authorised by him, shall issue-

Issue of certificates to Cayman Islands ships engaged on international or short international voyages

- (a) in the case of a passenger ship engaged on international voyages, a Passenger Ship Safety Certificate, unless the ship is only engaged on short international voyages when a short international voyage Passenger Ship Safety Certificate shall be issued;
- (b) in the case of a cargo ship of three hundred tons or over engaged on international voyages, a Cargo Ship Safety Radio Certificate;
- (c) in the case of a cargo ship of five hundred tons or over engaged on international voyages, a Cargo Ship Safety Equipment Certificate;
- (d) in the case of a cargo ship of five hundred tons or over engaged on international voyages, a Cargo Ship Safety Construction Certificate; or
- (e) in the case of a cargo ship of five hundred tons or over engaged on international voyages, as an alternative to the certificates prescribed in paragraphs (b), (c) and (d), a Cargo Ship Safety Certificate.

(2) Whenever, in this Part, reference is made to any of the certificates referred to in subsection (1)(b), (c) or (d), it shall apply to a Cargo Ship Safety Certificate, if it is used as an alternative to those certificates.

(3) The certificates referred to in this section shall be supplemented by a record of equipment.

186. When a survey or surveys, to meet the requirements of this Part are satisfactorily completed, the Director shall issue-

Issue of certificates to Cayman Islands ships not engaged on international voyages

- (a) in the case of a Cayman Islands passenger ship not engaged on international voyages, a Passenger Certificate appropriate to its Class; or
- (b) in the case of a Cayman Islands cargo ship of five hundred tons or over not engaged on international voyages, a Cargo Ship Safety Construction Certificate.

187. (1) A Passenger Certificate shall indicate compliance with this Law and state-

Form of certificates and records of equipment

- (a) the limits, if any, beyond which the ship is not fit to ply;
- (b) the number of passengers which the ship is fit to carry; and
- (c) any condition with which the ship has to comply.

(2) A Passenger Ship Safety Certificate, Cargo Construction Certificate, Cargo Ship Safety Radio Certificate, Cargo Ship Safety Equipment Certificate,

Cargo Ship Safety Construction Certificate and Exemption Certificate and records of equipment shall be in the form prescribed by the Safety Convention.

Duration and validity of certificates

188. (1) Subject to subsections (2) to (4), a Safety Convention certificate shall be issued from the date of the completion of the relevant survey and shall be issued for a period of validity as follows-

- (a) a Passenger Ship Safety Certificate and a short international voyage Passenger Ship Safety Certificate shall be issued for a period of validity not exceeding twelve months; and
- (b) a Cargo Ship Safety Construction Certificate, Cargo Ship Safety Equipment Certificate and Cargo Ship Safety Radio Certificate shall be issued for a period of validity not exceeding five years.

(2) Where a renewal survey has been completed within a period three months before the expiry of the relevant Convention Certificate, the new certificate may be issued-

- (a) in the case of a Passenger Ship Safety Certificate, for a period of validity not exceeding twelve months from the date of expiry of the existing certificate; and
- (b) in the case of any other certificate, for a period of validity not exceeding five years from the date of expiry of the existing certificate.

(3) Except in special circumstances as determined by the Director and set out in such a Cayman Islands Shipping Notice as may be issued under this Law or regulations, where a renewal survey has been completed after the expiry of the relevant Safety Convention certificate, the new certificate shall be issued-

- (a) in the case of a Passenger Ship Safety Certificate, for a period of validity not exceeding twelve months from the date of expiry of the existing certificates; and
- (b) in the case of any other certificate, for a period of validity not exceeding five years from the date of expiry of the existing certificate.

(4) Where an annual, intermediate or periodical survey is completed before the period prescribed as respects such a survey in sections 179 to 182-

- (a) the anniversary date shown on the relevant certificate shall be amended by endorsement to a date which shall not be more than three months later than the date on which the survey was completed;
- (b) subsequent annual, intermediate or periodical surveys required under sections 179 to 182 shall be completed at the intervals prescribed by those regulations using the new anniversary date; and

- (c) the expiry date may remain unchanged provided one or more annual, intermediate or periodical surveys, as appropriate, are carried out so that the maximum intervals between the surveys prescribed by sections 179 to 182 are not exceeded.
- (5) The duration of certificates issued under section 186 shall be as follows-
  - (a) a Passenger Certificate shall be issued for a period of validity not exceeding twelve months; and
  - (b) a Cayman Islands Cargo Ship Safety Construction Certificate shall be issued for a period of validity not exceeding five years.
- (6) A certificate shall cease to be valid-
  - (a) if its period of validity has been exceeded and the certificate has not been extended when permitted by section 190;
  - (b) if the relevant surveys and inspections have not been carried out in accordance with this Part and the certificate has not been endorsed; and
  - (c) upon the transfer of a ship to the flag of another state.

189. (1) When an exemption is granted to a ship in accordance with the relevant provisions applicable to the ship, a certificate called an Exemption Certificate shall be issued in addition to any Certificate issued under section 185.

Issue and duration of exemption certificates

(2) An Exemption Certificate shall be issued for a period of validity that is not longer than the period of validity of the certificate to which it refers.

(3) An Exemption Certificate shall be subject to the same extension and other provisions as the certificate to which it refers.

(4) Where an Exemption Certificate has been issued, a statement to this effect shall be included on the certificate to which it refers.

190. (1) If a Cayman Islands ship, at the time when a certificate issued under section 185(1)(a) or (b) expires, is not in a port in the Islands or the port in which it is to be surveyed, the Director may extend the period of validity of the certificate, but this extension shall be granted only for the purpose of allowing the ship to complete its voyage to a port in the Islands or the port in which it is to be surveyed, and then only in cases where it appears proper and reasonable to do so. No certificate shall be extended for a period longer than three months, and a ship to which the extension is granted shall not, on its arrival in a port in the Islands or the port in which it is to be surveyed, be entitled by virtue of the extension to leave that port or the Islands without having obtained a new certificate.

Extension and other provisions

(2) The Director may extend a certificate issued to a ship engaged on short international voyages which has not been extended under subsection (1) for a period of grace of up to one month from the date of expiry stated on it.

(3) Where a Safety Convention certificate other than a Passenger Ship Safety Certificate has been issued for a period of validity of less than five years and the surveys required under sections 179 to 182 have been satisfactorily completed, the Director may extend the validity of that certificate so that the certificate is valid for a maximum period of five years.

(4) Where a renewal survey required under sections 179 to 182 has been satisfactorily completed before the expiry of the relevant Safety Convention certificate but the new certificate cannot be issued or placed on board the ship before the expiry of the existing certificate, the Director may endorse the existing certificate as valid for a period not exceeding five months from the expiry date, and such a certificate shall be accepted as valid for the purpose of the relevant regulations.

(5) An extension of validity under subsection (3) or (4), and, except in special circumstances as determined by the Director and set out in such a Cayman Islands Shipping Notice as may be issued under this Law or the regulations, an extension of validity under subsection (1) or (2) shall be disregarded for the purposes of determining the date of expiry of an existing Safety Convention certificate under section 188 (2) or (3).

(6) In the case of a Cayman Islands ship in respect of which a Passenger Ship Safety Certificate or a short international voyage Passenger Ship Safety Certificate is in force and the total number of persons on board for a particular voyage is less than the number for which the ship's life-saving appliances provide, the Director may, at the request of the master of the ship, issue a memorandum that states the total number of persons on board for that voyage and the modifications that may be made with respect to the number of persons on board for that voyage and sets out the details of the modifications that may be made with respect to life-saving appliances stated on the certificate.

(7) The memorandum referred to in subsection (3) shall be attached to the certificate during the particular voyage and shall be returned to the Director at the completion of the voyage.

(8) In the case of a ship that has transferred from the registry of another country to the Cayman Islands Registry, the Director, subject to such survey requirements that may be considered to be necessary, may issue one or more of the certificates prescribed by sections 185 and 186 for a period to be determined by the Director, but for not longer than the period of validity of the certificate or certificates issued by or on behalf of the government of that other country if satisfied that-

- (a) the ship has already been subjected to satisfactory initial, renewal, periodical, intermediate, annual and additional surveys, as appropriate;



- (b) the certificate issued by or on behalf of the government of that country would have remained valid had the registry of the ship not been changed;
- (c) the condition of the ship, including its structure, machinery and equipment, have been maintained so as to comply with the relevant regulations applicable to the ship; and
- (d) after any of the surveys referred to in subparagraph (a) have been complete, no material change has been made to the ship, including its structure, machinery and equipment, subject to such surveys, without the approval of the Administration of that other country or the Director except by direct replacement.

191. The Director may request, through a proper officer or otherwise, the government of a country to which the Safety Convention applies to survey a ship other than a ro-ro passenger ship and, if satisfied that the requirements of the Convention are complied with, to issue to the ship the certificates referred to in section 185 or authorise such issue, and a certificate issued in accordance with such a request shall contain a statement that it has been so issued and shall have the same effect as if it was issued by the Director.

Issue and endorsement of certificates by another government

192. (1) The Director may, at the request of a government of a country to which the Safety Convention applies, survey a ship registered in that country and, if satisfied that the requirements of the Convention are complied with and that a survey has been satisfactorily completed under this Part, issue to the ship one or more of the certificates referred to in section 185 and, where appropriate, endorse such certificates under the requirements of the Convention and a certificate issued in accordance with such a request shall contain a statement that it has been so issued and have the same effect as if it was issued by that government and not by the Director.

Ships not registered in the Islands and to which the Safety Convention applies

(2) Where a memorandum, issued by or under the authority of the government concerned, is attached to a valid Passenger Ship Safety Certificate or a valid short international voyage Passenger Ship Safety Certificate, in respect of a ship to which the Safety Convention applies, which modifies the certificate in respect of the persons that may be carried for a particular voyage, the certificate shall have effect for the purpose of the voyage as if it was modified in accordance with the memorandum.

(3) A surveyor may go on board a ship to which the Safety Convention applies for the purpose of verifying that there is in force a certificate or certificates required by this Part, that the hull, machinery and equipment correspond substantially with the particulars shown on the certificate or certificates and that the provisions of section 183 are being complied with.

- Other ships which are not Cayman Islands ships
193. (1) When a survey or surveys of ships which are not Cayman Islands ships, to meet the requirements set out in this Part, are completed in accordance with this Part-
- (a) the Director shall issue, in the case of a passenger ship not engaged on international voyages, a Passenger Certificate appropriate to its class; or
  - (b) the Director shall issue, in the case of a cargo ship of five hundred tons or over not engaged on international voyages, a Cargo Ship Safety Construction Certificate.
- (2) Such certificates shall be subject to the requirements of this Part as though they were issued under section 186.
- Cancellation of a certificate
194. (1) The Director may cancel a certificate issued to a Cayman Islands ship where he has reason to believe that-
- (a) the certificate was issued on false or erroneous information; or
  - (b) since any survey required by this Part, the structure, equipment or machinery has sustained damage or is otherwise deficient.
- (2) The Director may require that a certificate issued to a Cayman Islands ship which has expired or has been cancelled be surrendered as directed.
- (3) No person shall-
- (a) intentionally alter a certificate referred to in this Part;
  - (b) intentionally make a false certificate referred to in this Part;
  - (c) in connection with any survey required by this Part, knowingly or recklessly furnish false information;
  - (d) with intent to deceive, use, lend or allow to be used by another, a certificate referred to in this Part; or
  - (e) fail to surrender a certificate required to be surrendered under subsection (2).
- Posting-up of certificates
195. The owner and master of every ship issued with a certificate under this Part shall ensure that it is posted up in a prominent and accessible place in the ship.
- Prohibition on proceeding to sea without the appropriate documentation
196. (1) No Cayman Islands ship shall proceed to sea unless it has been surveyed and there is in force the following certificate or certificates-
- (a) in the case of a passenger ship engaged on international voyages, a Passenger Ship Safety Certificate, or, if the ship is only engaged on short international voyages, a short international Voyage Passenger Ship Safety Certificate;
  - (b) in the case of a cargo ship of three hundred tons or over engaged on international voyages, a Cargo Ship Safety Radio Certificate;

- (c) in the case of a cargo ship of five hundred tons or over engaged on international voyages, a Cargo Ship Safety Equipment Certificate; or
- (d) in the case of a cargo ship of five hundred tons or over engaged on international voyages, a Cargo Ship Safety Construction Certificate.

(2) No ship registered in a country to which the Safety Convention applies shall proceed to sea from a port in the Islands unless there is in force such Safety Convention certificates that would be required if the ship was a Cayman Islands ship, and the extension provisions in section 190 shall apply to such certificates as if the ship was a Cayman Islands ship and the government of the country in which the ship is registered was substituted for the Director.

(3) No cargo ship of five hundred tons and over not engaged on international voyages shall proceed to sea from a port in the Islands unless it has been surveyed and there is in force a Cayman Islands Cargo Ship Safety Construction Certificate, unless there is in force a Cargo Ship Safety Construction Certificate as referred to in this Part.

(4) No ship registered in a country to which the Safety Convention does not apply shall proceed to sea from a port in the Islands unless the ship is in the possession of documentation which shows that either the ship has been surveyed for compliance with the relevant regulations applicable to the ship as though it were a Cayman Islands ship or it has been surveyed and is in compliance with the relevant regulations applicable to the ship.

(5) Where a certificate is issued subject to conditions, or specifies sea areas in which the ship is certified to operate, the owner and master shall ensure that all conditions are complied with, or, as the case may be, that the ship only operates in the specified sea areas.

(6) The master of every ship shall produce to an officer of customs from whom a clearance for the ship is demanded for an international voyage the certificates or documentation referred to in this section, and a clearance shall not be granted and the ship may be detained until those certificates are produced.

197. (1) A passenger ship of Class III or IV shall not proceed on a voyage or excursion unless it has been surveyed and there is in force a Passenger Certificate appropriate to the ship's class and applicable to that voyage or excursion.

Prohibition on proceeding on a voyage or excursion without the appropriate certificate

(2) Where a certificate is issued subject to conditions, the ship shall not proceed on a voyage or excursion unless all the conditions are complied with.

198. The owner and master of a passenger ship shall ensure that there is not on board a greater number of passengers than that stated on the ship's Passenger

Limit on the number of passengers on passenger ships

Ship Safety Certificate or Passenger Certificate.

Offences

199. (1) If a ship to which this Part applies proceeds or attempts to proceed to sea or on a voyage or excursion without complying with sections 179 to 182, the owner and the master of the ship commit an offence and are liable on summary conviction to a fine not exceeding level 5 on the standard scale and to imprisonment for two years.

(2) A contravention of section 183(1), 196(1) to (5) or 197 is an offence by both the owner and the master, and each commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale and to imprisonment for two years.

(3) A contravention of section 194(3) is an offence punishable on summary conviction by a fine not exceeding level 5 on the standard scale and by imprisonment for six months.

(4) If a ship proceeds to sea without section 195 being complied with, the owner and the master are each guilty of an offence and liable on summary conviction to a fine not exceeding level 3 on the standard scale.

(5) Any contravention of section 198 is an offence by both the owner and the master and each commits an offence and is liable on summary conviction to a fine of twenty thousand dollars or on conviction on indictment to a fine of twenty thousand dollars and imprisonment for of two years.

(6) Any contravention of section 196(6) is an offence by the master and he is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

(7) It shall be a defence for a person charged with an offence under this Part to prove that he took all reasonable steps to ensure that the Part was complied with.

Power to detain

200. In any case where a ship does not comply with the requirements of this Part, the ship shall be liable to be detained.

Arbitration

201. (1) Should an owner, or any other person making application for a survey required by this Part, be dissatisfied with the outcome of the survey because the issue of a certificate has been refused or for any other reason, he may serve notice, within twenty-one days of the completion of the survey, on the person responsible for issuing the certificate under section 185 or 186, that their dispute be referred to a single arbitrator appointed by agreement between the parties to be settled by him.

(2) A person shall not be qualified for appointment as an arbitrator under this section unless he is-

- (a) a person holding a certificate of competency as a master mariner (unrestricted) or as a marine engineer officer Class 1, or a person holding a certificate equivalent to any such certificate;
- (b) a naval architect;
- (c) a person with at least ten years standing as an attorney-at-law in the Islands and with at least ten years experience in shipping law;
- (d) a person referred to in section 3(1)(a) of the Legal Practitioners Law (2015 Revision) who has practised in the designated profession for a period of at least ten years and with at least ten years experience in shipping law; or
- (e) a person with special experience in the shipping industry.

2015 Revision

(3) In connection with his functions under this section, an arbitrator shall have the powers of inspection conferred by Part XIV.

### Miscellaneous

202. Where an exemption certificate, issued in respect of any Cayman Islands ship, specifies conditions subject to which the certificate is issued and any of those conditions is not complied with, the owner and the master of the ship are each guilty of an offence and liable to a fine not exceeding level 5 on the standard scale.

Penalty for non-compliance with conditions of exemption certificates

203. (1) Where a valid Safety Convention Certificate is produced in respect of a foreign Safety Convention ship it shall be accepted, and the ship shall be exempted from surveys or inspection under this Part, unless there are clear grounds for believing that the condition of the ship or of its equipment does not correspond substantially with the particulars of the Certificate or that the ship and its equipment are not in compliance with regulations made under this Law respecting the maintenance of conditions of the ships and their equipment after survey.

Inspection of ships holding Safety Convention certificates

(2) Where a certificate is not acceptable due to the circumstances referred to in subsection (1), or if a certificate has expired or ceased to be valid, the ship shall not be granted clearance and shall be detained until it can proceed to sea or to the appropriate repair yard without causing danger to the ship or persons on board, and the following persons shall be notified in writing of the circumstances-

- (a) the local Consular officer of the ship's flag state or, in his absence, the nearest diplomatic representative of the ship's flag state;
- (b) the nominated surveyors or recognised organisations responsible for the issue of the certificate referred to in subsection (1); and
- (c) the authorities of the next port of call of the ship if it has not been possible to detain the ship under subsection (2), or to notify the persons referred to in paragraphs (a) and (b), or if the ship has been allowed to proceed to the next port of call.

(3) Where any ship referred to in subsection (2) is unduly detained or delayed, it shall be entitled to compensation for any loss or damage suffered as a direct result of such undue detention or delay.

Ships to carry stability information

204. (1) Every Cayman Islands passenger ship, regardless of size, and every Cayman Islands cargo ship having a length of twenty-four metres and upwards, shall carry on board such information about the ship's stability as may be prescribed.

(2) The information, a copy of which shall be sent to the Director, shall be based on the determination of the ship's stability by means of an inclining test of the ship but the Director may allow the information to be based on a similar determination of the stability of a sister ship.

(3) Where any ship proceeds or attempts to proceed to sea without having on board the information as required by subsections (1) and (2), the owner and the master are each guilty of an offence and liable on summary conviction to a fine not exceeding level 3 on the standard scale.

Regulations for local safety certificates including fishing vessels

205. (1) The Cabinet may make regulations prescribing safety requirements and providing for the issue of local certificates in respect of-

- (a) fishing vessels; and
- (b) pleasure vessels.

(2) In making regulations respecting fishing vessels, the Cabinet shall have due regard to the International Convention for the Safety of Fishing Vessels, 1977, as amended by the Protocol of 1993.

### **Maritime Security**

Application of the ISPS Code

206. (1) Subject to subsection (2), the ISPS Code, including all its related instruments, shall, unless excepted by or under this Law, apply to all Cayman Islands ships and to all other ships engaged on international or domestic voyages while they are in Cayman Islands waters.

(2) Unless expressly provided otherwise, the ISPS Code shall not apply to-

- (a) ships of war and troop ships;
- (b) cargo ships of less than five hundred tons;
- (c) ships not propelled by mechanical means;
- (d) wooden ships of primitive build;
- (e) pleasure vessels not engaged in trade; and
- (f) fishing vessels.

Exemptions

207. The Director may permit any Cayman Islands ship to implement security measures other than those required by the Safety Convention and Part A of the ISPS Code but only where he is satisfied that those security measures are at least

as effective in every respect as those prescribed by the Safety Convention and Part A of the ISPS Code.

208. The Cabinet may make regulations prescribing such requirements and other matters as are necessary to implement those provisions of the Safety Convention and the ISPS Code that relate to maritime security in relation to ships.

Regulations for maritime security

209. (1) The Director shall be the national authority for the Islands, responsible for ship security in accordance with Regulation 13 of Chapter XI-2 of the Safety Convention.

Responsibility for ship security

(2) The Director shall communicate to the Organisation from time to time, and in accordance with the Safety Convention and the ISPS Code, the information relating to Cayman Islands ships that is required pursuant to Regulation 13 of Chapter XI-2 of the Safety Convention.

(3) The Director shall provide advice and information on maritime security matters relating to any ship operating or intending to operate in Cayman Islands waters.

(4) The Director shall identify the requirements for declarations of security.

(5) The Director shall issue continuous synopsis records in accordance with the Safety Convention.

(6) The Director may delegate any of his functions under this Law, the Safety Convention or the ISPS Code relating to the assessment, certification or verification of an individual ship and its security measures to a person with appropriate expertise in security matters and with appropriate knowledge of ship and port operations.

(7) The Director may act as the agent of the government of another state which is a contracting party to the Safety Convention.

210. (1) The Governor, acting in his discretion, shall set and amend the security levels to be operated on Cayman Islands ships in accordance with the procedures and guidelines specified in the Safety Convention and the ISPS Code and shall immediately inform the Director of such setting or amendment.

Responsibility for setting security levels

(2) On the setting or amendment of a security level in accordance with subsection (1), the Director shall immediately inform the owners of all Cayman Islands ships of the security level to be operated, together with all other relevant information.

(3) When a risk of attack has been identified, the Governor, acting in his discretion, shall advise the Director of the current security level and the Director shall inform the owner of the ships concerned of-

- (a) the current security level;

- (b) any security measures that should be put in place by the ships concerned to protect themselves from attack; and
- (c) any other security measures that should be put in place.

Alternative security agreements

211. (1) The Minister may enter into an agreement on behalf of the Government with any other government which is a contracting government to the Safety Convention specifying arrangements alternative to those prescribed in the Safety Convention and the ISPS Code to cover short international voyages on fixed routes between ports within their respective territories.

(2) An agreement under subsection (1) shall not compromise the level of security of any ship or port not covered by the agreement, and no ship shall conduct ship-to-ship activities with a ship not covered by the agreement.

## **PART VIII - Safety of Submersibles**

### **General**

Definitions in this Part

212. In this Part -

“casualty” means-

- (a) loss or presumed loss or abandonment of, or damage to, submersible craft or supporting apparatus;
- (b) loss of life or serious injury to any person occurring in the course of the launch, recovery, operation or support of a submersible craft or supporting apparatus; or
- (c) any incident involving serious danger to the life or health of any person in a submersible craft;

“diving bell” means any compression chamber which is capable of being manned and is used or designed for use under the surface of the water in supporting human life, being a chamber in which any occupant is or may be subjected to a pressure of more than three hundred millibars above atmospheric pressure during normal operation;

“owner” means the owner for the time being of any submersible craft;

“pressure hull” means the pressure resistant structure of a submersible craft which is subject to pressure differential during service conditions;

“register of submersible craft” means the part of the register referred to in section 11(2) in which submersible craft are registered;

“submersible craft” means any description of manned mobile submersible apparatus, not being a diving bell, which is designed to maintain some or all of its occupants at or near atmospheric pressure including free, self-propelled, tethered, towed or bottom contact propelled apparatus and atmospheric diving suits; and

“supporting apparatus” includes any vessel, vehicle or hovercraft, any structure,



any diving plant or equipment and any other form of equipment used or designed to be used in connection with the operation of any submersible craft.

213. (1) Subject to subsection (3), this Part applies to -

Application of this Part

- (a) any submersible craft, a majority interest in which is owned by persons each of whom is a Cayman Islands citizen or a body corporate established under the law of the Islands and which has its principal place of business in the Islands;
- (b) any submersible craft which is operated within waters which are adjacent to the Islands and which are within the seaward limits of the territorial seas of the Cayman Islands;
- (c) any submersible craft which is launched, recovered, operated or supported from a Cayman Islands ship; or
- (d) any other craft which is registered in the register of submersible craft.

(2) This Part applies to any supporting apparatus which is used in connection with a submersible craft to which this Part applies.

(3) Except as provided in this Part, this Law and any orders, rules and regulations made under it shall not apply to any submersible craft registered in the register of submersible craft.

(4) The Director may grant exemptions from all or any of the provisions of this Part or any regulations made under it (as may be specified in the exemption) for classes of cases or individual cases on such terms, if any, as he may specify and may, subject to giving reasonable notice, alter or cancel any such exemption.

#### **Restriction on Operation**

214. (1) Every submersible craft-

Restriction on operation  
of submersible craft

- (a) in which a majority interest is owned by persons each of whom is a Cayman Islands citizen or a body corporate established under the law of the Islands and having its principal place of business in the Islands;
- (b) which is operated within waters which are adjacent to the Islands and which are within the seaward limits of the territorial seas of the Islands; or
- (c) which is launched, recovered, operated or supported from a Cayman Islands ship,

shall be registered in the register of submersible craft under this Part and have in force in respect of it a safety certificate issued under this Part.

(2) A submersible craft which is required under subsection (1) to be registered in the register of submersible craft and to have in force in respect of it a safety certificate issued under this Part shall not be launched, recovered, operated or supported unless it is so registered and has such a safety certificate in force in respect of it.

(3) Subject to subsection (4), a supporting apparatus shall not be-

- (a) operated within waters which are adjacent to the Islands and which are within the seaward limits of the territorial sea of the Islands; or
- (b) launched, recovered, operated or supported from a Cayman Islands ship.

(4) Subsection (3) does not apply where-

- (a) the submersible craft which the supporting apparatus is used to support is registered in the register of submersible craft under this Part; and
- (b) there is in force, in respect of such submersible craft and the supporting apparatus, a safety certificate issued under this Part.

#### **Registration, etc., of Submersible Craft**

Register of submersible craft

215. (1) Every submersible craft to which this Part applies by virtue of section 213(1)(a), (b) and (c) shall be registered in accordance with this Part.

(2) Without prejudice to the application of this Part to the registration of submersible craft, the relevant provisions of Parts II and IV, and the registration regulations shall apply to submersible craft.

Requirements for registration of submersible craft

216. (1) A person who is the owner of any submersible craft which is required to be registered in the register of submersible craft under section 215(2) shall make an application in writing to the Registrar of Shipping for the registration of the submersible craft.

(2) Subject to subsection (5), the owner of a submersible craft shall-

- (a) before making an application for registration, appoint an individual or a body corporate satisfying the prescribed requirements to be the representative person in relation to the submersible craft; and
- (b) ensure that, so long as the submersible craft remains registered, an individual or body corporate satisfying those requirements is so appointed.

(3) For the purposes of subsection (2), the prescribed requirements are that the representative person is -

- (a) an individual resident in the Islands; or

(b) a body corporate incorporated in the Islands and having its principal place of business in the Islands.

(4) Subsection (3) does not apply if the owner of the submersible craft is -

- (a) an individual resident in the Islands; or
- (b) a body corporate incorporated in the Islands and having its principal place of business in the Islands.

(5) Any application for the registration of a submersible craft shall contain the particulars prescribed by the Director and, where a representative person is required to be appointed under this Part, the name and address of the representative person.

(6) There is payable, in respect of an application for the registration of a submersible craft, such fee as may, from time to time, be specified by the Director.

(7) Upon receiving an application for the registration of a submersible craft which complies with the requirements of subsections (5) and (6), the Registrar of Shipping, if satisfied that the submersible craft may properly be so registered, shall, subject to section 217, assign to the submersible craft a number and shall register it in the register of submersible craft, and the particulars set out in subsection (9) shall be entered with such registration.

(8) Upon the registration of a submersible craft, the Registrar of Shipping shall issue to the owner making the application for registration a certificate of registry, upon which shall be entered the particulars set out in subsection (9).

(9) The particulars to be entered in the register of submersible craft and upon the certificate of registry are-

- (a) the number of the certificate of registry;
- (b) the registration number assigned to the submersible craft;
- (c) the names of the owner and operator of the submersible craft; and
- (d) where registration is conditional upon the appointment of a representative person, the name and address of the representative person.

217. The Registrar of Shipping may refuse to register a submersible craft if the Director is satisfied that, having regard to the -

Grounds for refusing registration

- (a) condition of the submersible craft so far as relevant to its safety or to any risk of pollution; or
- (b) safety, health and welfare of persons employed or engaged in any capacity on board the submersible craft,

it would be inappropriate for the submersible craft to be registered.

Notification of changes affecting submersible craft and amendment of particulars

218. (1) A person who is registered as the owner of a submersible craft to which this Part applies shall forthwith inform the Registrar of Shipping in writing of-

- (a) any change in the particulars contained in the certificate of registry of the submersible craft;
- (b) any change in the identity, or in the address, of the representative person appointed in respect of the submersible craft; or
- (c) the destruction of the submersible craft or his intention to withdraw the submersible craft from use.

(2) The Registrar of Shipping may, whenever it appears to him necessary or appropriate to do so for giving effect to this Part or for bringing up to date or otherwise correcting the particulars entered on the register of submersible craft, cause the register to be amended.

(3) Where the Registrar of Shipping has been notified by the owner that the submersible craft has been destroyed or that the owner intends to withdraw the submersible craft from use, the power to amend the particulars of registration under subsection (1) shall include a power to terminate the registration of the submersible craft.

Termination of registration

219. (1) Subject to subsection (3), where the Director is satisfied of any of the matters set out in subsection (2), he may direct the Registrar of Shipping to terminate the registration of a submersible craft.

(2) The matters of which the Director must be satisfied for the purposes of subsection (1) are-

- (a) that there has been a change-
  - (i) in the ownership of the submersible craft; or
  - (ii) in the identity, or the address, of the representative person appointed in respect of the submersible craft, which has not been notified to the Registrar of Shipping;
- (b) if it is a condition of the registration of the submersible craft that a representative person be appointed, that no person is then appointed to act in such capacity;
- (c) that having regard to-
  - (i) the condition of the submersible craft so far as relevant to its safety or to any risk of pollution; or
  - (ii) the safety, health and welfare of persons employed or engaged in any capacity on board the submersible craft, it is inappropriate for the submersible craft to continue to be registered;
- (d) that any penalty imposed on the owner of the submersible craft in respect of a contravention of this Part, or of any regulations made

under it, has remained unpaid for a period of more than three months and that no appeal against the penalty is pending;

- (e) that any summons for any such contravention has been duly served on the owner of the submersible craft, and the owner has failed to appear at the time and place appointed for the trial of the information or complaint in question and a period of not less than three months has elapsed since that time; or
- (f) that the submersible craft is being operated without the registration number assigned to it by the Registrar of Shipping under section 216(8) being displayed and marked in accordance with section 220.

(3) Before exercising the power conferred by subsection (1) to direct the Registrar of Shipping to terminate the registration of a submersible craft, the Director shall-

- (a) serve on the owner of the submersible craft or on the person for the time being appointed as representative person in relation to the submersible craft, a notice stating-
  - (i) that he is satisfied, as mentioned in subsection (2)(a), (b), (c), (d), (e) or (f); and
  - (ii) that he intends, after the end of the period of thirty days beginning with the date of service of the notice, to direct that the registration of the submersible craft in question be terminated unless he is satisfied that it would be inappropriate to do so by any representations made to him by or on behalf of the owner within that period; and
- (b) have regard to any representations made to him by the owner of the submersible craft within the period of thirty days specified in paragraph (a)(ii).

(4) Where the registration of any submersible craft has been terminated under this section, the Director may subsequently, if he is satisfied that it would be appropriate to do so, direct the Registrar of Shipping to restore the registration of the submersible craft.

220. At any time when a submersible craft to which this Part applies is being operated the registration number assigned to it under section 216(8) shall be-

Display of registration number

- (a) displayed on a metal plate permanently affixed to the internal structure of the main pressure hull of the submersible craft; and
- (b) conspicuously marked on the external structure of the submersible craft.

**Regulations for Construction and Operation of Submersible Craft**

Regulations for construction, equipment, etc., of submersible craft

221. The Cabinet may make regulations-

- (a) specifying construction requirements for submersible craft and supporting apparatus to which this Part applies;
- (b) specifying requirements for the carriage of equipment and stores by submersible craft and supporting apparatus to which this Part applies;
- (c) requiring submersible craft and supporting apparatus to which this Part applies to be surveyed, and providing for the making of declarations of survey;
- (d) specifying the criteria which are to be satisfied prior to the issue of a certificate under section 222;
- (e) imposing penalties, on summary conviction, in respect of a contravention of any such regulations not exceeding, in respect of any one contravention, ten thousand dollars;
- (f) prescribing obligations which any person concerned in the operation of submersible craft and supporting apparatus to which this Part applies must fulfil;
- (g) prescribing the qualifications necessary to be held by any person concerned in the operation of a submersible craft and supporting apparatus to which this Part applies;
- (h) imposing penalties, on summary conviction, in respect of a contravention of any such regulations not exceeding, in respect of any one contravention, ten thousand dollars; and
- (i) for detaining any submersible craft or supporting apparatus in respect of which a contravention of any such regulations has or is suspected to have occurred and, in relation to such submersible craft or supporting apparatus, for applying sections 444 and 445 subject to such modifications as may be prescribed in the regulations.

Issue, duration, extension, suspension, etc., of safety certificates

222. (1) If the Director is satisfied, on receipt of a declaration of survey in respect of a submersible craft and its supporting apparatus, that they comply with regulations made under section 221, he may issue to the owner safety certificates in respect of the submersible craft and its supporting apparatus in forms to be prescribed by the Director.

(2) Safety certificates issued under subsection (1) shall remain in force for two years or such shorter period as may be specified in the certificates or until suspended or revoked by the Director, subject, in the case of a two year certificate, to an annual inspection at not less than nine nor more than fifteen months after the survey for the issue of the certificate.

(3) Safety certificates may be extended by the Director without a declaration of survey for such further period, not exceeding four months, as he thinks fit.

(4) The Director may, at any time, suspend or revoke a safety certificate if he is satisfied that-

- (a) the submersible craft or its supporting apparatus have not been surveyed in accordance with regulations made under section 221;
- (b) the submersible craft or its supporting apparatus no longer complies with the criteria laid down in regulations made under section 221;
- (c) the submersible craft or its supporting apparatus is in a condition unfit for operation;
- (d) information supplied for the purposes of any survey of the submersible craft or its supporting apparatus was materially incorrect; or
- (e) the submersible craft or its supporting apparatus has been significantly changed from the particulars supplied at the time of any survey.

(5) While a safety certificate is in force, the owner shall report to the Director any modifications or any instance of damage which affects or may affect the safety of the submersible craft or its supporting apparatus.

#### **Inquiries and Investigations, Offences and Legal Proceedings in Relation to Submersible Craft**

223. (1) Where a casualty has occurred in respect of a submersible craft or supporting apparatus to which this Part applies, the Director-

Inquiries and investigations

- (a) may cause a preliminary inquiry into the casualty to be held; and
- (b) may (whether or not a preliminary inquiry into the casualty has been held) cause a formal investigation into the casualty to be held in the manner provided for under Part XVIII,

and that Part shall apply as appropriate to any casualty referred to in this section.

(2) The Director may cause any report made following an inquiry or investigation into a casualty to be made public at such time and in such manner as he thinks fit.

224. (1) A person who causes or permits a submersible craft to be launched, recovered, operated or supported or is otherwise concerned in the launch, recovery, operation or support of a submersible craft in contravention of section 214(2) commits an offence and is liable on summary conviction to a fine of twenty thousand dollars.

Offences

(2) A person who causes or permits supporting apparatus to be operated or is otherwise concerned in the operation of supporting apparatus in contravention of section 214(3) commits an offence and is liable on summary conviction to a fine of twenty thousand dollars.

(3) A person who contravenes section 216(1), 216(2)(b), 218(1), 220 or 222(5) commits an offence and is liable on summary conviction to a fine of ten thousand dollars.

(4) In proceedings for an offence under this Part it shall be a defence for the person charged with the offence to prove-

- (a) that he exercised all due diligence to prevent the commission of the offence; and
- (b) that the offence was committed without his consent, connivance or default.

(5) Where a body corporate commits an offence under this Part or any regulations made under it, and that offence is proved to have been committed with the consent or connivance of, or to be attributable to, any neglect on the part of the director, manager, secretary or other similar officer of the body corporate or a person who was purporting to act in any such capacity, he, as well as the body corporate, commits that offence and is liable to be proceeded against and punished accordingly.

(6) Where the affairs of a body corporate are managed by its members, subsection (1) shall apply in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of the body corporate.

Service of documents  
and notices in  
proceedings

225. (1) Any document required or authorised, by virtue of any statutory provision, to be served for the purpose of the institution of, or otherwise in connection with, proceedings for an offence under this Part or regulations made under it shall, where the person to be served is the owner of a submersible craft to which this Part applies, be treated as duly served on him if-

- (a) delivered to any representative person for the time being appointed in relation to the submersible craft;
- (b) sent to any such person by post at the address notified (or, as the case may be, last notified) to the Registrar of Shipping under section 218(1)(b) in relation to that person; or
- (c) left for any such person at that address.

(2) In any proceedings for an offence under this Part or regulations made under it, an averment in any process of the fact that anything was done or situated within waters which are adjacent to the Islands and which are within seaward limits of the territorial seas of the Islands shall, unless the contrary be proved, be



sufficient evidence that the thing, if otherwise proved, was done or situated within such waters.

(3) Any proceedings for an offence under this Part or regulations made under it may be taken, and the offence be treated for all incidental purposes as having been committed, in any place in the Islands.

(4) This Part and any regulations made under it shall apply to persons, whether or not they are Cayman Islands citizens, and to companies, whether or not incorporated under the law of the Islands.

(5) Any notice required to be served under this Part may be served by post.

(6) Any notice required to be served under this Part on the owner of any submersible craft shall, where two or more persons are shown in the register of submersible craft, be treated as duly served if served on any one of those persons.

(7) For the purpose of section 52 of the Interpretation Law (1995 Revision), a letter containing-

1995 Revision

- (a) a notice to be served on a person under subsections (5) and (6);  
or
- (b) a notice to be served on a representative person under subsection (1),

shall be deemed to be properly addressed if it is addressed to that person at the address for the time being recorded in relation to him in the register of submersible craft; and a letter containing any other notice to which subsection (1) applies shall be deemed to be properly addressed if it is addressed to the last-known address of the person to be served (whether of his residence or of a place where he carries on business).

226. (1) Any submersible craft to which this Law applies and which is launched, recovered, operated or supported in contravention of section 214(1) and any supporting apparatus operated in connection with it shall be liable to be detained.

Detention

(2) Sections 444 and 445 shall have effect in relation to a submersible craft detained under this Part and for the purpose of applying those sections-

- (a) the words “submersible craft” shall be substituted for the word “ship” wherever it occurs, except when the vessel to be detained may properly be described as a ship within the meaning of this Law; and
- (b) the words “Part VIII” shall be substituted for the words “this Law” wherever they occur.

## PART IX - Load Lines

### General

Definitions and  
interpretation in this Part

227. (1) In this Part -

“alteration” includes deterioration;

“1966 Convention” means the International Convention on Load Lines, 1966 including the amendments applicable to the Islands;;

“Convention country” and “Contracting Government” have the meanings given to them by section 256;

“Convention-size” in relation to a ship means, in the case of an existing ship, not less than 150 gross tons (ascertained in accordance with the law in force on the 21st July 1968), and, in the case of a new ship, not less than twenty-four metres in length;

“deck-line” means such a mark as is referred to in section 229(2)(c);

“International Load Line Certificate” means an International Load Line Certificate issued under the 1966 Convention as amended by the 1988 Protocol;

“International Load Line Certificate (1966)” means an International Load Line Certificate issued under the 1966 Convention before the relevant entry into force date (if any);

“International Load Line Exemption Certificate” means an International Load Line Exemption Certificate issued under the 1966 Convention as amended by the 1988 Protocol;

“International Load Line Exemption Certificate (1966)” means an International Load Line Exemption certificate issued under the 1966 Convention before the relevant entry into force date (if any);

“load lines” means such lines as are referred to in section 229(2)(d);

“new ship” means a ship whose keel is laid, or which is at a similar stage of construction, on or after the material date; and “existing ship” means a ship which is not a new ship;

“non-Cayman Islands ship” means a ship which is not registered in the Islands;

“parent country” means the country or territory in which the ship is registered or, if the ship is not registered anywhere, it means the country or territory whose flag the ship flies;

“1988 Protocol” means the Protocol of 1988 relating to the 1966 Convention;

“relevant entry into force date” means the date when the 1988 Protocol enters into force in respect of the government of the parent country of the ship in question;

“valid Convention certificate” means a certificate which either-

- (a) has been issued under subsection (2) and is for the time being in force; or
- (b) having been issued as mentioned in subsection (3), is produced in circumstances in which it is required by the load line regulations to be recognised for the purposes of this Part.

(2) For the purposes of the definitions of “new ship” and “existing ship”, “material date” means-

- (a) in relation to a ship whose parent country is a Convention country other than the Cayman Islands, the date on which the 1966 Convention entered into force for that country; and
- (b) in relation to any other ship, the 21st July 1968.

(3) In this Part, subject to subsection (4)-

“international voyage” means a voyage between-

- (a) a port in the Islands and a port outside the Islands; or
- (b) a port in a Convention country (other than the Islands) and a port in any other country or territory (whether or not a Convention country) which is outside the Islands.

(4) In determining, for the purposes of subsection (3), what are the ports between which a voyage is made, no account shall be taken of any deviation by a ship from its intended voyage made which is due solely to stress of weather or any other circumstances which neither the master, owner nor charterer, if any, of the ship could have prevented or forestalled; and for the purposes of subsection (3) any colony, protectorate or other dependency, and any territory for whose international relations a government is separately responsible shall be taken to be a separate territory.

(5) Any reference in this Part to the gross tonnage of a ship shall be construed as a reference to the tonnage of the ship as ascertained in accordance with the tonnage regulations; and where, in accordance with those regulations, alternative tonnages are assigned to a ship, the gross tonnage of the ship shall, for the purposes of this Part, be taken to be the larger of those tonnages.

(6) For the purposes of this Part, the length of a ship shall be ascertained in accordance with regulations made by the Cabinet under this Part.

(7) Any reference in this Part to any provision of the 1966 Convention shall, in relation to any time after that provision has been amended under Article 29 of that Convention, be construed as a reference to that provision as so amended.

228. This Part applies to all ships except-

- (a) ships of war;

Ships to which this Part applies

- (b) ships solely engaged in fishing; and
- (c) pleasure vessels not engaged in trade.

Load line regulations

229. (1) The Cabinet shall make regulations in accordance with the following provisions of this Part (referred to as “the load line regulations”); and in making those regulations the Cabinet shall, in particular, give effect to the 1966 Convention as amended by the 1988 Protocol.

(2) The load line regulations shall make provide for-

- (a) the surveying, and periodical inspection of ships to which this Part applies;
- (b) determining freeboards to be assigned from time to time to such ships, including timber freeboards;
- (c) determining, in relation to any such ship, the deck which is to be taken to be the freeboard deck of the ship, and for requiring the position of that deck to be indicated on each side of the ship by a mark of a description prescribed by the regulations; and
- (d) determining, by reference to that mark and the freeboards for the time being assigned to any such ship, the positions in which each side of the ship is to be marked with lines of a description prescribed by the regulations, indicating the various maximum depths to which the ship may be loaded in circumstances prescribed by the regulations.

(3) The load line regulations shall include provisions-

- (a) specifying such requirements in respect of the hulls, superstructures, fittings and appliances of ships to which this Part applies as appear to the Cabinet to be relevant to the assignment of freeboards to such ships;
- (b) whereby, at the time when freeboards are assigned to a ship in accordance with the load line regulations, such particulars relating to those requirements, as may be determined in accordance with the regulations, are to be recorded in such manner as may be so determined; and
- (c) for determining by reference to those requirements and that record whether, at any time after freeboards have been so assigned to a ship and while they continue to be so assigned, the ship is, for the purposes of this Part, to be taken to comply, or not to comply, with the conditions of assignment,

and these provisions shall be set out separately in the load line regulations under the title of “regulations as to conditions of assignment”.

(4) The load line regulations shall also include provisions requiring such information relating to the stability of any ship to which freeboards are assigned

thereunder, and such information relating to the loading and ballasting of any such ship, as may be determined in accordance with the regulations to be provided for the guidance of the master of the ship in such manner as may be so determined.

(5) In relation to any matter authorised or required by this Part to be prescribed by the load line regulations, those regulations may make different provisions by reference to different descriptions of ships, different areas, different seasons of the year and any other different circumstances.

### Cayman Islands Ships

230. (1) Subject to any exemption conferred by or under this Part, no Cayman Islands ship to which this Part applies shall proceed or attempt to proceed to sea unless-

Compliance with load line regulations

- (a) the ship has been surveyed in accordance with the load line regulations;
- (b) the ship is marked with a deck-line and with load lines in accordance with those regulations;
- (c) the ship complies with the conditions of assignment; and
- (d) the information required by those regulations to be provided as mentioned in section 229(4) is provided for the guidance of the master of the ship in the manner determined in accordance with the regulations.

(2) If any ship proceeds or attempts to proceed to sea in contravention of subsection (1), the owner or master of the ship commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

(3) Any ship which, in contravention of subsection (1), attempts to proceed to sea without being surveyed and marked as mentioned in subsection (1)(a) and (b) may be detained until it has been so surveyed and marked.

(4) Any such ship as is mentioned in subsection (1) which does not comply with the conditions of assignment shall be deemed to be unsafe for the purposes of Part XI.

231. (1) Where a Cayman Islands ship to which this Part applies is marked with load lines, the ship shall not be so loaded that-

Submersion of load lines

- (a) if the ship is in salt water and has no list, the appropriate load line on each side of the ship is submerged; or
- (b) in any other case, the appropriate load line on each side of the ship would be submerged if the ship were in salt water and had no list.

(2) If any ship is loaded in contravention of subsection (1), the owner and the master of the ship are, subject to subsection (5), guilty of an offence and liable on summary conviction to a fine of ten thousand dollars and to such additional fine, not exceeding an amount calculated in accordance with subsection (3), as the Court thinks fit to impose, having regard to the extent to which the earning capacity of the ship was increased by reason of the contravention.

(3) Any additional fine imposed under subsection (2) shall not exceed one hundred thousand dollars for each complete centimetre by which-

- (a) in a case falling within subsection (1)(a), the appropriate load line on each side of the ship was submerged; or
- (b) in a case falling within subsection (1)(b), the appropriate load line on each side of the ship would have been submerged as therein mentioned.

(4) If the master of a ship takes the ship to sea when it is loaded in contravention of subsection (1), or, if any other person, having reason to believe that the ship is so loaded, sends or is party to sending the ship to sea when it is loaded in contravention of subsection (1), then without prejudice to any fine to which he may be liable in respect of an offence under subsection (2), he commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

(5) Where a person is charged with an offence under subsection (2), it shall be a defence to prove that the contravention was due solely to deviation or delay and that the deviation or delay was caused solely by stress of weather or other circumstances which neither the master, owner nor charterer, if any, could have prevented or forestalled.

(6) Without prejudice to any proceedings under subsections (1) to (5), any ship which is loaded in contravention of subsection (1) may be detained until it ceases to be so loaded.

(7) For the purposes of the application of this section to a ship in any circumstances prescribed by the load line regulations in accordance with section 229(2)(d)-

“appropriate load line” means the load line which, in accordance with those regulations, indicates the maximum depth to which the ship may be loaded in salt water in those circumstances.

Miscellaneous offences  
in relation to marks

232. (1) Where a Cayman Islands ship to which this Part applies is marked in accordance with any requirements as to marking imposed by or under this Part, if-

- (a) the owner or master of the ship fails without reasonable excuse to keep the ship so marked; or
- (b) a person conceals, removes, alters, defaces or obliterates, or causes or permits a person under his control to conceal, remove, alter, deface or obliterate, any mark with which the ship is so marked, except where he does so under the authority of a person empowered under the load line regulations to authorise him for that purpose,

he commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

233. (1) Where a Cayman Islands ship to which this Part applies has been surveyed and marked in accordance with the load line regulations the appropriate certificate shall be issued to the owner of the ship on his application. Issue of load line certificates

(2) For the purposes of this section, the appropriate certificate-

- (a) in the case of a Convention-size ship, is an International Load Line Certificate or an International Load Line Certificate (1966); and
- (b) in the case of any other ship, is a certificate which shall continue to be called a "Cayman Islands Load Line Certificate".

(3) Subject to subsection (4), any certificate required by subsection (1) to be issued-

- (a) shall be issued by the Director or by a person authorised for that purpose by the Director; and
- (b) shall be in such form, and shall be issued in such manner, as may be prescribed by the load line regulations.

(4) The Director may request a Contracting Government to survey a Cayman Islands ship and, if satisfied that the requirements of the Convention are complied with-

- (a) to issue or authorise the issue of, in respect of the ship, an International Load Line Certificate; or
- (b) in the case of an annual survey required under regulation 6(1)(c) of the load line regulations authorise the endorsement of the International Load Line Certificate, the International Load Line Certificate (1966) or the Cayman Islands Load Line Certificate,

and, accordingly, a certificate issued or an endorsement made in accordance with such a request, and containing a statement that it has been so issued or made, shall have the same effect as if it had been issued by the Director or made by a surveyor respectively.

(5) in subsection (4)-

“Convention” means the 1966 Convention or the 1966 Convention as amended by the 1988 Protocol, as the case may be.

Effect of load line certificates

234. Where a certificate, issued under section 233 and for the time being in force, is produced in respect of the ship to which the certificate relates-

- (a) the ship shall be deemed to have been surveyed in accordance with the load line regulations; and
- (b) if lines are marked on the ship corresponding in number and description to the deck-line and load lines as required by the load line regulations, and the positions of those lines so marked correspond to the positions of the deck-line and load lines so specified in the certificate, the ship shall be deemed to be marked as required by those regulations.

Duration, endorsement and cancellation of load line certificates

235. (1) The load line regulations shall make provision for determining the period during which any certificate issued under section 233 is to remain in force, including-

- (a) provision enabling the period for which any such certificate is originally issued to be extended within such limits and in such circumstances as may be prescribed by the regulations; and
- (b) provision for cancelling any such certificate in such circumstances as may be so prescribed.

(2) While any such certificate is in force in respect of a ship, there shall be endorsed on the certificate such information relating to-

- (a) periodical inspections of the ship in accordance with the load line regulations; and
- (b) any extension of the period for which the certificate was issued,

as may be prescribed by the regulations.

Ships not to proceed to sea without load line certificate

236. (1) Subject to any exemption conferred by or under this Part, no Cayman Islands ship to which this Part applies shall proceed or attempt to proceed to sea unless the appropriate certificate is in force in respect of the ship.

(2) Before any such ship proceeds to sea, the master of the ship shall produce the appropriate certificate to the officer of customs from whom a clearance for the ship is demanded and a clearance shall not be granted, and the ship may be detained, until the appropriate certificate is so produced.

(3) If any ship proceeds or attempts to proceed to sea in contravention of this section, the master of the ship commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

(4) In this section-



“appropriate certificate” means the certificate which is the appropriate certificate for the purposes of section 233.

237. (1) Where a certificate is issued in respect of a ship under section 233, the owner of the ship shall forthwith on receipt of the certificate cause it to be framed and posted up in some conspicuous place on board the ship, and shall cause it to be kept so framed, posted up and legible so long as the certificate remains in force and the ship is in use.

Publication of load line certificate and entry of particulars in official log book

(2) Before any Cayman Islands ship to which this Part applies leaves any dock, wharf, harbour or other place for the purpose of proceeding to sea, the master of the ship, subject to subsection (4), shall cause a notice to be posted up in some conspicuous place on board the ship, which shall be in such form and contain such particulars relating to the depth to which the ship is for the time being loaded as may be specified in regulations made by the Cabinet under this Part.

(3) Where a notice required by subsection (2) has been posted up, the master of the ship shall cause it to be kept posted up and legible as required by that subsection until the ship arrives at some other dock, wharf, harbour or place.

(4) A person who, being the owner or the master of a ship, fails to comply with any requirement of this section, commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

238. A surveyor may inspect any Cayman Islands ship to which this Part applies for the purpose of verifying that the provisions of this Part have been complied with in respect of the ship.

Inspection of ships

### Non-Cayman Islands Ships

239. (1) This section applies to any non-Cayman Islands ship to which this Part applies which-

Issue of convention certificates to non-Cayman Islands ships

- (a) is a Convention sized ship; or
- (b) not being registered in a Convention country or elsewhere, flies the flag of a Convention country;

(2) The Director may, at the request of the government of a country as referred to in subsection (1), issue in respect of a ship referred to in subsection (1), a certificate in such form as may be prescribed by the load line regulations, if the Director is satisfied that he could properly issue a certificate in respect of the ship under subsection 233(1) if the ship were a Cayman Islands ship.

(3) The load line regulations shall make such provision as appears to the Cabinet to be appropriate for ensuring that certificates which are issued as International Load Line Certificates or International Load Line Certificates (1966) in respect of ships to which this section applies, and which are so issued

by governments other than the Government of the Islands, shall be recognised for the purposes of this Part in such circumstances as may be prescribed by the regulations.

(4) Certificates issued as mentioned in subsection (2) or (3) shall be included among the certificates called “International Load Line Certificates” or “International Load Line Certificates (1966)”.

Compliance with load  
line regulations

240. (1) Subject to subsection (2), and to any exemption conferred by or under this Part, no non-Cayman Islands ship to which this Part applies shall proceed or attempt to proceed to sea from any port in the Islands unless-

- (a) the ship has been surveyed in accordance with the load line regulations;
- (b) the ship is marked with a deck-line and with load lines in accordance with those regulations;
- (c) the ship complies with the conditions of assignment; and
- (d) the information required by those regulations to be provided as mentioned in section 229(4) is provided for the guidance of the master of the ship in the manner determined in accordance with the regulations.

(2) Subsection (1) does not apply to a ship in respect of which a valid Convention certificate is produced.

(3) If any ship proceeds or attempts to proceed to sea in contravention of subsection (1) and (2), or owner and master of the ship commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

(4) Any ship which, in contravention of this section, attempts to proceed to sea without being surveyed and marked as mentioned in subsection (1)(a) and (b) may be detained until it has been so surveyed and marked.

(5) If any such ship as is mentioned in subsection (1), not being a ship in respect of which a valid Convention certificate is produced, does not comply with the conditions of assignment it shall be deemed to be unsafe for the purposes of Part XI.

Submersion of load lines

241. (1) Where a non-Cayman Islands ship to which this Part applies is within any port in the Islands, and is marked with load lines, the ship shall not be so loaded that-

- (a) if the ship is in salt water and has no list, the appropriate load line on each side of the ship is submerged; or
- (b) in any other case, the appropriate load line on each side of the ship would be submerged if the ship were in salt water and had no list.

(2) Section 231 (2), (3), (5) and (6) shall have effect for the purposes of this section as if any references in those subsections to subsection (1) of that section, or to paragraphs (1)(a) or (b) of that section, were a reference to subsection (1), or to the corresponding provision of subsection (1) of this section, subject, however, to subsection (3).

(3) In the case of a ship to which section 239 applies, the ship shall not be detained, and no proceedings shall be brought by virtue of subsection (2), unless the ship has been inspected by a ship surveyor or engineer surveyor under section 244.

(4) In relation to a ship in respect of which a valid Convention certificate is produced, “load line”, in subsection (1), means a line marked on the ship in the position of a load line specified in that certificate, and for the purposes of the application of the relevant provisions to such a ship in any circumstances for which a particular load line is specified in the certificate, the “appropriate load line” means the load line which, in accordance with the certificate, indicates the maximum depth to which the ship may be loaded in salt water in those circumstances.

(5) Where a valid Convention certificate is not produced in respect of a ship, for the purposes of the application of the relevant provisions to that ship in any circumstances prescribed by the load line regulations in accordance with section 229(2)(d), the “appropriate load line” means the load line which, in accordance with those regulations indicates the maximum depth to which the ship may be loaded in salt water in those circumstances.

(6) In subsections (4) and (5)-

“relevant provisions” mean subsection (1) and section 231 as applied by subsection (2).

242. (1) Where a non-Cayman Islands ship to which this Part applies has been surveyed and marked in accordance with the load line regulations, then on the application of the owner of the ship, a Cayman Islands Load Line Certificate shall be issued to him by the Director or by a person authorised for the purpose by the Director.

Cayman Islands load  
line certificates

(2) Subject to subsection (3), sections 234 and 235 shall have effect in relation to a certificate issued under subsection (1) as they have effect in relation to a certificate issued under section 233.

(3) Any certificate issued under subsection (1) in respect of a ship to which section 239 applies shall be valid only so long as the ship is not plying on international voyages, and shall be cancelled by the Director if he has reason to believe that the ship is plying on international voyages.

Production of certificate to customs officer

243. (1) Subject to any exemption conferred by or under this Part, before a non-Cayman Islands ship, to which this Part applies, proceeds to sea from any port in the Islands, the master of the ship shall produce the appropriate certificate to the officer of customs from whom a clearance for the ship is demanded, and a clearance shall not be granted, and the ship may be detained until the appropriate certificate is so produced.

(2) For the purposes of subsection (1), the appropriate certificate-

- (a) in the case of a ship to which section 239 applies, where a clearance for the ship is demanded in respect of an international voyage, is a valid Convention certificate;
- (b) in the case of any ship to which section 239 applies, where a clearance for the ship is demanded in respect of a voyage, other than an international voyage, is either a valid Convention certificate or a Cayman Islands Load Line Certificate for the time being in force in respect of the ship; and
- (c) in any other case, is a Cayman Islands Load Line Certificate for the time being in force in respect of the ship.

Provisions as to inspection

244. (1) Subject to subsections (2) to (5), a surveyor of ships may inspect a non-Cayman Islands ship to which this Part applies while the ship is within a port in the Islands.

(2) Such a surveyor may go on board any ship to which section 239 applies while the ship is within a port in the Islands, for the purpose of demanding production of an International Load Line Certificate (1966) or a Cayman Islands Load Line Certificate for the time being in force in respect of the ship.

(3) If, on such demand, a valid Convention certificate is produced to the surveyor in respect of the ship, the powers of the surveyor under subsection (1) shall be limited to seeing that-

- (a) the ship is not loaded beyond the limits allowed by the certificate;
- (b) lines are marked on the ship in the positions of the load lines specified in the certificate;
- (c) no material alterations have taken place in the hull or superstructures of the ship which affect the position in which any of those lines ought to be marked; and
- (d) the fittings and appliances for the protection of openings, the guard rails, the free ports and the means of access to the crew's quarters have been maintained on the ship in as effective a condition as they were in when the certificate was issued.

(4) If, on an inspection of a ship under this section, the ship is found to have been so materially altered in respect of the matters referred to in subsection

(3)(c) or (d) that the ship is manifestly unfit to proceed to sea without danger to human life, it shall be deemed to be unsafe for the purposes of Part XI.

(5) Where a ship is detained under this Law as applied by subsection (4), the Director shall order the ship to be released as soon as he is satisfied that the ship is fit to proceed to sea without danger to human life.

### Exemptions

245. (1) If, in the opinion of the Director, the sheltered nature and conditions of international voyages- Power to make exemption orders

- (a) between near neighbouring ports in the Islands and in another Convention country; or
- (b) between near neighbouring ports in any two or more countries or territories outside the Islands,

make it unreasonable or impracticable to apply this Part to ships plying on such voyages, and the Director is satisfied that the government of the other country or territory (or, as the case may be, of each of the other countries or territories) concurs in that opinion, the Director may, by order, specifying those ports, direct that ships plying on international voyages between those ports, or any class of such ships specified in the order, shall be exempt from this Part.

(2) The Director may, by order, direct that ships under twenty-four metres in length engaged solely in the coasting trade, or any class of such ships specified in the order, shall be exempt from this Part while not carrying cargo, or (if the order so provides) shall be exempt from this Part whether carrying cargo or not.

(3) Any order under this section may be made subject to such conditions as the Director thinks fit; and, where any such order is made subject to conditions, the exemption conferred by that order shall not have effect in relation to a ship unless the ship complies with those conditions.

246. (1) In this section, any reference to exempting a ship is a reference to exempting the ship either- Further powers to exempt ships

- (a) from this Part and the load line regulations; or
- (b) from such of those provisions as are specified in the instrument conferring the exemption.

(2) On the application of the owner of a Cayman Islands ship to which this Part applies which is a Convention-size ship, the Director may exempt the ship if, in his opinion, the ship embodies features of a novel kind such that, if the ship had to comply with all the requirements of this Part and of the load line regulations, the development of those features and their incorporation in ships engaged on international voyages might be seriously impeded.

(3) On the application of the owner of a Cayman Islands ship to which this Part applies which is either-

- (a) a Convention-size ship; or
- (b) a ship not falling within paragraph (a) which does not ply on international voyages,

the Director may exempt the ship.

(4) Without prejudice to subsection (3), where a Cayman Islands ship to which this Part applies which is a Convention-size ship, does not normally ply on international voyages but is, in exceptional circumstances, required to undertake a single international voyage, the Director, on the application of the owner of the ship, specifying the international voyage in question, may exempt the ship while engaged on that voyage.

(5) Any exemption conferred under this section may be conferred subject to such conditions as the Director thinks fit and, where any such exemption is conferred subject to conditions, the exemption shall not have effect unless those conditions are complied with.

Issue of exemption certificates

247. (1) Where the Director exempts a ship under section 246, the Director shall issue the appropriate certificate to the owner of the ship.

(2) For the purposes of this section, the appropriate certificate-

- (a) where the exemption is conferred under section 246(2) or (4), is an International Load Line Exemption Certificate or an International Load Line Exemption Certificate (1966); or
- (b) where the certificate is conferred under section 246(3) of that section, is a Cayman Islands Load Line Exemption Certificate.

(3) Any certificate issued under this section shall be in such form, and shall be issued in such a manner as may be prescribed by the load line regulations.

Duration, endorsement and termination of certificates and exemptions

248. (1) The load line regulations shall make provision for determining the period during which any exemption conferred under section 246, or any certificate issued under section 247, is to remain in force, including provisions -

- (a) enabling the period for which any exemption or certificate is originally conferred or issued to be extended within such limits and in such circumstances as may be prescribed by the regulations; and
- (b) for terminating any such exemption, and for cancelling any such certificate, in such circumstances as may be so prescribed.

(2) While any such certificate is in force in respect of a ship, there shall be endorsed on the certificate such information relating to-

- (a) periodical inspections of the ship, in accordance with the load line regulations; and
- (b) any extension of the period for which the certificate was issued,

as may be prescribed by the regulations.

249. (1) The load line regulations shall make such provision as appears to the Cabinet to be appropriate for ensuring that exemption certificates which, in accordance with the 1966 Convention or the 1966 Convention as amended by the Protocol of 1988, are issued in respect of ships to which section 239 applies, and are so issued by governments other than the Government of the Islands, shall, in such circumstances as may be prescribed by the regulations, have the like effect for the purposes of this Part as if they were valid Convention certificates.

International load line exemption certificates

(2) Certificates issued, as mentioned in subsection (1), shall be included among International Load Line Exemption Certificates or International Load Line Exemption Certificates (1966).

### Subdivision Load Lines and Deck Cargo

250. (1) Where, in pursuance of the load line regulations, a Cayman Islands passenger ship to which this Part applies is marked with subdivision load lines, and the lowest of those lines is lower than the line which, apart from this subsection, would be the appropriate load line for the purposes of section 231, that section shall have effect as if that subdivision load line was the appropriate load line for the purposes of that section.

Subdivision load lines

(2) Where, in pursuance of safety regulations, a non-Cayman Islands passenger ship to which this Part applies is marked with subdivision load lines, and the lowest of those load lines is lower than the line which, apart from this subsection, would be the appropriate load line for the purposes of section 241, that section shall have effect as if that subdivision load line was the appropriate load line for the purposes of that section.

251. (1) The Cabinet shall make regulations (in this section referred to as the “deck cargo regulations”) prescribing requirements to be complied with where cargo is carried in any uncovered space on the deck of a ship to which this Part applies, and different requirements may be so prescribed in relation to different descriptions of ships, different descriptions of cargo, different voyages or classes of voyages, different seasons of the year or any other different circumstances.

Deck cargo

(2) If the load line regulations provide (either generally or in particular cases or classes of cases) for assigning special freeboards to ships which are to have effect only where a cargo of timber is so carried, then, without prejudice to subsection (1), the deck cargo regulations may prescribe special requirements to be complied with in circumstances where any such special freeboard has effect.

(3) In prescribing any such special requirements as are mentioned in subsection (2), the Cabinet shall have regard, in particular, to Chapter IV of the 1966 Convention.

(4) If the deck cargo regulations are contravened-

- (a) in the case of a Cayman Islands ship; or
- (b) in the case of any other ship while the ship is within any port in the Islands,

the master of the ship, subject to subsection (5), commits an offence and is liable on summary conviction to a fine of ten thousand dollars.

(5) Where a person is charged with an offence under subsection (4), it is a defence to prove that the contravention was due solely to deviation or delay and that the deviation or delay was caused solely by stress of weather or other circumstances which neither the master, owner nor charterer, if any, could have prevented or forestalled.

(6) For the purpose of securing compliance with the deck cargo regulations, a person authorised for the purpose by the Director may inspect any ship to which this Part applies which is carrying cargo in any uncovered space on its deck.

### Miscellaneous

Notice to consular officer of proceedings against foreign ships

252. (1) Where any non-Cayman Islands ship is detained under this Part or where any proceedings are taken under this Part against the master or owner of any such ship, notice shall forthwith be served on the consular officer for the country to which the ship belongs at or nearest to the port where the ship is for the time being.

(2) A notice under this section shall specify the grounds on which the ship has been detained or the proceedings have been taken.

Surrender of certificates

253. (1) The Director may require any certificate which can be issued under this Part, which has expired or been cancelled, to be surrendered as he directs.

(2) A person who, being an owner or master of a ship, fails, without reasonable excuse, to comply with such a requirement, commits an offence and is liable on summary conviction to a fine not exceeding level 2 on the standard scale.

Penalty for false load line certificates

254. A person who intentionally makes, assists in making or procures to be made, a false or fraudulent certificate which can be issued under this Part commits an offence and is liable on summary conviction to a fine of ten thousand dollars.

Admissibility of certificates in evidence

255. Any certificate issued under this Part is admissible in evidence.



256. In this Part-

Convention countries

“Convention country” means-

- (a) a country, the government of which is party to the 1966 Convention, or the 1966 Convention as amended by the 1988 Protocol;
- (b) a territory to which the 1966 Convention, or the 1966 Convention as amended by the 1988 Protocol, extends.

257. Any order, rules or regulations made under this Part may contain such transitional or other incidental and supplementary provisions as may appear to the Cabinet to be appropriate.

Orders, rules and regulations

## **PART X - Carriage of Bulk Cargoes and Dangerous Cargoes**

### **General**

258. In this Part-

Definition

“grain” includes wheat, maize, corn, oats, rye, barley, rice, pulses, seeds and processed forms thereof, whose behaviour is similar to that of grain in its natural state.

259. (1) Unless expressly provided otherwise, this Part applies to all ships to which the Safety Convention applies and to cargo ships of less than five hundred gross tonnage.

Application

(2) The provisions of this Part respecting carriage of dangerous goods in packaged form or in solid form in bulk do not apply to ships' stores and equipment, including ships' distress signals.

(3) This Part and any regulations made under section 263 respecting dangerous goods shall apply to all Cayman Islands ships and to all foreign ships while loading or discharging cargo or fuel, or embarking or disembarking passengers, at any place in the Islands as they apply to Cayman Islands ships.

### **Carriage of Grain and Other Bulk Cargoes**

260. The Cabinet may make regulations relating to-

Bulk cargo regulations

- (a) the safe carriage and stowage of bulk cargoes having due regard to the Code of Safe Practice for Bulk Cargoes issued by the Organisation and amendments thereto or replacements thereof; and
- (b) the safe carriage and stowage of grain in compliance with the Safety Convention.

- Carriage of grain
261. (1) Where grain is loaded on board any Cayman Islands ship, or is loaded within any port in the Islands on board any ship, all necessary and reasonable precautions shall be taken to prevent the grain from shifting, and if such precautions are not taken the owner or the master of the ship, or any agent of the owner who was charged with the loading, or with sending the ship to sea laden with the grain, commits an offence and is liable on summary conviction to a fine of twenty thousand dollars, and the ship shall be deemed, for the purposes of Part XI, to be unsafe by reason of improper loading.
- (2) Where any ship, having been loaded with grain outside the Islands without the taking of all necessary and reasonable precautions to prevent the grain from shifting, enters any port in the Islands so laden, the owner or master of the ship commits an offence and is liable on summary conviction to a fine of twenty thousand dollars, and the ship shall be deemed, for the purposes of Part XI, to be unsafe by reason of improper loading.
- (3) No offence is committed under subsection (2) where the ship would not have entered any such port but for stress of weather or any other circumstance that neither the master, owner nor charterer, if any, could have prevented or forestalled.
- (4) For the purpose of ensuring the observance of this section a surveyor may go on board any Cayman Islands ship, or any foreign ship which is in any port of the Islands, and inspect any grain loaded in the ship and the manner in which it is stowed.
- Delivery of notice and offence
262. On the arrival at a port in the Islands from a port outside the Islands of any ship carrying a cargo of grain, the master shall cause to be delivered to an officer of customs, a notice stating-
- (a) the draught of water and freeboard of the ship after the loading of its cargo was completed at the final port of loading; and
  - (b) the following particulars of the grain carried-
    - (i) the kind of grain and the quantity thereof, stated in cubic feet, quarters, bushels, or tons weight;
    - (ii) the mode in which the grain is stowed; and
    - (iii) the precautions taken to prevent the grain from shifting,
- and if the master fails to deliver any notice required by this subsection, or if in any such notice he makes any statement that he knows to be false in a material particular, or recklessly makes any statement that is false in a material particular, he commits an offence and is liable on summary conviction to a fine not exceeding level 2 on the standard scale.

### Dangerous Goods

263. (1) The Cabinet may, by regulations, prescribe which goods, articles or materials to be carried in a ship are dangerous goods in accordance with the Safety Convention in relation to the carriage of dangerous goods, and such regulations shall incorporate by reference, the International Maritime Dangerous Goods (IMDG) Code of the Organisation, including amendments thereto or replacements thereof.

Dangerous goods regulations

- (2) The Cabinet may, in particular, by regulations, prescribe-
- (a) the method of packing and stowing such goods;
  - (b) the quantity of such goods which may be carried in any ship;
  - (c) the place or places within a ship in which they may be carried;
  - (d) the marking that is to be placed on any package or container in which goods may be placed for shipment; and
  - (e) the precautions to be taken with respect to the carriage of such goods and the powers of inspection to determine compliance with the regulations.

264. (1) No person shall send by or carry in a Cayman Islands ship, except in accordance with this Part and regulations made under section 263, any dangerous goods.

Carriage and marking of dangerous goods

(2) No person shall send by or carry in a Cayman Islands ship any dangerous goods without first distinctly marking their nature on the outside of their outermost package in accordance with such regulations as the Cabinet may make and without first giving written notice of the nature of such goods and of the name and address of the sender thereof to the master or owner of the ship.

265. (1) A person who contravenes this Part with respect to dangerous goods, including regulations made under section 263, commits an offence and is liable on summary conviction to a fine of twenty thousand dollars.

Offences relating to dangerous goods

(2) Where a contravention involves the marking, packing, stowing or quantity of dangerous goods within a ship, that ship shall be deemed, for the purposes of Part XI, to be unsafe by reason of improper loading.

266. (1) The master or owner of any ship may refuse to take on board any package or parcel that he suspects might contain any dangerous goods and may require the package to be opened to ascertain its nature.

Rejection and disposal of dangerous goods by ship

(2) When any dangerous goods, or any goods that, in the opinion of the master or owner of the ship, are dangerous goods, have been sent on board any ship without the marking or the written notice described in section 264, the master or owner of the ship may cause the goods, together with any package or container thereof, to be thrown overboard; and neither the master nor the owner of the ship is subject to civil or criminal liability in any Court in respect of such action.

Forfeiture of dangerous goods

267. (1) Where any dangerous goods have been sent by or carried in any ship in a manner that constitutes an offence under this Part, the Court may order the goods, and any packaging or container thereof, to be forfeited.

(2) The Court may exercise the powers conferred by subsection (1) notwithstanding that-

- (a) the owner of the goods concerned has not committed any offence in respect of the goods, is not before the Court or has had no notice of the proceedings; and
- (b) there is no evidence to show to whom the goods belong,

but the Court may, in its discretion, require such notice as it may direct to be given to the owner or shipper of the goods before they are forfeited.

#### **PART XI - Unsafe Ships**

Power to detain unsafe ships

268. (1) Subject to subsection (3), where the Director has reason to believe that any ship, being in any port in the Islands or at sea in Cayman Islands waters, is an unsafe ship, that is to say, is by reason of any of the matters mentioned in subsection (2) unfit to remain at sea or proceed to sea without serious danger to human life having regard to the nature of the service for which it is intended, such ship is liable to be detained.

(2) The matters referred to in subsection (1) are-

- (a) the condition, or the unsuitability for its purpose, of-
  - (i) the ship or its machinery or equipment; or
  - (ii) any part of the ship or its machinery or equipment;
- (b) undermanning;
- (c) overloading or unsafe or improper loading; or
- (d) any other matter relevant to the safety of the ship,

and the reference in subsection (1) to proceeding to sea shall, in a case where the service for which the ship is intended consists of going on voyages or excursions that do not involve going to sea, be construed as a reference to going on such a voyage or excursion.

(3) Notwithstanding subsection (1), a ship other than a Cayman Islands ship that is exercising the right of innocent passage under the United Nations Convention on the Law of the Sea 1982 shall not be detained.

Power to pay compensation and require security for compensation

269. (1) Subject to subsection (2), where a ship is detained under this Law or regulations and the owner of the ship proves to the satisfaction of the Director that there was not reasonable cause for the detention of the ship, the Government may pay compensation to the owner of the ship for any loss or damage sustained by the owner by reason of such detention.

(2) In determining whether to pay such compensation and the amount thereof the Government shall have regard to the provisions of any international agreement signed on behalf of the Government of the United Kingdom and applicable in or extended to the Islands.

(3) Subject to subsection (4), where a complaint is made to the Minister or the Director that a Cayman Islands ship is unsafe, or otherwise does not comply with this Law or the regulations, the Minister, acting in his discretion, may require the complainant to give security to the satisfaction of the Minister for any compensation which may become payable by the Government under subsection (1).

(4) The security referred to in subsection (3) shall not be required where the complaint is made by one fourth, being not less than three, of the seafarers belonging to the ship and is not, in the opinion of the Director, frivolous or vexatious.

(5) Where a ship is detained in consequence of any complaint, and the circumstances are such that the Government determines to pay compensation to the owner of the ship under subsection (1), the complainant shall be liable to pay to the Government all such compensation as the Government may pay under subsection (1) in respect of the detention of the ship.

270. (1) If a ship which-

- (a) is in a port in the Islands; or
- (b) is a Cayman Islands ship and is in any other port,

Owner and master liable  
in respect of unsafe ship

is unsafe, then, subject to subsections (4) and (5), the master and the owner of the ship commit an offence.

(2) Where, at the time when a ship is unsafe, any responsibilities of the owner with respect to the matters relevant to its safety have been assumed, whether wholly or in part, by a person or persons other than the owner, and have been so assumed by that person or, as the case may be, by each of those persons either-

- (a) directly, under the terms of a charter party or management agreement made with the owner; or
- (b) indirectly, under the terms of a series of charter parties or management agreements,

the reference to the owner in subsection (1) shall be construed as a reference to that other person or, as the case may be, to each of those other persons.

(3) A person who commits an offence under this section is liable on summary conviction to a fine of twenty thousand dollars and to imprisonment for six months.

(4) It shall be a defence in proceedings for an offence under this section to prove that at the time of the alleged offence-

- (a) arrangements had been made which were appropriate to ensure that before the ship went to sea it was made fit to do so without serious danger to human life by reason of the matters relevant to its safety which are specified in the charge; or
- (b) it was reasonable for such arrangements not to have been made.

(5) It shall also be a defence in proceedings for an offence under this section to prove-

- (a) that, under the terms of one or more charter parties or management agreements entered into by the accused, the relevant responsibilities, namely-
  - (i) where the accused is the owner, his responsibilities with respect to the matters relevant to the ship's safety; or
  - (ii) where the accused is liable to proceedings under this section by virtue of subsection (2), so much of those responsibilities as had been assumed by him as mentioned in that subsection,

had at the time of the alleged offence been wholly assumed by some other person or persons party thereto; and

- (b) that, in all the circumstances of the case, the accused had taken such steps as it was reasonable for him to take, and exercised such diligence as it was reasonable for him to exercise, to secure the proper discharge of the relevant responsibilities during the period during which they had been assumed by some other person or persons as mentioned in paragraph (a),

and, in determining whether the accused had done so, regard shall be had in particular to the matters mentioned in subsection (6).

(6) Those matters are-

- (a) whether prior to the time of the alleged offence the accused was, or in all the circumstances ought reasonably to have been, aware of any deficiency in the discharge of the relevant responsibilities; and
- (b) the extent to which the accused was or was not able, under the terms of any such charter party or management agreement as is mentioned in subsection (5)(a)-
  - (i) to terminate it; or
  - (ii) to intervene in the management of the ship,

in the event of any such deficiency, and whether it was reasonable for the accused

to place himself in that position.

(7) In this section-

“management agreement”, in relation to a ship, means any agreement (other than a charter party or a contract of employment) under which the ship is managed, either wholly or in part, by a person other than the owner (whether on behalf of the owner or on behalf of some other person); and

“relevant responsibilities” shall be construed in accordance with subsection (5).

(8) References in this section to responsibilities being assumed by a person under the terms of a charter party or management agreement are references to their being so assumed by him whether or not he has entered into a further charter party or management agreement providing for them to be assumed by some other person.

271. (1) A person who uses or causes or permits to be used in navigation any lighter, barge or like vessel when, because of- Use of unsafe lighters, etc.

- (a) the defective condition of its hull or equipment;
- (b) overloading or improper loading; or
- (c) under manning,

it is so unsafe that human life is thereby endangered, commits an offence and is liable on summary conviction to a fine of twenty thousand dollars.

(2) This section does not affect the liability of the owners of any lighter, barge or like vessel in respect of loss of life or personal injury caused to any person carried in the vessel.

272. (1) It is the duty of the owners of a ship to which this section applies to take all reasonable steps to ensure that the ship is operated in a safe manner. Owner liable for unsafe operation of ship

(2) This section applies to-

- (a) any Cayman Islands ship; and
- (b) any ship which-
  - (i) is registered under the law of, or flies the flag of, any country other than the Cayman Islands; and
  - (ii) is within Cayman Islands waters while proceeding to or from a port in the Islands,

unless the ship would not be so proceeding but for weather conditions or any other unavoidable circumstances.

(3) A person who, being the owner of a ship to which this section applies, fails to discharge the duty imposed on him by subsection (1), commits an offence

and is liable on summary conviction to a fine of twenty thousand dollars and to imprisonment for six months.

(4) Where any such ship is chartered by demise, or is managed, either wholly or in part, by a person other than the owner under the terms of a management agreement within the meaning of section 270, any reference to the owner of the ship in subsections (1) or (3) shall be construed as including a reference-

- (a) to the charterer under the charter by demise;
- (b) to any such manager as mentioned above; or
- (c) if the ship is both chartered and managed as mentioned above, to both the charterer and any such manager,

and accordingly the reference in subsection (1) to the taking of all reasonable steps shall, in relation to the owner, the charterer or any such manager, be construed as a reference to the taking of all such steps as it is reasonable for him to take in the circumstances of the case.

## PART XII - Wreck and Salvage

Definitions and  
interpretation in this Part

273. (1) In this Part-

“damage to the environment” means a substantial physical damage to human health or to marine life or resources in coastal or inland waters or areas adjacent thereto, caused by pollution, contamination, fire, explosion or similar major incidents;

“maritime casualty” means a collision of vessels, stranding or other incident of navigation or other occurrence on board a vessel or external to it, resulting in material damage or imminent threat of material damage to a vessel or cargo;

“payment” means any reward, remuneration or compensation due under this Part;

“property” means any property not permanently and intentionally attached to the shoreline and includes freight at risk; and wherever the context so requires also includes a vessel, cargo, equipment and effects;

“Receiver” means the Receiver of Wreck appointed under section 274;

“salvor” means any person rendering salvage services;

“salvage” includes, subject to the Salvage Convention, all expenses properly incurred by the salvor in the performance of the salvage services;

“Salvage Convention” means the International Convention on Salvage, 1989;

“salvage operation” means any act or activity undertaken to assist a vessel or any other property in danger in navigable waters or in any other waters;



“salvage services” means services rendered in direct connection with salvage operations;

“vessel” includes any ship, boat or any other description of vessel used in navigation; and

“wreck” includes jetsam, flotsam, lagan and derelict found in or on the shores of the sea or any tidal water.

- (2) Fishing boats or fishing gear lost or abandoned at sea and either-
  - (a) found or taken possession of within the Islands’ waters; or
  - (b) found or taken possession of beyond those waters and brought within those waters,

shall be treated as wreck for the purposes of this Part.

### **Wreck**

274. (1) The Governor, acting in his discretion, may appoint the Port Director as the Receiver of Wreck for the Islands, and in that capacity shall exercise general direction and supervision over all matters relating to wreck and salvage.

Appointment and powers of Receiver of Wreck

(2) Sections 276, 277 and 278 apply in circumstances where any vessel is wrecked, stranded, in distress or at risk of causing damage to the environment at any place on or near the coasts of the Islands or any tidal water within Cayman Islands waters.

(3) Where any function is conferred on the Receiver by any of those sections that function may be discharged by an officer of customs.

(4) An officer discharging any such functions of the Receiver shall, with respect to any goods or articles belonging to a vessel the delivery of which to the Receiver is required by this Part, be treated as the agent of the Receiver.

(5) An officer discharging any functions under subsection (4) shall not be entitled to any fees payable to the Receiver, but shall not be deprived of any right to salvage to which he would otherwise be entitled.

- (6) In sections 276, 277 and 278-

“shipwrecked persons”, in relation to a vessel, mean persons belonging to the vessel.

275. (1) There shall be paid to the Receiver the expenses properly incurred by him in the performance of his duties and such fees in respect of such other matters as may be prescribed, and the Receiver shall not be entitled to any other remuneration.

Fees of Receiver

(2) The Receiver shall, in addition to all other rights and remedies for the recovery of the expenses and fees referred to in subsection (1), have the same rights and remedies in respect thereof as a salvor has in respect of salvage due to him and may, if the property in respect of which any such expenses and fees are due is not under arrest in any Court, seize or detain the property until his expenses and fees are paid, or until security is given therefor to his satisfaction.

(3) Whenever any dispute arises as to the amount payable to the Receiver in respect of expenses or fees, such dispute shall be determined by the Minister, whose decision shall be final.

(4) All fees received by the Receiver, in respect of any services performed by him as such Receiver, shall be paid into the Treasury, a separate account thereof shall be kept and the moneys arising therefrom shall be applied in defraying any expenses duly incurred in carrying this Part into effect.

Duty of Receiver where vessel in distress

276. (1) In circumstances in which this section applies, by virtue of section 274 in relation to any vessel, the Receiver shall, on being informed of the circumstances-

- (a) forthwith proceed to the place where the vessel is;
- (b) take command of all persons present; and
- (c) assign such duties and give such directions to each person as he thinks fit for the preservation of the vessel and of the lives of the shipwrecked persons.

(2) The Receiver shall not interfere between the master and crew of the vessel in reference to the management of the vessel unless he is requested to do so by the master.

(3) Subject to subsection (2), a person who intentionally disobeys the direction of the Receiver commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

Powers of Receiver in case of vessel in distress

277. (1) In circumstances where this section applies, by virtue of section 274 in relation to any vessel, the Receiver may, for the purpose of the preservation of shipwrecked persons or of the vessel, cargo and equipment require-

- (a) such persons as he thinks necessary to assist him;
- (b) the master, or other person having the charge of any vessel near at hand, to give such assistance with his men or vessel, as may be in his power; and
- (c) the use of any vehicle that may be near at hand.

(2) A person who refuses, without reasonable excuse, to comply with any requirement made under subsection (1), commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

278. (1) In circumstances where this section applies by virtue of section 274 in relation to any vessel, all persons may, subject to subsections (3) and (4), for the purpose of-

Power to pass over adjoining land

- (a) rendering assistance to the vessel;
- (b) saving the lives of shipwrecked persons; or
- (c) saving the cargo or equipment of the vessel,

pass and repass over any adjoining land without being subject to interruption by the owner or occupier, and deposit on the land any cargo or other article recovered from the vessel.

(2) The right of passage conferred by subsection (1) is a right of passage with or without vehicles.

(3) No right of passage is conferred by subsection (1) where there is some public road equally convenient.

(4) The rights conferred by subsection (1) shall be so exercised as to do as little damage as possible.

(5) Any damage sustained by an owner or occupier of land, in consequence of the exercise of the rights conferred by this section, shall be a charge on the vessel, cargo or articles in respect of, or by which, the damage is caused.

(6) Any amount payable in respect of such damage shall, in case of dispute, be determined and shall, in default of payment, be recoverable in the same manner as the amount of salvage is determined and recoverable under this Part.

(7) A person who, being the owner or occupier of any land-

- (a) impedes or hinders any person in the exercise of the rights conferred by this section;
- (b) impedes or hinders the deposit on the land of any cargo or other article recovered from the vessel; or
- (c) prevents or attempts to prevent any cargo or other article recovered from the vessel from remaining deposited on the land for a reasonable time until it can be removed to a safe place of public deposit,

commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

279. (1) A person who finds or takes possession of any wreck in Cayman Islands waters or finds or takes possession of any wreck outside Cayman Islands waters and brings it within those waters shall-

Duties of finder, etc., of wreck

- (a) if he is the owner of it, give notice to the Receiver stating that he has found or taken possession of it and describing the marks by which it may be recognised; or
- (b) if he is not the owner of it, give notice to the Receiver that he has found or taken possession of it and, as directed by the Receiver, either hold it to the Receiver's order or deliver it to the Receiver.

(2) A person who fails, without reasonable excuse, to comply with subsection (1), commits an offence and is liable on summary conviction to a fine not exceeding level 4 on the standard scale and, if he is not the owner of the wreck, he shall also-

- (a) forfeit any claim to salvage; and
- (b) be liable to pay twice the value of the wreck-
  - (i) if it is claimed, to the owner of it; or
  - (ii) if it is unclaimed, to the person entitled to the wreck.

(3) Any sum payable under subsection (2)(b) to the owner of the wreck or to the persons entitled to the wreck may be recovered summarily as a civil debt.

Provisions as respects cargo, etc.

280. (1) Where a vessel is wrecked, stranded or in distress at any place on or near the coasts of the Islands, any cargo or other articles belonging to or separated from the vessel which are washed on shore or otherwise lost or taken from the vessel shall be delivered to the Receiver.

(2) A person who, whether the owner or not-

- (a) conceals or keeps possession of any such cargo or article; or
- (b) refuses to deliver any such cargo or article to the Receiver or to a person authorised by the Receiver to require delivery,

commits an offence and is liable on summary conviction to a fine not exceeding level 4 on the standard scale.

(3) The Receiver or a person authorised by him may take any such cargo or article, if necessary by force, from any person who refuses to deliver it.

Receiver to give notice of wreck

281. (1) Where the Receiver takes possession of any wreck he shall, within forty-eight hours-

- (a) make a record describing the wreck and any marks by which it is distinguished; and
- (b) if, in his opinion, the value of the wreck exceeds ten thousand dollars, also transmit a similar description to the Director.

(2) The record made by the Receiver under subsection (1)(a) shall be kept by him available for inspection by any person during reasonable hours without charge.

282. (1) The owner of any wreck in the possession of the Receiver who establishes his claim to the wreck to the satisfaction of the Receiver within one year from the time when the wreck came into the Receiver's possession shall, on paying the salvage, fees and expenses due, be entitled to have the wreck delivered or the proceeds of sale paid to him.

Claims of owners to wreck

(2) Where-

- (a) a foreign ship has been wrecked on or near the coasts of the Islands; or
- (b) any articles belonging to or forming part of or of the cargo of a foreign ship which has been wrecked on or near the coasts of the Islands are found on or near the coast or are brought into any port,

the appropriate consular officer shall, in the absence of the owner and of the master or other agent of the owner, be treated as the agent of the owner for the purposes of the custody and disposal of the wreck and such articles.

(3) In subsection (2)-

“appropriate consular officer”, in relation to a foreign ship, means the consul general of the country to which the ship or, as the case may be, the owners of the cargo, may have belonged or any consular officer of that country authorised for the purpose by any treaty or arrangement with that country.

283. (1) The Receiver may, at any time, sell any wreck in his possession if, in his opinion-

Immediate sale of wreck in certain cases

- (a) it is under the value of ten thousand dollars;
- (b) it is so much damaged or of so perishable a nature that it cannot with advantage be kept; or
- (c) it is not of sufficient value to pay for storage.

(2) The proceeds of sale shall, after defraying the expenses of the sale, be held by the receiver for the same purposes and subject to the same claims, rights and liabilities as if the wreck had remained unsold.

284. The Government is entitled to all unclaimed wreck found in the Islands or in Cayman Islands waters.

Right of Government to unclaimed wreck

285. (1) A person who is entitled to unclaimed wreck found at any place in the Islands or in Cayman Islands waters shall give the Receiver a statement containing the particulars of his entitlement and specifying an address to which notices may be sent.

Notice of unclaimed wreck to be given to persons entitled

(2) Where a statement has been given to the Receiver under subsection (1) and the entitlement is proved to the satisfaction of the Receiver, the Receiver shall, on taking possession of any wreck found at a place to which the statement

refers, within forty-eight hours send to the specified address a description of the wreck and of any marks distinguishing it.

Disposal of unclaimed wreck

286. (1) Where, as respects any wreck found in the Islands or in Cayman Islands waters and in the possession of the Receiver, no owner establishes a claim to it within one year after it came into the Receiver's possession, the wreck shall be dealt with as provided in subsections (2) to (6).

(2) If the wreck is claimed by a person who has delivered the statement required by section 285 and has proved to the satisfaction of the Receiver his entitlement to receive unclaimed wreck found at the place where the wreck was found, the wreck shall, on payment of all expenses, costs, fees and salvage due in respect of it, be delivered to that person.

(3) If the wreck is not claimed by a person in accordance with section 285, the Receiver shall sell the wreck and pay the proceeds as directed by subsection (6), after making the deductions required by subsection (4) and paying to the salvors the amount of salvage determined under subsection (5).

(4) The amounts to be deducted by the Receiver are-

- (a) the expenses of the sale;
- (b) any other expenses incurred by him; and
- (c) his fees.

(5) The amount of salvage to be paid by the Receiver to the salvors shall be such amount as the Minister directs generally or in the particular case.

(6) The proceeds of sale, after making those deductions and salvage payments, shall be paid by the Receiver into the Treasury.

Effect of delivery of wreck, etc., under this Part

287. (1) Delivery of wreck or payment of the proceeds of sale of wreck by the Receiver under this Part shall discharge the Receiver from all liability in respect of the delivery or payment.

(2) Delivery of wreck by the Receiver under this Part shall not, however, prejudice or affect any question which may be raised by third parties concerning the right or title to the wreck or concerning the title to the soil of the place at which the wreck was found.

Offence of taking wreck to foreign port

288. (1) A person commits an offence if he takes into a foreign port and sells-

- (a) any vessel stranded, derelict or otherwise in distress found on or near the coasts of the Islands or any tidal water within Cayman Islands waters;
- (b) any part of the cargo or equipment of, or anything belonging to, such a vessel; or
- (c) any wreck found within the waters referred to in paragraph (a).

(2) A person who commits an offence under subsection (1) is liable on conviction on indictment to a fine of one hundred thousand dollars and to imprisonment for five years.

289. (1) Subject to subsection (2), a person commits an offence if, without the permission of the master, he boards or attempts to board any vessel which is wrecked, stranded or in distress.

Offence of interfering with wrecked vessel or wreck

(2) No offence is committed under subsection (1) if the person is the Receiver or a person lawfully acting as the Receiver or if he acts by command of the Receiver or a person so acting.

(3) A person commits an offence if-

- (a) he impedes, hinders or attempts to impede or hinder the saving of-
  - (i) any vessel stranded or in danger of being stranded, or otherwise in distress, on or near any coast or tidal water;
  - (ii) any part of the cargo or equipment of any such vessel; or
  - (iii) any wreck;
- (b) he conceals any wreck;
- (c) he defaces or obliterates any mark on a vessel; or
- (d) he wrongfully carries away or removes-
  - (i) any part of any vessel stranded or in danger of being stranded, or otherwise in distress, on or near any coast or tidal water;
  - (ii) any part of the cargo or equipment of any such vessel; or
  - (iii) any wreck.

(4) The master of a vessel may forcibly repel a person committing or attempting to commit an offence under subsection (1).

(5) A person who commits an offence under this section is liable on summary conviction-

- (a) in the case of an offence under subsection (1), to a fine not exceeding level 3 on the standard scale; or
- (b) in the case of an offence under subsection (3), to a fine not exceeding level 4 on the standard scale.

290. (1) Where the Receiver has reason to believe that-

Powers of entry, etc.

- (a) any wreck is being concealed by or is in the possession of some person who is not the owner of it; or
- (b) any wreck is being otherwise improperly dealt with,

he may apply to the Court for a search warrant.

(2) Where a search warrant is granted under subsection (1) to the Receiver, he may, by virtue of the warrant-

- (a) enter any house, or other place wherever situated, or any vessel; and
- (b) search for, seize and detain any wreck found there.

(3) If any seizure of wreck is made under this section in consequence of information given by any person to the Receiver, the person giving the information shall be entitled, by way of salvage, to such sum, not exceeding two hundred dollars, as the Receiver may allow.

Release of goods from  
customs control

291. (1) The Collector of Customs shall, subject to taking security for the protection of the revenue in respect of the goods, permit all goods saved from any ship stranded or wrecked on its homeward voyage to be forwarded to the port of its original destination.

(2) The Collector of Customs shall, subject to taking such security, permit all goods saved from any ship stranded or wrecked on its outward voyage to be returned to the port at which they were shipped.

(3) In this section-

“goods” include wares and merchandise.

Powers of Port  
Authority in relation to  
wrecks

292. (1) Where any vessel is sunk, stranded or abandoned in, or near any approach to, any port, harbour or tidal water under the control of the Port Authority in such a manner as, in the opinion of the Authority, to be, or be likely to become, an obstruction or danger to navigation or to lifeboats engaged in lifeboat service in that port, harbour or water or approaches thereto, or a threat to the environment, the Authority may exercise any of the powers conferred by subsection (2).

(2) The powers referred to in subsection (1) are-

- (a) to take possession of, and raise, remove or destroy the whole or any part of the vessel and any other property to which the power extends;
- (b) to light or buoy the vessel or part of the vessel and any such other property until it is raised, removed or destroyed;
- (c) subject to subsections (5) and (6), to sell, in such manner as the Authority thinks fit, the vessel or part of the vessel so raised or removed and any other property referred to in subsection (3) and recovered in the exercise of the powers conferred by paragraph (a) or (b); and
- (d) to reimburse itself, out of the proceeds of the sale, for the expenses incurred by it in relation to the sale.



(3) The other property to which the powers conferred by subsection (2) extend is every article, thing or collection of things being or forming part of the equipment, cargo, stores or ballast of the vessel.

(4) Any surplus of the proceeds of a sale under subsection (2)(c) shall be held by the Authority in trust for the persons entitled thereto.

(5) Except in the case of property which is of a perishable nature or which would deteriorate in value by delay, no sale shall be made under subsection (2)(c) until at least seven days' notice of the intended sale has been given by advertisement in a local newspaper circulating in or near the area over which the Authority has control.

(6) At any time before any property is sold under subsection (2)(c), the owner of the property shall be entitled to have it delivered to him on payment of its fair market value.

(7) The market value of property for the purposes of subsection (6) shall be that agreed to between the Authority and the owner or, failing agreement, that determined by a person appointed for the purpose by the Minister.

(8) The sum paid to the Authority in respect of any property under subsection (6) shall, for the purposes of this section, be treated as the proceeds of sale of the property.

(9) Any proceeds of sale arising under subsection (2)(c) from the sale of a vessel and any other property recovered from the vessel shall be treated as a common fund.

(10) This section is without prejudice to any other powers of the Port Authority or the Port Director under the Port Authority Law (1999 Revision), relating to wrecks.

1999 Revision

### Salvage

293. Sections 295 to 328 do not apply to fixed or floating platforms or to mobile off-shore drilling units when such platforms or units are on location engaged in the exploration, exploitation or production of sea-bed mineral resources.

Non-application to platforms and drilling units

294. (1) Sections 295 to 328 do not apply to warships or other non-commercial vessels owned or operated by a foreign state and entitled, at the time of salvage operations, to sovereign immunity under generally recognised principles of international law unless that state has decided to apply the Salvage Convention to such ships or vessels.

Non-application to foreign state-owned vessels

(2) For the purposes of any proceedings under this Law, a certificate signed by the Secretary General of the Organisation, setting out a state's decision

to apply the Convention to ships and vessels referred to in subsection (1) and the terms and conditions of such application, shall be prima facie evidence of the facts stated therein.

- Life salvage
295. (1) Where services are rendered-
- (a) wholly or in part in Cayman Islands waters, in saving life from any vessel; or
  - (b) outside Cayman Islands waters, in saving life from any Cayman Islands vessel,

the owner of the vessel, cargo or equipment saved shall pay to the salvor a reasonable amount of salvage to be determined in the manner set out in this Part.

(2) Salvage in respect of the preservation of life, when payable by the owners of a vessel, shall have priority over all other claims for salvage.

(3) Under no circumstances shall salvage be due from a person whose life has been saved.

- Salvage of cargo
296. (1) Where any vessel is wrecked, stranded or in distress in Cayman Islands waters or on the shores of the Islands and services are rendered-
- (a) by a person assisting the vessel or saving the cargo or equipment of the vessel or any part thereof; or
  - (b) by a person other than the Receiver in saving any wreck,

the owner of the vessel, cargo, equipment or wreck shall pay to the salvor a reasonable amount of salvage, the amount of which is to be determined in the manner set out in this Part.

(2) A salvor of human life, who has participated in services rendered in the event of a maritime casualty giving rise to salvage, shall be entitled to a fair share of the remuneration awarded to the salvor for salvaging the vessel or other property or preventing or minimising damage to the environment.

- Services excluded from salvage remuneration
297. Nothing in this Part shall entitle a person to salvage remuneration-
- (a) in respect of salvage services rendered contrary to any express and reasonable prohibition of such services on the part of the vessel or aircraft or by the owner of property to which such services are rendered;
  - (b) in respect of services rendered by a tug to, or in respect of, the vessel or aircraft which it is towing or the cargo thereof, except where such services are of an exceptional character such as are outside the scope of the contract of towage;
  - (c) if he has caused the distress giving rise to the salvage, either intentionally or through negligence; or

- (d) if and to such extent as it appears that he has concealed or unlawfully disposed of any property salvaged.

298. (1) Except as otherwise provided in section 307, no remuneration shall be due under this Law if the salvage operations had no useful result. Conditions for salvage remuneration

(2) A salvor shall be entitled to remuneration under this Part notwithstanding that the vessel performing the salvage operation and the vessel, cargo or other property salvaged belong to the same owner.

299. (1) Sections 295 to 325 shall apply to any salvage operation unless a contract expressly or by implication provides otherwise. Salvage contracts

(2) The master of a Cayman Islands vessel shall have the authority to conclude contracts for salvage operations on behalf of the owner of the vessel, and the master and the owner of a Cayman Islands vessel shall have the authority to conclude contracts on behalf of the owner of property on board the vessel.

(3) Nothing in this section shall affect the application of section 300 or the duties to prevent or minimise damage to the environment provided in sections 301(b) and 302(b).

300. Any contract relating to salvage or any terms thereof may be annulled or modified by the Court, where it appears to the Court that- Annulment or modification of contracts

- (a) the contract had been entered into under undue influence or the influence of danger and its terms are inequitable; or
- (b) the payment under the contract is too large or too small for the services actually rendered.

301. The salvor shall owe a duty to the owner of the vessel or other property in danger to- Duties of salvor

- (a) carry out the salvage operation with due care;
- (b) exercise due care to prevent or minimise damage to the environment in performing the duty specified in paragraph (a);
- (c) seek assistance from other salvors whenever the circumstances reasonably so require; and
- (d) accept the intervention of other salvors when reasonably requested to do so by the owner or master of the vessel or the owner of other property in danger and in such case the amount of his reward shall not be prejudiced where he proves that such a request was unreasonable.

302. The owner and master of the vessel or the owner of other property in danger shall owe a duty to the salvor- Duties of owner and master

- (a) to co-operate fully with him during the course of the salvage operations;

- (b) in performing the duty specified in paragraph (a) to exercise due care to prevent or minimise damage to the environment; and
- (c) when the vessel or other property has been brought to a place of safety, to accept redelivery when reasonably requested to do so by the salvor.

Powers of Director

303. (1) The Director may-

- (a) give directions in relation to any salvage operation; and
- (b) take measures in accordance with generally recognised principles of international law to protect the environment from pollution following a maritime casualty or acts relating to such casualty which may reasonably be expected to result in harmful consequences.

(2) The Director shall, in giving directions and taking measures under subsection (1), take into account the need for cooperation between salvors, other interested parties and the public authorities in order to ensure the efficient and successful performance of salvage operations for the purpose of saving life or property in danger as well as preventing damage to the environment in general.

(3) Any public officer or other person acting under directions as referred to in this section shall be under a duty to exercise due care in preventing or minimising damage to the environment.

(4) Any public authority or an officer thereof who is reasonably within the vicinity of a vessel or person in distress or danger of being lost at sea shall render assistance to save the vessel and life by cooperating in-

- (a) the procurement and provision of facilities to salvors;
- (b) the admittance to the port of vessels in distress;
- (c) ensuring the efficient and successful performance of the salvage operation for the purpose of saving life or property; and
- (d) preventing or minimising damage to the environment.

Criteria for fixing salvage rewards

304. Salvage rewards shall be fixed with a view to encouraging salvage operations, taking into account the following criteria without regard to the order in which they are listed-

- (a) the salved value of the vessel and other property;
- (b) the skill and efforts of the salvors in preventing or minimising damage to the environment;
- (c) the measure of success achieved by the salvor;
- (d) the nature and degree of the danger;
- (e) the skill and efforts of the salvors in saving the vessel, other property and life;

- (f) the time used and the expenses and losses incurred by the salvors;
- (g) the risk of liability and other risks run by the salvors or their equipment;
- (h) the promptness of the services rendered;
- (i) the availability and use of vessels or other equipment intended for salvage operations; and
- (j) the state of readiness and efficiency of the salvor's equipment and the value thereof.

305. (1) Payment of a reward fixed in accordance with section 304 shall be made by all of the owners of the vessel and other property interests in proportion to their respective salvaged values. Responsibility for payment of reward

(2) For expediency, the ship owner shall pay the reward on behalf of all interests referred to in subsection (1) subject to his retaining the right to be reimbursed by these other interests.

(3) The ship owner who makes the payment under subsection (2) may require the other interests to provide security not exceeding the values of their respective salvaged interests until he has been fully reimbursed.

306. The salvage reward, excluding any interest and recoverable legal costs that may be payable thereon, shall not exceed the salvaged value of the vessel and other property salvaged. Quantum of reward

307. (1) Where a salvor has carried out salvage operations in respect of a vessel which by itself or its cargo threatened damage to the environment and has failed to earn a reward under this Part equivalent at least to the special compensation assessable under subsection (2), he shall be entitled to special compensation from the owner of that vessel equivalent to his expenses as defined in subsection (3). Special compensation

(2) Where, in the circumstances set out in subsection (1), the salvor by his salvage operations has prevented or minimised damage to the environment, the special compensation payable by the owner to the salvor under subsection (1) may be increased up to a maximum of thirty per cent of the expenses incurred by the salvor, and the Court or person determining the award may, where it or he deems it fair and just, increase such special compensation further, bearing in mind the criteria set out in section 304, but in no event shall the total increase be more than one hundred per cent of the expenses incurred by the salvor.

(3) In subsections (1) and (2)-

“salvor's expenses” mean the out of pocket expenses reasonably incurred by the salvor in the salvage operation and a fair rate for equipment and personnel actually and reasonably used in the salvage operation, taking into consideration the criteria set out in section 304(h), (i) and (j).

(4) The total special compensation assessable under this section shall be paid only if and to the extent that such compensation is greater than any reward recoverable under section 304.

(5) Where the salvor, in carrying out the salvage operations, has acted negligently and has thereby failed to prevent or minimise damage to the environment, he may be deprived of the whole or a part of any special compensation payable under this section.

(6) Nothing in this section shall affect any right of recourse available to the owner of the vessel.

Services rendered under existing contract

308. No payment is due under this Part unless the services rendered exceed what can be reasonably considered as due performance of a contract entered into before the danger giving rise to the salvage operations arose.

Apportionment between salvors

309. (1) The apportionment between salvors of a reward fixed under section 304 shall be made on the basis of the criteria listed in that section.

(2) The apportionment between the owner, master and other persons in the service of each salving vessel shall be determined by the law of the State in which such vessel is registered.

(3) Where the salvage referred to in subsection (1) has not been carried out from a vessel, the apportionment shall be determined by the law governing the contract between the salvor and his servant; and, in the absence of formal contract, the Court or person determining the apportionment and disbursement shall apply general principles of law and equity according to the merits of the case in order to reach a just and equitable decision.

Salvor's misconduct

310. A salvor may be deprived of the whole or part of the payment due to him under this Part to the extent that the salvage operation has become necessary or more difficult because of fault or neglect on his part or if the salvor has been guilty of fraud or other dishonest conduct.

Maritime lien

311. Nothing in this Part shall affect the salvor's maritime lien under any law of the Islands, provided, however, that the salvor may not enforce his maritime lien when reasonable security for his claim, including interest and costs, has been tendered or provided.

Duty to provide security

312. (1) A person liable for a payment under this Part shall, upon the request of the salvor, give security to the satisfaction of the salvor for the claim, including interest and costs of the salvor.

(2) Without prejudice to subsection (1), the owner of the salvaged vessel shall take all reasonable steps to ensure that the owner of the cargo provides security to the satisfaction of such owner of the vessel or of the salvor for the claims against them, including interest and costs, before the cargo is released.

(3) The salvaged vessel and property shall not, without the consent of the salvor, be removed from the port or place at which they first arrive after the completion of the salvage operation until security to the satisfaction of the salvor has been put up for the salvor's claim against the relevant vessel or property.

(4) In the event of any dispute between the salvor and a person liable for a payment under this Part, or between the owner of the vessel and the owner of the cargo referred to in subsection (2), relating to the security to be provided under this section, the tribunal having jurisdiction over the salvors' claim may, upon the application of any such party in that behalf, decide the amount and the terms of such security.

313. (1) The Court or person adjudicating the claim of the salvor may, upon the application of the salvor, make an interim order for payment to the salvor of such amount as the Court or person may deem fair and just, and on such terms, including terms as to security where appropriate, as may be fair and just in the circumstances of the case.

Interim payment

(2) In the event of any interim payment under subsection (1), the security provided under section 312 shall be reduced accordingly.

314. Non-commercial cargoes owned by a state and entitled, at the time of salvage operations, to sovereign immunity under generally recognised principles of international law, shall not be subject to seizure, arrest or detention by any legal process, or to any in rem proceedings, without the express consent of the state owner of such cargo.

State-owned cargoes

315. No humanitarian cargoes donated by a state shall be subject to seizure, arrest or detention, where such state has agreed to pay for salvage service rendered in respect of such humanitarian cargoes.

Humanitarian cargoes

316. (1) Disputes as to the amounts of salvage, whether rendered within or outside the Islands, arising between the salvor and the owners of any vessel, cargo, apparel or wreck shall, if not settled by agreement, arbitration or otherwise, be determined by the Court in any case where all of the following conditions are met, namely-

Determination of salvage dispute

- (a) the parties to the dispute consent;
- (b) the value of the property salvaged does not exceed twenty-five thousand dollars; and
- (c) the amount claimed does not exceed ten thousand dollars.

(2) Subject to subsection (1), disputes as to salvage shall be determined by the Court, but if the claimant does not recover in the Court more than ten thousand dollars, he shall not be entitled to recover any costs, charges or expenses incurred by him in the prosecution of his claim unless the Court certifies that the case is a fit one to be tried by the Court.

(3) A dispute relating to salvage may be determined on the application either of the salvor or of the owner of the property salvaged, or of their respective agents.

(4) The Court or the arbitrators to whom a dispute as to salvage is referred for determination may, for the purpose of determining any such dispute, call to their assistance, as an assessor, a person knowledgeable in maritime affairs and there shall be paid as part of the costs of the proceedings to every such assessor in respect of his services such sum as may be prescribed.

Appeal in cases of salvage dispute

317. Where a dispute relating to salvage has been determined by the Court or by arbitration, any party aggrieved by the decision may appeal therefrom, in like manner as in the case of any other judgment.

Valuation of property salvaged

318. (1) Where any dispute relating to salvage arises, the Receiver may, on the application of either party, appoint a valuer to value the property, and when the valuation has been made, shall give copies thereof to both parties.

(2) A copy of the valuation purporting to be signed by the valuer and certified as a true copy by the Receiver, shall be admissible as evidence in any subsequent proceedings.

(3) Such fee as the Director may direct shall be paid in respect of any valuation made under this section by the person applying for such valuation.

Detention of property liable to salvage

319. (1) Where salvage is due to a person under this Part, the Receiver shall-

- (a) where the salvage is due in respect of services rendered in assisting any vessel, in saving life therefrom or in saving the cargo or equipment thereof, detain the vessel or cargo or equipment; and
- (b) where the salvage is due in respect of the saving of any wreck, and the wreck is not sold as unclaimed under this Part, detain the wreck.

(2) Subject to subsection (3), the Receiver shall detain the vessel and the cargo and equipment or the wreck, as the case may be, until payment is made for salvage or process is issued for the arrest or detention of the property by the Court.

(3) The Receiver may release any property detained under subsection (2) where security is given to his satisfaction or where the claim for salvage exceeds ten thousand dollars, and any question is raised as to the sufficiency of the security to the satisfaction of the Court.

(4) Any security given for salvage in pursuance of this section to an amount exceeding ten thousand dollars may be enforced by the Court in the same manner as if bail had been granted in that Court.



320. (1) The Receiver may sell any detained property if the persons liable to pay the salvage in respect of which the property is detained are aware of the detention, in the following circumstances-

Sale of detained property

- (a) where the amount is not disputed and payment of the amount due is not made within twenty days after it has become due;
- (b) where the amount is disputed but no appeal lies from the decision of the first Court to which the dispute was referred, and payment is not made within twenty days after the decision of the Court; or
- (c) where the amount is disputed and an appeal lies from the decision of the first Court to which the dispute is referred, and within thirty days after the decision of the first Court neither payment of the sum due is made nor proceedings are commenced for an appeal.

(2) The proceeds of sale of detained property shall, after payment of the expenses of the sale, be applied by the Receiver in payment of the expenses, fees and salvage, and any excess shall be paid to the owners of the property or any other persons entitled to it or, in the absence of any such owners or persons, into the Treasury.

(3) In this section-

“detained property” means property detained by the Receiver under section 319 (2).

321. (1) Where the aggregate amount of salvage payable in respect of salvage services rendered in the Islands has been finally determined either by the Court in the manner provided by this Part or by agreement, and does not exceed ten thousand dollars, but a dispute arises as to the apportionment thereof among several claimants, the person liable to pay such amount may apply to the Receiver for leave to pay it to him.

Apportionment of salvage by Receiver

(2) The Receiver shall, if he thinks fit, receive the amount referred to in subsection (1) and, if he does, he shall give to the person paying it a certificate stating the amount paid and the services in respect of which it is paid.

(3) A certificate granted under subsection (2) shall be a full discharge and indemnity to the person by whom the amount was paid and to his vessel, cargo, equipment and effects, against the claims of all persons in respect of the services mentioned in the certificate.

(4) The Receiver shall promptly distribute any amount received by him under this section among the persons entitled thereto on such evidence and in such shares and proportions as he thinks fit, and may retain any money which appears to him to be payable to any person who is absent.

(5) Any decision by the Receiver under subsection (4) shall be made on the basis of the criteria set out in section 304.

(6) A distribution of any amount made by the Receiver under this section shall be final and conclusive as against all persons claiming to be entitled to any portion of the amount distributed.

Apportionment of salvage by Court

322. (1) Whenever the aggregate amount of salvage payable in respect of salvage services rendered in the Islands has been finally determined and exceeds ten thousand dollars, or whenever the aggregate amount of salvage payable in respect of salvage services rendered outside the Islands has been finally determined, but in either case any delay or dispute arises as to the apportionment thereof, the Court-

- (a) may cause such amount to be apportioned among the persons entitled thereto in such manner as it thinks just, and may for that purpose, if it thinks fit, appoint a person to carry that apportionment into effect; and
- (b) may compel a person, in whose hands or under whose control the amount may be, to distribute such amount or to bring it into Court to be dealt with as the Court directs,

and for the purposes aforesaid issue such process as it thinks fit.

(2) Any decision of the Court under this section shall be made on the basis of the criteria set out in section 304.

Salvor's right to interest

323. A salvor shall be entitled to be paid interest on any payment due to him under this Part, and the amount of such interest shall be at the discretion of the Court or person adjudicating the case.

Application to the Government

324. (1) Where civil salvage services are rendered by or on behalf of the Government, or with the aid of Government property, the Government shall, subject to regulations made under section 325, be entitled to claim salvage in respect of those services to the same extent, and shall have the same rights and remedies as any other salvor.

(2) Subject to any law relating to proceedings against the Government, and to any regulations made under section 325, this Part, except and to such extent as may be prescribed, shall apply in relation to salvage services rendered in assisting any ship of the Government, in saving life therefrom or in saving any cargo or equipment belonging to the Government, in the same manner as if the ship, cargo or equipment belonged to a private person.

Regulations

325. The Cabinet may make regulations providing for the application or modification of this Part to ships referred to in section 324(2), and in relation to the services referred to in section 324(1).

326. (1) No action shall be instituted in respect of any salvage services unless proceedings therein are commenced within two years after the date on which the salvage operations were terminated; but the Court may extend any such period to such extent and on such conditions as it considers fit.

Time limit for salvage proceedings

(2) An action for indemnity by a person liable under this Part may be instituted within two years after the date of termination of the salvage operations, but the Court may extend the limitation period to such extent and on such conditions as it considers fit.

327. In fixing a reward under sections 304, 305 and 306, and assessing special compensation under section 307, the Court or arbitrator is under no duty to fix a reward under sections 304, 305 and 306, up to the maximum salvaged value of the vessel and other property, before assessing the special compensation to be paid under section 307.

The common understanding regarding the reward and special compensation

328. (1) This section applies where-

- (a) services are rendered wholly or in part in Cayman Islands waters in saving life from a vessel of any nationality or elsewhere in saving life from any Cayman Islands ship; and
- (b) either-
  - (i) the vessel and other property are destroyed; or
  - (ii) the sum to which the salvor is entitled under section 296(2) is less than a reasonable amount for the services rendered in saving life.

Recourse for life salvage payment

(2) Where this section applies, the Minister may, if he thinks fit, pay to the salvor such sum or, as the case may be, such additional sum as he thinks fit in respect of the services rendered in saving life.

### **PART XIII - Control of, and Returns as to, Persons on Ships**

329. (1) A person commits an offence if, in relation to a ship to which this section applies -

Offences in connection with passenger ships

- (a) being drunk or disorderly, he has been on that account refused admission to the ship by the owner or a person in his employment, and, after having the amount of his fare (if he has paid it) returned or tendered to him, nevertheless persists in attempting to enter the ship;
- (b) being drunk or disorderly on board the ship, he is requested by the owner or a person in his employment to leave the ship at any place in the Islands at which he can conveniently do so, and, after having the amount of his fare (if he has paid it) returned or tendered to him, does not comply with the request;

- (c) on board the ship, after warning by the master or other officer thereof, he molests or continues to molest any passenger;
- (d) after having been refused admission to the ship by the owner or a person in his employment on account of the ship being full, and having had the amount of his fare (if he has paid it) returned or tendered to him, he nevertheless persists in attempting to enter the ship;
- (e) having gone on board the ship at any place, and being requested, on account of the ship being full, by the owner or a person in his employment to leave the ship before it has left that place, and having had the amount of his fare (if he has paid it) returned or tendered to him, he does not comply with that request;
- (f) on arriving in the ship at a place to which he has paid his fare, he knowingly and intentionally refuses or neglects to leave the ship; or
- (g) on board the ship he fails, when requested by the master or other officer thereof, either to pay his fare or show such ticket or other receipt, if any, showing the payment of his fare, as is usually given to persons travelling by and paying their fare for the ship,

but his liability, in respect of any such offence, shall not prejudice the recovery of any fare payable by him.

(2) A person commits an offence if, on board any ship to which this section applies, he intentionally does or causes to be done anything in such a manner as to-

- (a) obstruct or damage any part of the machinery or equipment of the ship; or
- (b) obstruct, impede or molest the crew, or any of them, in the navigation or management of the ship, or otherwise in the execution of their duty on or about the ship.

(3) The master or other officer of any ship to which this section applies, and all persons called by him to his assistance, may, without any warrant, detain any person who commits any offence against subsections (1) or (2) and whose name and address are unknown to the master or officer, and deliver that person to a constable.

(4) A person who commits an offence under subsections (1) or (2) is liable on summary conviction to a fine not exceeding level 2 on the standard scale.

(5) A person who commits an offence against subsections (1) or (2), and on the application of the master of the ship, or any other person in the employment of the owner thereof, refuses to give his name and address, or gives a false name or address, is liable on summary conviction to a fine not exceeding level 2 on the standard scale.

(6) This section applies to a ship for which there is in force a Passenger Ship Safety Certificate, issued under or recognised by this Law.

330. The master of any passenger ship may refuse to receive on board any person who, by reason of drunkenness or otherwise, is in such a state, or misconducts himself in such a manner, as to cause annoyance or injury to passengers on board, and if any such person is on board, may put him on shore at any convenient place.

Power to exclude drunken passengers from certain passenger ships

331. (1) A person who, without the consent of the master or of any other person authorised to give it, goes to sea or attempts to go to sea in a Cayman Islands ship commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

Stowaways

(2) Nothing in section 441 shall be taken to limit the jurisdiction of any court in the Islands to deal with an offence under this section which has been committed in a country outside the Islands by a person who is not a Cayman Islands citizen.

332. Where a Cayman Islands ship or a ship registered in any other country is in a port in the Islands and a person who is neither in the service of the Government of the Islands nor authorised by law to do so-

Unauthorised presence on board

- (a) goes on board the ship without the consent of the master or of any other persons authorised to give it; or
- (b) remains on board the ship after being requested to leave by the master, a constable, an officer authorised by the Director or an officer of customs,

he commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

333. The master of any Cayman Islands ship may cause any person on board the ship to be put under restraint if and for so long as it appears to him necessary or expedient in the interest of safety or for the preservation of good order or discipline on board the ship.

Master's power of arrest

334. (1) Where a person goes to sea in a ship without the consent of the master or of any other person authorised to give it or is conveyed in a ship under section 136(5)(b), sections 121 and 122 shall apply as if he were a seafarer employed in the ship.

Unauthorised persons: offences relating to safety

(2) Subsection (1) shall, in its application to section 121 so far as that section applies to ships which are not seagoing ships, have effect-

- (a) with the omission of the words "goes to sea in a ship"; and
- (b) with the insertion, after the words "to give it", of the words "is on board a ship while it is on a voyage or excursion".

Passenger returns to be made by master

335. (1) The master of every ship, whether or not a Cayman Islands ship, which carries any passenger to a place in the Islands from any place out of the Islands, or from any place in the Islands to any place out of the Islands, shall furnish to such person and in such manner as the Director directs, a return giving the total number of any passengers so carried, distinguishing, if so directed by the Director, the total number of any class of passengers so carried, and giving, if the Director so directs, such particulars with respect to passengers as may be for the time being required by the Director.

(2) Any passenger shall furnish the master of the ship with any information required by him for the purpose of the return.

(3) If-

- (a) the master of a ship fails to make a return as required by this section, or makes a false return; or
- (b) any passenger refuses to give any information required by the master of the ship for the purpose of the return required by this section, or, for that purpose, gives to the master information which he knows to be false or recklessly gives to him information which is false,

the master or passenger commits an offence and is liable on summary conviction to a fine not exceeding level 2 on the standard scale in the case of a failure or refusal and level 3 on the standard scale in the case of a false return or false information.

Returns of births and deaths in ships, etc.

336. (1) The Cabinet may make regulations under subsections (2) to (11) in relation to births and deaths in the circumstances specified therein.

(2) Regulations under this section may require the master of any Cayman Islands ship to make a return to the Shipping Master or proper officer of-

- (a) the birth or death of a person occurring in the ship; and
- (b) the death of a person employed in the ship, wherever occurring outside the Islands,

and to notify any such death to such person, if any, as the deceased may have named to him as his next of kin.

(3) Regulations under this section may require the master of any ship not registered in the Islands which calls at a port in the Islands in the course of or at the end of a voyage to make a return to the Shipping Master of any birth or death of a Cayman Islands citizen which has occurred in the ship during the voyage.

(4) The returns referred to in subsections (2) and (3) shall be for transmission to the Shipping Master.

(5) Regulations under this section may require the Shipping Master to record such information as may be specified in the regulations about such a death as is referred to in subsection (2) in a case where-

- (a) it appears to him that the master of the ship cannot perform his duty under that subsection because he has himself died, is incapacitated or missing; and
- (b) any of the circumstances specified in subsection (6) exist.

(6) The circumstances referred to in subsection (5)(b) are that-

- (a) the death in question has been the subject of-
  - (i) an inquest held by a coroner; or
  - (ii) an inquiry held under section 434,and the findings of the inquest or inquiry include a finding that the death occurred; or
- (b) the deceased's body has been the subject of a post-mortem examination and in consequence the coroner is satisfied that an inquest is unnecessary.

(7) Regulations under this section may require the Shipping Master to send a certified copy of any return or record made thereunder to the Registrar General for the Islands.

(8) The Registrar General to whom any such certified copies are sent-

- (a) shall record the information contained therein in the marine register; and
- (b) may record in the marine register such additional information as appears to him desirable for the purpose of ensuring the completeness and correctness of the register,

and the enactments relating to the registration of births and deaths in the Islands shall have effect as if the marine register were a register of births (other than stillbirths) or deaths or certified copies of entries in such a register had been transmitted to the Registrar General in accordance with those enactments.

(9) Regulations under this section may make a contravention of any provision thereof an offence punishable on summary conviction with a fine not exceeding level 4 on the standard scale.

(10) Regulations under this section may contain provisions authorising the registration of the following births and deaths occurring outside the Islands in circumstances where no return is required to be made under subsections (1) to (9)-

- (a) any birth or death of a Cayman Islands citizen which occurs in a ship not registered in the Islands;

- (b) any death of any such citizen who has been employed in a ship not registered in the Islands which occurs elsewhere than in the ship; or
- (c) any death of a person who has been employed in a Cayman Islands ship which occurs elsewhere than in the ship.

(11) References in this section to deaths occurring in a ship include references to deaths occurring in a ship's boat.

## **PART XIV - Liability and Compensation for Oil Pollution Damage**

### **Chapter I - Liability for Oil Pollution**

Definitions and  
interpretation in this  
Chapter

337. (1) In this Chapter-

“Bunkers Convention” means the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001;

“Bunkers Convention country” means a country in respect of which the Bunkers Convention is in force;

“Bunkers Convention State” means a State which is a party to the Bunkers Convention;

“bunker oil” means any hydrocarbon mineral oil (including lubricating oil) which is carried by a ship and used or intended to be used for the operation or propulsion of that ship and any residues of such oil;

“damage” includes loss;

“Fund” means the International Fund established by the Fund Convention;

“Fund Convention” means the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1992;

“Fund Convention country” means a country in respect of which the Fund Convention is in force;

“Liability Convention” means the International Convention on Civil Liability for Oil Pollution Damage, 1992;

“Liability Convention country” means a country in respect of which the Liability Convention is in force;

“Liability Convention State” means a State which is a party to the Liability Convention;

“oil”, except when used in relation to “bunker oil”, means persistent hydrocarbon mineral oil;



“owner” except when used in relation to “registered owner”, means the registered owner, bareboat charterer, manager and operator of the ship;

“registered owner” means the person or persons registered as the owner of the ship, or in the absence of registration, the person or persons owning the ship, except that, in relation to a ship owned by a State which is operated by a person registered as the ship’s operator, it means the person registered as its operator;

“relevant threat of contamination” includes a relevant threat of contamination falling within section-

- (a) 338(2) as defined in section 338(2A);
- (b) 338A(2) as defined in section 338A(4); and
- (c) 339(2) as defined in section 339(2B); and

“ship”, subject to section 339(4), means any seagoing vessel or sea-borne craft of any type.

(2) In relation to any damage or cost resulting from the discharge or escape of any oil or bunker oil from a ship, or from a relevant threat of contamination, references in this Chapter to the owner or registered owner of the ship are references to the owner or registered owner, as the case may be at the time of the occurrence or first of the occurrences resulting in the discharge or escape or, as the case may be, in the threat of contamination.

### Liability

338. (1) Where, as a result of any occurrence, any oil is discharged or escapes from a ship to which this section applies, then (except as otherwise provided by this Chapter) the registered owner of the ship shall be liable for-

Liability for oil pollution  
in case of tankers

- (a) any damage caused outside the ship in the territory of the Islands by contamination resulting from the discharge or escape;
- (b) the cost of any measures reasonably taken after the discharge or escape for the purpose of preventing or minimising any damage so caused in the territory of the Islands by contamination resulting from the discharge or escape; and
- (c) any damage caused in the territory of the Islands by any measures so taken.

(2) Where, as a result of any occurrence, there arises a grave and imminent threat of damage being caused outside a ship to which this section applies by the contamination that might result if there were a discharge or escape of oil from the ship, then (except as otherwise provided by this Chapter) the registered owner of the ship shall be liable for -

- (a) the cost of any measures reasonably taken for the purpose of preventing or minimising any such damage in the territory of the Islands; and

- (b) any damage caused outside the ship in the territory of the Islands by any measures taken.

(2A) In this Chapter, such a threat as is mentioned in subsection (2) is referred to as a relevant threat of contamination falling within subsection (2).

(3) Subject to subsection (4), this section applies to any ship constructed or adapted for carrying oil in bulk as cargo.

(4) Where any ship so constructed or adapted is capable of carrying other cargoes besides oil, this section shall apply to any other ship-

- (a) while it is carrying oil in bulk as cargo; and
- (b) unless it is proved that no residues from the carriage of any such oil remain in the ship, while it is on any voyage following the carriage of any such oil,

but not otherwise.

(5) Where a person incurs a liability under subsections (1) or (2), he shall also be liable for any damage or cost for which he would be liable under that subsection if the references in it to the territory of the Islands included the territory of any other Liability Convention country.

(6) Where-

- (a) as a result of any occurrence, a liability is incurred under this section by the registered owner of each of two or more ships; but
- (b) the damage or cost for which each of the registered owners would be liable cannot reasonably be separated from that for which the other or others would be liable,

each of the registered owners shall be liable jointly with the other or others, for the whole of the damage or cost for which the registered owners together would be liable under this section.

Liability for pollution by  
bunker oil

338A. (1) Subject to subsection (3), where, as a result of any occurrence, any bunker oil is discharged or escapes from a ship then, except as otherwise provided by this Chapter, the owner of the ship shall be liable for-

- (a) any damage caused outside the ship in the territory of the Islands by contamination resulting from the discharge or escape;
- (b) the cost of any measure reasonably taken after the discharge or escape for the purpose of preventing or minimising any damage so caused in the territory of the Islands by contamination resulting from the discharge or escape; and
- (c) any damage caused in the territory of the Islands by any measures so taken.

(2) Subject to subsection (3), where, as a result of any occurrence, there arises a grave or imminent threat of damage being caused outside a ship by the contamination that might result if there were a discharge or escape of bunker oil from the ship then, except as otherwise provided by this Chapter, the owner of the ship shall be liable for-

- (a) the cost of any measure reasonably taken for the purpose of preventing or minimising any such damage in the territory of the Islands; and
- (b) any damage caused outside the ship in the territory of the Islands by any measures so taken.

(3) There shall be no liability under this section in relation to-

- (a) a discharge or escape of bunker oil from a ship to which section 338 applies; or
- (b) a threat mentioned in subsection (2) arising in relation to a potential discharge or escape of bunker oil from such a ship,

where that bunker oil is also persistent hydrocarbon mineral oil.

(4) In the subsequent provisions of this Chapter-

- (a) a discharge or escape of bunker oil from a ship, other than a discharge or escape of oil excluded by subsection (3), is referred to as a discharge or escape of bunker oil falling within subsection (1); and
- (b) a threat mentioned in subsection (2), other than one excluded by subsection (3), is referred to as a relevant threat of contamination falling within subsection (2).

(5) Where a person incurs a liability under subsection (1) or (2) he shall also be liable for any damage or cost for which he would be liable under that subsection if the references in it to the territory of the Islands included the territory of any other Bunkers Convention country.

(6) Where-

- (a) as a result of any occurrence, a liability is incurred under this section by the owner of two or more ships; and
- (b) the damage or cost for which each of the owners would be liable cannot reasonably be separated from that for which the other or others would be liable,

each of the owners shall be liable, jointly with the other or others, for the whole of the damage or cost for which the owners together would be liable under this section.

339. (1) Subject to subsection (2A), where as a result of any occurrence, any oil is discharged or escapes from a ship then, except as otherwise provided by this Chapter, the registered owner of the ship shall be liable for -

- (a) any damage caused outside the ship in the territory of the Islands by contamination resulting from the discharge or escape;
- (b) the cost of any measures reasonably taken after the discharge or escape for the purpose of preventing or minimising any damage so caused in the territory of the Islands by contamination resulting from the discharge or escape; and
- (c) any damage so caused in the territory of the Islands by any measures so taken.

(2) Subject to subsection (2A), where, as a result of any occurrence, there arises a grave and imminent threat of damage being caused outside a ship by the contamination which might result if there were a discharge or escape of oil from the ship then, except as otherwise provided by this Chapter, the registered owner of the ship shall be liable for -

- (a) the cost of any measures reasonably taken for the purpose of preventing or minimising any such damage in the territory of the Islands; and
- (b) any damage caused outside the ship in the territory of the Islands by any measures so taken.

(2A) No liability shall be incurred under this section by reason of-

- (a) a discharge or escape of oil from a ship to which section 338 applies or a relevant threat of contamination falling within subsection (2) of that section; or
- (b) a discharge or escape of bunker oil falling within section 338A(1) or a relevant threat of contamination falling within section 338A(2).

(2B) In the subsequent provisions of this Chapter-

- (a) a discharge or escape of oil from a ship, other than one excluded by subsection (2A), is referred to as a discharge or escape of oil falling within subsection (1); and
- (b) a threat mentioned in subsection (2), other than one excluded by subsection (2A), is referred to as a relevant threat of contamination falling within subsection (2).

(3) Where-

- (a) as a result of any occurrence, a liability is incurred under this section by the registered owner of each of two or more ships; but

- (b) the damage or cost for which each of the registered owners would be liable cannot reasonably be separated from that for which the other or others would be liable,

each of the registered owners shall be liable jointly with the other or others, for the whole of the damage or cost for which the registered owners together would be liable under this section.

- (4) In this section, other than in subsection (2A)-

“ship” includes a vessel which is not seagoing.

340. (1) No liability shall be incurred by a defendant under section 338, 338A or 339 by reason of a discharge or escape of bunker oil from a ship, or of a relevant threat of contamination, if the defendant proves that subsection (2) applies.

Exceptions from liability under sections 338, 338A and 339

(2) Subsection (1) applies if the discharge or escape or the relevant threat of contamination (as the case may be)-

- (a) resulted from an act of war, hostilities, civil war, insurrection or an exceptional, inevitable and irresistible natural phenomenon;
- (b) was due wholly to anything done or omitted to be done by another person, not being a servant or agent of the defendant, with intent to do damage; or
- (c) was due wholly to the negligence or wrongful act of a government or other authority in exercising its function of maintaining lights or other navigational aids for the maintenance of which it was responsible.

341. (1) Where, as a result of any occurrence-

Restriction of liability for oil pollution

- (a) there is a discharge or escape of oil from a ship to which section 338 applies or there arises a relevant threat of contamination falling within subsection (2) of that section, or;
- (b) there is a discharge or escape of oil falling within section 339(1) or there arises a relevant threat of contamination falling within subsection (2) of that section,

whether or not the registered owner of the ship in question incurs a liability under section 338 or 339-

- (i) he shall not be liable otherwise than under that section for any such damage or cost as is mentioned in it; and
- (ii) no person to whom this paragraph applies shall be liable for any such damage or cost unless it resulted from anything done or omitted to be done by him either with intent to cause any such damage or cost or recklessly and in the

knowledge that any such damage or cost would probably result.

(2) Subsection (1)(ii) applies to-

- (a) a servant or agent of the registered owner of the ship;
- (b) a person not falling within paragraph (a) but employed or engaged in any capacity on board the ship or to perform any service for the ship;
- (c) a charterer of the ship (however described and including a bareboat charterer), and any manager or operator of the ship;
- (d) a person performing salvage operations with the consent of the registered owner of the ship or on the instructions of a competent public authority;
- (e) a person taking any such measures as are mentioned in subsection (1)(b) or (2)(a) of section 338 or 339; or
- (f) a servant or agent of a person falling within paragraph (c), (d) or (e).

(2A) Where, as a result of any occurrence-

- (a) there is discharge or escape of bunker oil falling within section 338A(1); or
- (b) there arises a relevant threat of contamination falling within section 338A(2),

then whether or not the owner of the ship in question incurs any liability under section 338A-

- (i) he shall not be liable otherwise than under that section for any such damage or cost as is mentioned in it; and
- (ii) no person to whom this subsection applies shall be liable for any such damage or cost unless it resulted from anything done or omitted to be done by him either with intent to cause any such damage or cost or recklessly and in the knowledge that any such damage or cost would probably result.

(2B) Subsection (2A)(ii) applies to any-

- (a) servant or agent of the owner;
- (b) person not falling within paragraph (a) but engaged in any capacity on board the ship or to perform any service for the ship;
- (c) person performing salvage operations with the consent of the owner of the ship or on the instructions of a competent public authority;
- (d) person taking any such measures as are mentioned in subsection (1)(b) or (2)(a) of section 338A; and

- (e) servant or agent of a person falling within paragraph (c) or (d).
- (3) The liability of a person under section 338, 338A or 339 for any impairment of the environment shall be taken to be a liability only in respect of-
  - (a) any resulting loss of profits; and
  - (b) the cost of any reasonable measures of reinstatement actually taken or to be taken.

341A. For the purposes of this Chapter-

Liability under sections 338, 338A and 339

- (a) references to a discharge or escape of oil or bunker oil from a ship are references to such a discharge or escape wherever it may occur;
- (b) references to a discharge or escape of oil from a ship include a discharge or escape of oil carried in the bunkers of the ship;
- (c) where more than one discharge or escape of oil or bunker oil results from the same occurrence or from a series of occurrences having the same origin, they shall be treated as one, but any measures taken after the first of them shall be deemed to have been taken after the discharge or escape; and
- (d) where a relevant threat of contamination results from a series of occurrences having the same origin, they shall be treated as a single occurrence.

#### Limitation of Liability

342. (1) Where, as a result of any occurrence, the registered owner of a ship incurs liability under section 338 by reason of a discharge or escape or by reason of any relevant threat of contamination falling within subsection (2) of that section, then, subject to subsection (4)-

Limitation of liability under section 338

- (a) he may limit that liability in accordance with this Chapter; and
- (b) if he does so, his liability (being the aggregate of his liabilities under section 338 resulting from the occurrence) shall not exceed the relevant amount.

(2) In subsection (1)-

“relevant amount” means-

- (a) in relation to a ship not exceeding 5,000 tons, 4,510,000 special drawing rights;
- (b) in relation to a ship exceeding 5,000 tons but not exceeding 140,000 tons, 4,510,000 special drawing rights plus an additional 631 special drawing rights for each ton exceeding 5,000 tons; or
- (c) in relation to a ship exceeding 140,000 tons, 89,770,000 special drawing rights.

(3) The Cabinet may, by Order, make such amendments to this section as may be appropriate for the purpose of implementing any protocol or amendment in force in respect of the Liability Convention including the implementation of any such amendments relating to the limits of liability, as laid down in subsection (2), in force in the Islands.

(4) Subsection (1) shall not apply in a case where it is proved that the discharge or escape, or the relevant threat of contamination, as the case may be, resulted from anything done or omitted to be done by the owner either with intent to cause any such damage or cost as is mentioned in section 338 or recklessly and in the knowledge that any such damage or cost would probably result.

(5) For the purposes of this section, a ship's tonnage shall be its gross tonnage calculated in accordance with the Tonnage Regulations, 2002.

Limitation actions

343. (1) Where the registered owner of a ship has or is alleged to have incurred a liability under section 338 he may apply to the Court for the limitation of that liability to an amount determined in accordance with section 342.

(2) If, on such an application, the Court finds that the applicant has incurred such a liability but has not found that he is not entitled to limit it, the Court shall, after determining the limit of the liability and directing payment into Court of the amount of that limit-

- (a) determine the amounts that would, apart from the limit, be due in respect of the liability to the several persons making claims in the proceedings; and
- (b) direct the distribution of the amount paid into Court (or, as the case may be, so much of it as does not exceed the liability) among those persons in proportion to their claims, subject to subsections (3) to (9).

(3) Where-

- (a) a distribution is made under subsection (2)(b) without the Court having found that the applicant is entitled to limit his liability; and
  - (b) the Court subsequently finds that the applicant is not so entitled,
- the making of the distribution is not to be regarded as affecting the applicant's liability in excess of the amount distributed.

(4) A payment into Court of the amount of a limit determined under this section shall be made in dollars and-

- (a) for the purpose of converting such an amount from special drawing rights into dollars, one special drawing right shall be treated as equal to such a sum in dollars as the International



Monetary Fund have fixed as being the equivalent of one special drawing right for-

- (i) the day on which the determination is made; or
  - (ii) if no sum has been so fixed for that day, the last day before that day for which a sum has been so fixed;
- (b) a certificate given by or on behalf of the Minister stating-
- (i) that a particular sum in dollars has been so fixed for the day on which the determination was made; or
  - (ii) that no sum has been fixed for that day, and that a particular sum in dollars has been so fixed for a day which is the last day for which a sum has been so fixed before the day on which the determination was made,
- shall be conclusive evidence of those matters for the purposes of this Chapter; and
- (c) a document purporting to be such a certificate shall, in any proceedings, be received in evidence and, unless the contrary is proved, be deemed to be such a certificate.

(5) No claim shall be admitted in proceedings under this section unless it is made within such time as the Court may direct or such further time as the Court may allow.

(6) Where any sum has been paid in or towards satisfaction of any claim in respect of the damage or cost to which the liability extends-

- (a) by the registered owner or the persons referred to in section 350 as “the insurer” in relation to any insurance or other security provided as referred to in subsection (1) of that section; or
- (b) by a person who has or is alleged to have incurred a liability, otherwise than under section 338, for the damage or cost and who is entitled to limit his liability in connection with the ship by virtue of Chapter II of Part XVI,

the person who paid the sum shall, to the extent of that sum, be in the same position with respect to any distribution made in proceedings under this section as the person to whom it was paid would have been.

(7) Where the person who incurred the liability has voluntarily made any reasonable sacrifice or taken any other reasonable measures to prevent or reduce damage to which the liability extends or might have extended, he shall be in the same position with respect to any distribution made in proceedings under this section as if he had a claim in respect of the liability equal to the cost of the sacrifice or other measures.

(8) The Court may, if it thinks fit, postpone the distribution of such part of the amount to be distributed as it deems appropriate having regard to any claims that may later be established before a court of any country outside the Islands.

(9) No lien or other right in respect of any ship or other property shall affect the proportions in which any amount is distributed under subsection (2)(b).

Restriction on enforcement after establishment of limitation fund

344. Where the Court has found that a person who has incurred a liability under section 338 is entitled to limit that liability to any amount and he has paid into Court a sum not less than that amount-

- (a) the Court shall order the release of any ship or other property arrested in connection with a claim in respect of that liability or any security given to prevent or obtain release from such an arrest; and
- (b) no judgment or decree for any such claim shall be enforced, except so far as it is for costs,

if the sum paid into Court, or such part thereof as corresponds to the claim, will be actually available to the claimant or would have been available to him if the proper steps in the proceedings under section 343 had been taken.

Concurrent liabilities of owners and others

345. Where, as a result of any discharge or escape of oil from a ship or as a result of any relevant threat of contamination, the registered owner of the ship incurs a liability under section 338 and any other person incurs a liability, otherwise than under that section, for any such damage or cost as is mentioned in subsections (1) or (2) of that section then, if-

- (a) the owner has been found in proceedings under section 343 to be entitled to limit his liability to any amount and has paid into Court a sum not less than that amount; and
- (b) the other person is entitled to limit his liability in connection with the other ship by virtue of Chapter II of Part XVI,

no proceedings shall be taken against the other person in respect of his liability, and if any such proceedings were commenced before the owner paid the sum into court, no further steps shall be taken in the proceedings except in relation to costs.

Establishment of limitation fund outside the Islands

346. Where the events resulting in the liability of a person under section 338 also resulted in a corresponding liability under the law of another Liability Convention country, sections 344 and 345 shall apply as if the references to sections 338 and 343 included references to the corresponding provisions of that law and the references to sums paid into Court included references to any sums secured under those provisions in respect of the liability.

Extinguishment of claims

347. No action to enforce a claim in respect of a liability incurred under section 338, 338A or 339 shall be entertained by a Court in the Islands unless the action is commenced not later than three years after the claim arose nor later than six years after the occurrence or first of the occurrences resulting in the discharge or escape, or, as the case may be, in the relevant threat of contamination, by reason of which the liability was incurred.

### Compulsory Insurance

348. (1) Subject to the provisions of this Chapter relating to Government ships, subsection (2) shall apply to any ship carrying in bulk a cargo of more than two thousand tons of oil of a description specified in regulations made by the Cabinet.

Compulsory insurance  
against liability for  
pollution

(2) The ship shall not enter or leave a port in the Islands or arrive at or leave a terminal in the territorial sea of the Islands nor, if the ship is a Cayman Islands ship, a port in any other country or a terminal in the territorial sea of any other country, unless there is in force a certificate complying with subsection (3) and showing that there is in force in respect of the ship a contract of insurance or other security satisfying the requirements of Article VII of the Liability Convention (cover for owner's liability).

(3) The certificate shall be-

- (a) if the ship is a Cayman Islands ship, a certificate issued by the Director;
- (b) if the ship is registered in a Liability Convention country other than the Islands, a certificate issued by or under the authority of the government of the other Liability Convention country; or
- (c) if the ship is registered in a country which is not a Liability Convention country, a certificate issued by the Director or by or under the authority of the government of any Liability Convention country other than the Islands.

(4) Any certificate required by this section to be in force in respect of a ship shall be carried in the ship and shall, on demand, be produced by the master to any officer of customs, the Director or any surveyor authorised by the Director for the purpose and, if the ship is a Cayman Islands ship, to any proper officer.

(5) If a ship enters or leaves, or attempts to enter or leave, a port or arrives at or leaves, or attempts to arrive at or leave, a terminal in contravention of subsection (2), the master or owner commits an offence and is liable on summary conviction to a fine of fifty thousand dollars.

(6) If a ship fails to carry, or the master of a ship fails to produce, a certificate as required by subsection (4), the master commits an offence and is liable on summary conviction to a fine not exceeding level 4 on the standard scale.

(7) Where a ship which is in a port in the Islands is found to be in contravention of this section, such ship may, in addition to any penalties which may apply, be detained until such contravention is remedied.

348A.(1) Subject to the provisions of this Chapter relating to Government ships, subsection (2) shall apply to any ship having a gross tonnage greater than 1,000 tons calculated in accordance with the Tonnage Regulations.

Compulsory insurance  
against liability for  
pollution from bunker  
oil

(2) The ship shall not enter or leave a port in the Islands or arrive at or leave a terminal in the territorial sea of the Islands nor, if the ship is a Cayman Islands ship, a port in any other country or a terminal in the territorial sea of any other country, unless there is in force in respect of the ship-

- (a) a contract of insurance or other security satisfying the requirements of Article 7 of the Bunkers Convention; and
- (b) a certificate complying with subsection (3) showing that there is in force a contract of insurance or other security satisfying those requirements.

(3) The certificate shall be-

- (a) if the ship is a Cayman Islands ship, a certificate issued by the Director;
- (b) if the ship is registered in a Bunkers Convention country other than the Islands, a certificate issued by or under the authority of the government of the other Bunkers Convention country; or
- (c) if the ship is registered in a country which is not a Bunkers Convention country, a certificate issued by the Director or by or under the authority of the government of any Bunkers Convention country other than the Islands.

(4) Any certificate required by this section to be in force in respect of a ship shall be carried in the ship and shall, on demand, be produced by the master to any officer of customs, the Director or any surveyor authorised by the Director for the purpose and, if the ship is a Cayman Islands ship, to any proper officer.

(5) If a ship enters or leaves, or attempts to enter or leave a port or arrives at or leaves, or attempts to arrive at or leave, a terminal in contravention of subsection (2), the master or registered owner commits an offence and is liable on summary conviction to a fine of fifty thousand dollars.

(6) If a ship fails to carry, or the master of a ship fails to produce, a certificate as required by subsection (4), the master commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

(7) Where a ship which is in a port in the Islands is found to be in contravention of this section, such ship may, in addition to any penalties which may apply, be detained until such contravention is remedied.

Issue of certificate by  
Director

349. (1) Subject to subsection (2), if the Director is satisfied, on the application for such a certificate as is mentioned in section 348(2) in respect of a Cayman Islands ship or a ship registered in any country which is not a Liability Convention country, that there will be in force in respect of the ship, throughout the period for which the certificate is to be issued, a contract of insurance or other

security satisfying the requirements of Article VII of the Liability Convention, the Director shall issue such a certificate to the registered owner.

(1A) Subject to subsection (2), if the Director is satisfied, on the application for such a certificate as is mentioned in section 348A(2) in respect of a Cayman Islands ship or a ship registered in any country which is not a Bunkers Convention country, that there will be in force in respect of the ship, throughout the period for which the certificate is to be issued, a contract of insurance or other security satisfying the requirements of Article 7 of the Bunkers Convention, the Director shall issue such a certificate to the registered owner.

(2) The Director may refuse the certificate if he is of the opinion that there is doubt whether-

- (a) the person providing the insurance or other security will be able to meet his obligations thereunder; or
- (b) the insurance or other security will cover the registered owner's liability under section 338 or the owner's liability under section 338A, as the case may be.

(3) The Cabinet may make regulations providing for the cancellation and surrender of a certificate under this section in such circumstances as may be prescribed by the regulations.

(4) A person who is required by regulations under subsection (3) to surrender a certificate and fails to do so commits an offence and is liable on summary conviction to a fine not exceeding level 4 on the standard scale.

(5) The Director shall make available for public inspection a copy of any certificate issued by him under this section in respect of a Cayman Islands ship.

350. (1) Where it is alleged that the registered owner of a ship has incurred a liability under section 338 as a result of any discharge or escape of oil occurring, or as a result of any relevant threat of contamination arising, while there was in force a contract of insurance or other security to which such a certificate as is mentioned in section 348(2) related, proceedings to enforce a claim in respect of the liability may be brought against the person who provided the insurance or other security, in this section referred to as "the insurer".

Rights of third parties  
against insurers

(2) Where it is alleged that the owner of a ship has incurred a liability under section 338A as a result of any discharge or escape of bunker oil occurring, or as a result of any relevant threat of contamination arising, while there was in force a contract of insurance or other security to which such a certificate as is mentioned in section 348A(2) related, proceedings to enforce a claim in respect of the liability may be brought against the insurer.

(3) In any proceedings brought against the insurer by virtue of this section in respect of liability under section 338 it shall be a defence, in addition to any defence affecting the registered owner's liability, to prove that the discharge or

escape, or, as the case may be, the threat of contamination, was due to the wilful misconduct of the registered owner himself.

(4) The insurer may limit his liability in relation to claims in respect of liability under section 338 which are made against him by virtue of this section in like manner and to the same extent as the registered owner may limit his liability under section 342, but the insurer may do so whether or not the discharge or escape, or, as the case may be, the threat of contamination, resulted from anything done or omitted to be done by the registered owner as mentioned in section 342(4).

(5) Where the registered owner and insurer each applies to the court for the limitation of his liability, in relation to liability under section 338, any sum paid into court in pursuance of either application shall be treated as paid also in pursuance of the other.

(6) In any proceedings brought against the insurer by virtue of this section in respect of liability under section 338A it shall be a defence, in addition to any defence affecting the owner's liability, to prove that the discharge or escape, or, as the case may be, the threat of contamination, was due to the wilful misconduct of the owner himself.

(7) The insurer may limit his liability in relation to claims in respect of liability under section 338A which are made against him by virtue of this section in like manner and to the same extent as the owner may limit his liability by virtue of Chapter 2 of Part XVI but the insurer may do so whether or not the discharge or escape, or, as the case may be, the threat of contamination, resulted from any act or omission mentioned in section 399.

(8) Where the owner and the insurer each applies to the court for the limitation of his liability, in relation to liability under section 338A, any sum paid into court in pursuance of either application shall be treated as paid also in pursuance of the other.

### **Supplemental**

351. (1) Where-

- (a) there is a discharge or escape of oil from a ship to which section 338 applies, or a discharge or escape of oil falling within section 339(1), which does not result in any damage caused by contamination in the territory of the Islands and no measures are reasonably taken to prevent or minimise such damage in that territory; or
- (b) any relevant threat of contamination falling within section 338(2) or 339(2) arises but no measures are reasonably taken to prevent or minimise such damage in the territory of the Islands,

Jurisdiction of Cayman  
Islands Court and  
registration of foreign  
judgments

no Court in the Islands shall entertain any action, whether *in rem* or *in personam*, to enforce a claim arising from any relevant damage or cost-

- (i) against the registered owner of the ship; or
- (ii) against a person to whom section 341(1)(ii) applies, unless any such damage or cost resulted from anything done or omitted to be done as mentioned in that provision.

(2) In subsection (1)-

“relevant damage or cost” means-

- (a) in relation to any such discharge or escape as is mentioned in paragraph (a) of that subsection, any damage caused in the territory of another Liability Convention country by contamination resulting from the discharge or escape, or any cost incurred in taking measures to prevent or minimise such damage in the territory of another Liability Convention country;
- (b) in relation to any such threat of contamination as is mentioned in paragraph (b) of that subsection, any cost incurred in taking measures to prevent or minimise such damage in the territory of another Liability Convention country; or
- (c) any damage caused by any measures taken as mentioned in paragraph (a) or (b),

and section 341(2)(e) shall have effect for the purpose of subsection (1)(ii) as if it referred to a person taking any such measures as are mentioned in paragraphs (a) or (b).

(2A) Where-

- (a) there is a discharge or escape of bunker oil falling within section 338A(1) which does not result in any damage caused by contamination in the territory of the Cayman Islands and no measures are reasonably taken to prevent or minimise such damage in that territory; or
- (b) any relevant threat of contamination falling within section 338A(2) arises but no measures are reasonably taken to prevent or minimise such damage in the territory of the Cayman Islands,

no court in the Islands shall entertain any action, whether *in rem* or *in personam*, to enforce a claim arising from any relevant damage or cost against-

- (i) the owner of the ship; or
- (ii) any person to whom section 341(2A)(ii) applies, unless any such damage or cost resulted from anything done or omitted to be done as mentioned in that provision.

(2B) In subsection (2A), "relevant damage or cost" means-

- (a) in relation to any such discharge or escape as is mentioned in paragraph (a) of that subsection, any damage caused in the territory of another Bunkers Convention country by contamination resulting from the discharge or escape, or any cost incurred in taking measures to prevent or minimise such damage in the territory of another Bunkers Convention country;
- (b) in relation to any such threat of contamination as is mentioned in paragraph (b) of that subsection, any cost incurred in taking measures to prevent or minimise such damage in the territory of another Bunkers Convention country; or
- (c) any damage caused by any measures taken as mentioned in paragraph (a) or (b).

and section 341(2B)(d) shall have effect for the purpose of subsection (2A)(ii) of this section as if it referred to any person taking any such measures as are mentioned in paragraph (a) or (b).

(3) Any judgment given by a court in a Liability Convention country in respect of a liability incurred under any provision corresponding to section 338 or 338A shall be enforceable by the court.

Government ships

352. (1) Nothing in sections 337 to 351 applies in relation to any warship or any ship for the time being used by the government of any state for other than commercial purposes.

(2) In relation to a ship owned by a state and for the time being used for commercial purposes it shall be a sufficient compliance-

- (a) with section 348(2) if there is in force a certificate issued by the government of that state and showing that the ship is owned by that state and that any liability for pollution damage as defined in Article I of the Liability Convention will be met up to the limit prescribed by Article V of that Convention; and
- (b) with section 348A(2) if there is in force a certificate issued by the government of that state and showing that the ship is owned by that state and that any liability for pollution damage as defined in Article 1 of the Bunkers Convention will be met up to the limit set out in sections 401 to 403 and sections 406 to 408 inclusive.

(3) Every Liability Convention State shall, for the purposes of any proceedings brought in the Court in the Islands to enforce a claim in respect of a liability incurred under section 338 be deemed to have submitted to the jurisdiction of the Court, and accordingly, rules of Court may provide for the manner in which such proceedings are to be commenced and carried on; but nothing in this subsection shall authorise the issue of execution against the property of any state.



(4) Every Bunkers Convention State shall, for the purposes of any proceedings brought in the court in the Islands to enforce a claim in respect of a liability incurred under section 338A, be deemed to have submitted to the jurisdiction of the court, and accordingly rules of court may provide for the manner in which such proceedings are to be commenced and carried on; but nothing in this subsection shall authorise the issue of execution against the property of any state.

353. For the purposes of Chapter II of Part XVI, any liability incurred under section 338A or 339 shall be deemed to be a liability to damages in respect of such damage to property as is mentioned in section 396(1)(a).

Limitation of liability under section 338A or 339

354. Nothing in this Chapter shall prejudice any claim, or the enforcement of any claim, a person incurring any liability under this Chapter may have against another person in respect of that liability.

Saving for recourse actions

355. (1) If Her Majesty, by Order in Council, declares that any State specified in the Order is a party to the Bunkers Convention, the Liability Convention or the Fund Convention in respect of any country so specified, the Order shall, while in force, for the purposes of this Part, be conclusive evidence that that State is a party to that Convention in respect of that country.

Parties to the Liability Convention and references to territories of a country

(2) References in this Chapter to the territory of any country includes the territorial sea of that country, and in the case of the Islands and any Liability Convention country, the exclusive economic zone thereof established in accordance with international law, or, if such a zone has not been established, such area adjacent to the territorial sea thereof and extending not more than two hundred nautical miles from the baselines from which the breadth of that sea is measured as may have been determined by the State in question in accordance with international law.

## Chapter II - International Oil Pollution Compensation Fund

356. (1) In this Chapter -

Definitions and interpretation in this Chapter

“damage” includes loss;

“discharge or escape”, in relation to pollution damage, means the discharge or escape of oil from the ship;

“guarantor” means any person providing insurance or other financial security to cover the owner’s liability of the kind described in section 348;

“incident” means any occurrence, or series of occurrences having the same origin, resulting in a discharge or escape of oil from a ship or in a relevant threat of contamination;

“oil”, except in sections 357 and 358, means persistent hydrocarbon mineral oil;

“owner” means the person or persons registered as the owner of the ship or, in the

absence of registration, the person or persons owning the ship, except that, in relation to a ship owned by a State which is operated by a person registered as the ship's operator, it means the person registered as its operator;

“pollution damage” means-

- (a) damage caused outside a ship by contamination resulting from a discharge or escape of oil from the ship;
- (b) the cost of preventive measures; and
- (c) further damage caused by preventive measures,

but does not include any damage attributable to any impairment of the environment except to the extent that any such damage consists of-

- (i) any loss of profits; or
- (ii) the cost of any reasonable measures of reinstatement actually taken or to be taken;

“preventive measures” means any reasonable measures taken by any person to prevent or minimise pollution damage, being measures taken-

- (a) after an incident has occurred; or
- (b) in the case of an incident consisting of a series of occurrences, after the first of those occurrences;

“relevant threat of contamination” means a grave and imminent threat of damage being caused outside a ship by contamination resulting from a discharge or escape of oil from the ship; and

“ship” means any ship (within the meaning of Chapter I of this Part) to which section 338 applies.

(2) In this Chapter-

- (a) references to a discharge or escape of oil from a ship are references to such a discharge or escape wherever it may occur, and whether it is of oil carried in a cargo tank or of oil carried in a bunker fuel tank; and
- (b) where more than one discharge or escape results from the same occurrence or from a series of occurrences having the same origin, they shall be treated as one.

(3) References in this Chapter to the territory of any country shall be construed in accordance with section 355(3) reading the reference to a Liability Convention country as a reference to a Fund Convention country.

### **Contributions to Fund**

357. (1) Contributions shall be payable to the Fund in respect of oil carried by sea to ports or terminal installations in the Islands otherwise than on a voyage only within its national waters.

Contributions by  
importers of oil and  
others

(2) Subsection (1) applies whether or not the oil is being imported, and applies even if contributions are payable in respect of carriage of the same oil on a previous voyage.

(3) Contributions shall also be payable to the Fund in respect of oil when first received in any installation in the Islands after having been carried by sea and discharged in a port or terminal installation in a country which is not a Fund Convention country.

(4) The person liable to pay contributions is-

- (a) in the case of oil which is being imported into the Islands, the importer; and
- (b) otherwise, the person by whom the oil is received.

(5) A person shall not be liable to make contributions in respect of the oil imported or received by him in any year if the oil so imported or received in the year does not exceed one hundred and fifty thousand tonnes.

(6) For the purpose of subsection (5)-

- (a) all the members of a group of companies shall be treated as a single person; and
- (b) any two or more companies which have been amalgamated into a single company shall be treated as the same person as that single company.

(7) The contributions payable by a person for any year shall-

- (a) be of such amount as may be determined by the Director of the Fund under Article 12 subject to Article 36 of the Fund Convention and notified to that person by the Fund; and
- (b) be payable in such instalments, becoming due at such times, as may be so notified to him,

and, if any amount due from him remains unpaid after the date on which it became due, it shall from then on bear interest, at a rate determined, from time to time, by the Assembly of the Fund, until it is paid.

(8) The Cabinet may, by regulations, impose, on persons who are or may be liable to pay contributions under this section, obligations to give security for payment to the Minister or the Fund.

(9) Regulations under subsection (8) may-

- (a) contain such supplemental or incidental provisions as appear to the Cabinet expedient; and
- (b) impose penalties for contravention of the regulations punishable on summary conviction by a fine not exceeding level 5 on the

standard scale, or such lower limit as may be specified in the regulations.

(10) In this section and section 358-

“company” means a body incorporated under the law of the Islands or of any other country;

“crude oil” means any liquid hydrocarbon mixture occurring naturally in the earth whether or not treated to render it suitable for transportation, and includes-

- (a) crude oils from which distillate fractions have been removed; and
- (b) crude oils to which distillate fractions have been added;

“fuel oil” means heavy distillates or residues from crude oil or blends of such materials intended for use as a fuel for the production of heat or power of a quality equivalent to the “American Society for Testing and Materials Specification for Number Four Fuel Oil (Designation D396-96)”, or heavier;

2016 Revision

“group” in relation to companies, means a holding company and its subsidiaries as defined by the Companies Law (2016 Revision), subject, in the case of a company incorporated outside the Islands, to any necessary modifications of those definitions;

“importer” means the person by whom or on whose behalf the oil in question is entered for customs purposes on importation, and “import” shall be construed accordingly;

“oil” means crude oil and fuel oil; and

“terminal installation” means any site for the storage of oil in bulk which is capable of receiving oil from waterborne transportation, including any facility situated offshore and linked to any such site.

Power to obtain information

358. (1) For the purpose of transmitting to the Fund the names and addresses of the persons who, under section 357, are liable to make contributions to the Fund for any year, and the quantity of oil in respect of which they are so liable, the Director may, by notice, require a person engaged in producing, treating, distributing or transporting oil to furnish such information as may be specified in the notice.

(2) A notice under this section may require a company to give such information as may be required to ascertain whether its liability is affected by section 357(6).

(3) A notice under this section may specify the way in which, and the time within which, it is to be complied with.

(4) In proceedings by the Fund against a person to recover any amount due under section 357, particulars contained in any list transmitted by the Director to the Fund shall, so far as those particulars are based on information

obtained under this section, be admissible as evidence of the facts stated in the list; and so far as particulars which are so admissible are based on information given by the person against whom the proceedings are brought, those particulars shall be presumed to be accurate until the contrary is proved.

(5) A person who discloses any information which has been furnished to or obtained by him under this section, or in connection with the execution of this section, then, unless the disclosure is made-

- (a) with the consent of the person from whom the information was obtained;
- (b) in connection with the execution of this section; or
- (c) for the purposes of any legal proceedings arising out of this section or of any report of such proceedings,

commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

(6) A person who-

- (a) refuses or wilfully neglects to comply with a notice under this section; or
- (b) in furnishing any information in compliance with a notice under this section makes any statement which he knows to be false in a material particular, or recklessly makes any statement which is false in a material particular,

commits an offence and is liable-

- (i) on summary conviction to a fine not exceeding level 4 on the standard scale in the case of an offence under paragraph (a) and not exceeding level 5 on the standard scale in the case of an offence under paragraph (b); and
- (ii) on conviction on indictment, to a fine of fifteen thousand dollars and to imprisonment for twelve months.

#### **Compensation for Persons Suffering Pollution Damage**

359. (1) The Fund shall be liable for pollution damage in the territory of the Islands if the person suffering the damage has been unable to obtain full compensation under section 338-

Liability of the Fund

- (a) because the discharge or escape, or the relevant threat of contamination, by reason of which the damage was caused-
  - (i) resulted from an exceptional, inevitable and irresistible phenomenon;

- (ii) was due wholly to anything done or omitted to be done by another person, not being a servant or agent of the owner, with intent to do damage; or
- (iii) was due wholly to the negligence or wrongful act of a government or other authority in exercising its function of maintaining lights or other navigational aids for the maintenance of which it was responsible,

and because liability is accordingly wholly displaced by section 340;

- (b) because the owner or guarantor liable for the damage cannot meet his obligations in full; or
- (c) because the damage exceeds the liability under section 338 as limited by section 342.

(2) Subsection (1) shall apply with the substitution for the words “the Islands” for the words “a Fund Convention country” where the incident has caused pollution damage in the territory of the Islands and of another Fund Convention country, and proceedings under the Liability Convention for compensation for the pollution damage have been brought in a country which is not a Fund Convention country or in the Islands.

(3) Where the incident has caused pollution damage in the territory of the Islands and of another country in respect of which the Liability Convention is in force, references in this section to the provisions of Chapter I of this Part shall include references to the corresponding provisions of the law of any country giving effect to the Liability Convention.

(4) For the purposes of this section, an owner or guarantor is to be treated as incapable of meeting his obligations if the obligations have not been met after all reasonable steps to pursue the legal remedies available have been taken.

(5) Expenses reasonably incurred, and sacrifices reasonably made, by the owner voluntarily to prevent or minimise pollution damage shall be treated as pollution damage for the purposes of this section, and accordingly he shall be in the same position with respect to claims against the Fund under this section as if he had a claim in respect of liability under section 338.

(6) The Fund shall incur no obligation under this section if-

- (a) it proves that the pollution damage-
  - (i) resulted from an act of war, hostilities, civil war or insurrection; or
  - (ii) was caused by oil which has escaped or been discharged from a warship or other ship owned or operated by a State and used, at the time of the occurrence, only on government non-commercial service; or

- (b) the claimant cannot prove that the damage resulted from an occurrence involving a ship identified by him, or involving two or more ships one of which is identified by him.
- (7) If the Fund proves that the pollution damage resulted wholly or partly-
  - (a) from anything done or omitted to be done with intent to cause damage by the person who suffered the damage; or
  - (b) from the negligence of that person,

the Fund may, subject to subsection (9), be exonerated wholly or partly from its obligations to pay compensation to that person.

(8) Where the liability under section 338 in respect of the pollution damage is limited to any extent by subsection (8) of that section, the Fund shall, subject to subsection (9), be exonerated to the same extent.

(9) Subsections (7) and (8) do not apply where the pollution damage consists of the costs of preventive measures or any damage caused by such measures.

360. (1) The Fund's liability under section 359 shall be in accordance with the provisions of the Fund Convention and subject to the following limits imposed by paragraphs 4 and 5 of Article 4 of the Convention-

Limitation of Fund's liability under section 359

- (a) except as otherwise provided in paragraphs (b) and (c), the aggregate amount of compensation payable by the Fund shall, in respect of any one incident, be limited such that the total of the amount actually paid under the 1992 Liability Convention and the amount paid by the Fund shall not exceed 203 million units of account;
- (b) except as otherwise provided in paragraph (c), the aggregate amount of compensation payable by the Fund for pollution damage resulting from a natural phenomenon of an exceptional, inevitable and irresistible character shall not exceed 203 million units of account;
- (c) the maximum amount of compensation referred to in paragraphs (a) and (b) shall be 300 million and 740 thousand units of account with respect to any one incident occurring during any period when there are three Parties to the Fund Convention in respect of which the combined relevant quantity of contributing oil, as defined in the Fund Convention, received by persons in the territories of such Parties, during the preceding calendar year, exceeded 600 million tons; and
- (d) nothing in this section shall affect the provisions for payment of compensation under the Fund Protocol of 2003 referred to in subsection (7).

(2) A certificate given by the Director of the Fund stating that subparagraph (c) of paragraph 4 of Article 4 of the Fund Convention is applicable to any claim under section 359 shall be conclusive evidence that paragraph (c) of subsection (1) is applicable for the purposes of this Chapter.

(3) For the purpose of giving effect to paragraphs 4 and 5 of Article 4 of the Fund Convention, the Court giving judgment against the Fund in proceedings under section 359 shall notify the Fund, and-

- (a) no steps shall be taken to enforce the judgment unless and until the Court gives leave to enforce it;
- (b) leave shall not be given unless and until the Fund notifies the Court either that the amount of the claim is not to be reduced under those paragraphs, or that it is to be reduced to a specified amount; and
- (c) in the latter case the judgment shall be enforceable only for the reduced amount.

(4) Any steps taken to obtain payment of an amount or a reduced amount in pursuance of such a judgment as is mentioned in subsection (3) shall be steps to obtain payment in dollars, and-

- (a) for the purpose of converting such an amount from special drawing rights into dollars, one special drawing right shall be treated as equal to such a sum in dollars as the International Monetary Fund have fixed as being the equivalent of one special drawing right for-
  - (i) the relevant day, namely the day on which the Assembly of the Fund decide the date for the first payment of compensation in respect of the incident; or
  - (ii) if no sum has been fixed for the relevant day, the last day before that day for which a sum has been so fixed; and
- (b) a certificate given by or on behalf of the Minister stating-
  - (i) that a particular sum in dollars has been so fixed for the relevant day; or
  - (ii) that no sum has been so fixed for the relevant day and that a particular sum in dollars has been so fixed for a day which is the last day for which a sum has been so fixed before the relevant day,

shall be conclusive evidence of those matters for the purposes of this Chapter.

(5) The Cabinet may, by Order, make such amendments to this section as may be appropriate for the purpose of implementing any protocol or amendment in force in respect of the Fund Convention, including amendments as to the Fund's limits of liability, in force in the Islands.



(6) Any document purporting to be such a certificate as is mentioned in subsection (2) or (4)(b) shall, in any legal proceedings, be received in evidence and, unless the contrary is proved, be deemed to be such a certificate.

\*(7) The Fund Protocol of 2003 shall have the force of law.

*\*See note 2 on page 267*

### Supplemental

361. (1) Where, in accordance with rules of court made for the purposes of this subsection, the Fund has been given notice of proceedings brought against an owner or guarantor in respect of liability under section 338, any judgment given in the proceedings shall, after it has become final and enforceable, become binding upon the Fund in the sense that the facts and evidence in the judgment may not be disputed by the Fund even if the Fund has not intervened in the proceedings.

Jurisdiction and effect of judgments

(2) Where a person incurs a liability under the law of a Fund Convention country corresponding to Chapter I of this Part for damage which is partly in the territory of the Islands, subsection (2) shall, for the purpose of proceedings under this Chapter, apply with any necessary modifications to a judgment in proceedings under that law of the said country.

(3) Subject to subsection (4), any judgment given by a Court in a Fund Convention country to enforce a claim in respect of liability incurred under any provision corresponding to section 359 shall be enforceable by the Court in the Islands.

(4) No steps shall be taken to enforce such a judgment unless and until the Fund notifies the Court either that the amount of the claim is not to be reduced under paragraph 4 of Article 4 of the Fund Convention or that it is to be reduced to a specified amount; and in the latter case, the judgment shall be enforceable only for the reduced amount.

362. (1) No action to enforce a claim against the Fund under this Chapter shall be entertained by the Court in the Islands unless-

Extinguishment of claims

- (a) the action is commenced; or
- (b) a third party notice of an action to enforce a claim against the owner or his guarantor in respect of the same damage is given to the Fund,

not later than three years after the claim against the Fund arose.

(2) In subsection (1)-

“third party notice” means a notice of the kind described in section 361(1) and (2).

(3) No action to enforce a claim against the Fund under this Chapter shall be entertained by the Court in the Islands unless the action is commenced not

later than six years after the occurrence, or first of the occurrences, resulting in the discharge or escape, or, as the case may be, in the relevant threat of contamination, by reason of which the claim against the Fund arose.

Subrogation 363. (1) In respect of any sum paid by the Fund as compensation for pollution damage, the Fund shall acquire by subrogation any rights in respect of the damage which the recipient has, or, but for the payment would have, against any other person.

(2) In respect of any sum paid by a public authority in the Islands as compensation for pollution damage, that authority shall acquire by subrogation any rights which the recipient has against the Fund under this Chapter.

Supplementary provisions as to proceedings involving the Fund 364. (1) Any proceedings by or against the Fund may either be instituted by or against the Fund in its own name or be instituted by or against the Director of the Fund as the Fund's representative.

(2) Evidence of any instrument issued by any organ of the Fund or of any document in the custody of the Fund, or any entry in or extract from such a document, may be given in any legal proceedings by production of a copy certified as a true copy by an official of the Fund; and any document purporting to be such a copy shall, in any such proceedings, be received in evidence without proof of the official position or handwriting of the person signing the certificate.

Cabinet may make Regulations 365. The Cabinet may make Regulations with respect to the Liability Convention, the Fund Convention, the Fund Protocol of 2003 and the Bunkers Convention and matters connected therewith in this Part.

## PART XV - Maritime Security

### Piracy Under the United Nations Convention on the Law of the Sea, 1982

Piracy 366. (1) In this Part-

“piracy” means-

- (a) any illegal act of violence or detention, or any act of depredation, committed for private ends by the crew or the passengers of a private ship or private aircraft, and directed-
  - (i) on the high seas, against another ship or aircraft, or against persons or property on board such ship or aircraft; or
  - (ii) against a ship, aircraft, persons or property in a place outside the jurisdiction of any State;
- (b) any voluntary act of participation in the operation of a ship or of an aircraft with knowledge of facts making it a pirate ship or aircraft; or
- (c) any act of inciting or intentionally facilitating an act described in paragraph (a) or (b);

“pirate ship or aircraft” means a ship or aircraft under the dominant control of persons who-

- (a) intend to use such ship or aircraft for piracy; or
- (b) have used such ship or aircraft for piracy, so long as it remains under the control of those persons; and

“private ship” and “private aircraft” means a ship or aircraft that is not owned by the Government or held by a person on behalf of, or for the benefit of, the Government.

(2) Piracy committed by a warship, government ship or government aircraft whose crew has mutinied and taken control of the ship or aircraft is assimilated to piracy committed by a private ship or aircraft.

(3) This section applies to aircraft only when they are in the high seas, that is to say, in those parts of the sea, to which Part VII of the United Nations Convention on the Law of the Sea 1982 is applicable in accordance with Article 86 of that Convention.

### Offences against the Safety of Ships

367. (1) Subject to subsection (5), a person who unlawfully, by the use of force or by threats of any kind, seizes a ship or exercises control of it commits the offence of hijacking a ship.

Hijacking and  
destroying ships

(2) Subject to subsection (5), a person commits an offence if he unlawfully and intentionally-

- (a) destroys a ship;
- (b) damages a ship or its cargo so as to endanger, or to be likely to endanger the safe navigation of the ship;
- (c) commits on board a ship an act of violence which is likely to endanger the safe navigation of the ship; or
- (d) places or causes to be placed on a ship any device or substance which is likely to destroy the ship or is likely so to damage it or its cargo as to endanger its safe navigation.

(3) Nothing in subsection (2)(d) is to be construed as limiting the circumstances in which the commission of any act-

- (a) may constitute an offence under subsection (2)(a), (b) or (c); or
- (b) may constitute attempting or conspiring to commit, or aiding, abetting, counselling, procuring or inciting, or being art and part in, the commission of such an offence.

(4) Subject to subsection (5), subsections (1) and (2) apply-

- (a) whether the ship referred to in those subsections is in the Islands or elsewhere;
- (b) whether any such act as is mentioned in those subsections is committed in the Islands or elsewhere; and
- (c) whatever the nationality of the person committing the act.

(5) Subsections (1) and (2) do not apply in relation to any warship or any other ship used as a naval auxiliary or in customs or police service, or any act committed in relation to such a warship or such other ship unless-

- (a) the person seizing or exercising control of the ship under subsection (1), or committing the act under subsection (2), as the case may be, is a Cayman Islands citizen;
- (b) the act is committed in the Islands; or
- (c) the ship is used in the customs service or in the service of the police force in the Cayman Islands.

(6) A person guilty of an offence under this section is liable on conviction on indictment to imprisonment for life.

(7) In this section-

“act of violence” means-

- (a) any act done in the Islands which constitutes the offence of murder, attempted murder, manslaughter or assault; or
- (b) any act done outside the Islands which, if done in the Islands would constitute such an offence as is mentioned in paragraph (a); and

“unlawfully”-

- (a) in relation to the commission of an act in the Islands, means so as (apart from this Part) to constitute an offence under the law of the Islands; and
- (b) in relation to the commission of an act outside the Islands, means that the commission of the act would (apart from this Part) have been an offence under the law of the Islands if it had been committed in the Islands.

Offences involving endangering safe navigation, threats and ancillary offences

368. (1) Subject to subsection (8), it is an offence for any person unlawfully or intentionally-

- (a) to destroy or damage any property to which this subsection applies; or
- (b) seriously to interfere with the operation of any such property,

where the destruction, damage or interference is likely to endanger the safe navigation of any ship.

(2) Subsection (1) applies to any property used for the provision of maritime navigation facilities, including any land, building or ship so used, and including any apparatus or equipment so used, whether it is on board a ship or elsewhere.

(3) Subject to subsection (8), it is an offence for any person intentionally to communicate that which he knows to be false in a material particular, where the communication of the information endangers the safe navigation of any ship.

(4) It is a defence for a person charged with an offence under subsection (3) to prove that, when he communicated the information, he was lawfully employed to perform duties which consisted of or included the communication of information and that he communicated the information in good faith in performance of those duties.

(5) A person commits an offence if-

- (a) in order to compel any other person to do or abstain from doing any act, he threatens that he or some other person will do in relation to any ship an act which is an offence by virtue of section 367(2)(a), (b) or (c); and
- (b) the making of that threat is likely to endanger the safe navigation of the ship.

(6) Subject to subsection (8), a person commits an offence if-

- (a) in order to compel any other person to do or abstain from doing any act, he threatens that he or some other person will do an act which is an offence by virtue of subsection (1); and
- (b) the making of that threat is likely to endanger the safe navigation of any ship.

(7) Except as provided by subsection (8), subsections (1), (3), (5) and (6) apply whether any such act as is mentioned in those subsections is committed in the Islands or elsewhere and whatever the nationality of the person committing the act.

(8) For the purposes of subsections (1), (3) and (6)(b), any danger, or likelihood of danger, to the safe navigation of a warship or any other ship used as a naval auxiliary or in customs or police service is to be disregarded unless-

- (a) the person committing the act is a Cayman Islands citizen;
- (b) the act is committed in the Islands; or
- (c) the ship is used in the customs service of the Islands or in the service of the police force in the Islands.

(9) A person who commits an offence under this section is liable on conviction on indictment to imprisonment for life.

(10) In this section-

“unlawfully” has the same meaning as in section 367(7).

(11) Where a person (of whatever nationality) does outside the Islands any act which, if done in the Islands, would constitute an offence falling within subsection (12), his act shall constitute that offence if it is done in connection with an offence, under section 367 or this section, committed or attempted by him.

(12) The offences falling within this subsection are murder, attempted murder, manslaughter and assault.

(13) It is an offence for any person in the Islands to induce or assist the commission outside the Islands of any act which would-

- (a) but for subsection (5) of section 367, be an offence under that section; or
- (b) but for subsection (8), be an offence under this section.

(14) A person who commits an offence under subsection (13) is liable on conviction on indictment to imprisonment for life.

Master's power of delivery

369. (1) This section shall have effect for the purposes of any proceedings before the Court.

(2) If the master of a ship, wherever that ship may be, and whatever the State, if any, in which it may be registered, has reasonable grounds to believe that any person on board the ship has-

- (a) committed any offence under section 367 or 368;
- (b) attempted to commit such an offence; or
- (c) aided, abetted, counselled, procured or incited, or been art and part in, the commission of such an offence,

in relation to any ship other than a warship or other ship used as a naval auxiliary or in customs or police service, he may deliver that person to an appropriate officer in the Islands or any other Convention country.

(3) Where the master of a ship intends to deliver any person in the Islands or any other Convention country in accordance with subsection (2) he shall notify an appropriate officer in that country-

- (a) of his intention to deliver that person to an appropriate officer in that country; and
- (b) of his reasons for intending to do so.

(4) Notification under subsection (3) shall be given-

- (a) before the ship in question has entered the territorial sea of the country concerned; or

- (b) if in the circumstances it is not reasonably practicable to comply with paragraph (a), as soon as reasonably practicable after the ship has entered that territorial sea.

(5) Where the master of a ship delivers any person to an appropriate officer in any country under subsection (2), he shall-

- (a) make to an appropriate officer in that country such oral or written statements relating to the alleged offence as that officer may reasonably require; and
- (b) deliver to an appropriate officer in that country such other evidence relating to the alleged offence as is in the master's possession.

(6) The master of a ship who, without reasonable excuse, fails to comply with subsection (3) or (5) commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

(7) It is a defence for a master of a ship charged with an offence under subsection (6) of failing to comply with subsection (3) to show that he believed on reasonable grounds that the giving of the notification required by subsection (3) would endanger the safety of the ship and, except where the country concerned is the Cayman Islands, that-

- (a) he notified some other competent authority in the country concerned within the time required by subsection (4); or
- (b) he believed on reasonable grounds that the giving of notification to any competent authority in that country would endanger the safety of the ship.

(8) In this section-

“appropriate officer” means-

- (a) in relation to the Islands, a constable or immigration officer; and
- (b) in relation to any other Convention Country, an officer having functions corresponding to the functions, in the Islands, either of a constable or of an immigration officer; and
- (c) “Convention country” means a country in which the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation, which was signed at Rome on 10th March, 1988, is for the time being in force; and Her Majesty may, by Order in Council, certify that any country specified in the Order is for the time being a Convention country and any such Order in Council for the time being in force shall be conclusive evidence that the country in question is for the time being a Convention country.

**PART XVI - Liability of Ship Owners and Others**

**Chapter I- Carriage of Passengers and Luggage by Sea**

Definitions and interpretation in this Chapter

370. (1) In this Chapter-

“cabin luggage” means luggage which the passenger has in his cabin or is otherwise in his possession, custody or control, and includes, except for the purposes of subsection (2) and section 377, luggage which the passenger has in or on his vehicle;

“carriage” has the meaning assigned to it in subsection (2);

“carrier” means a person by or on behalf of whom a contract of carriage has been concluded, whether the carriage is actually performed by him or by a performing carrier;

“contract of carriage” means a contract made by or on behalf of a carrier for the carriage by sea of a passenger or of a passenger and his luggage, as the case may be, but does not include a contract of carriage which is not for reward;

“Convention” means the Athens Convention Relating to the Carriage of Passengers and their Luggage by Sea, 1974 as amended;

“international carriage” means any carriage in which, according to the contract of carriage, the place of departure and the place of destination are situated in two different states, or in a single state if, according to the contract of carriage or the scheduled itinerary, there is an intermediate port of call in another state;

“loss of or damage to luggage” includes pecuniary loss resulting from the luggage not having been redelivered to the passenger within a reasonable time after the arrival of the ship on which the luggage has been or should have been carried, but does not include delays resulting from labour disputes;

“luggage” means any article or vehicle carried by the carrier under a contract of carriage, but does not include-

- (a) articles and vehicles carried under a charterparty, bill of lading or other contract primarily concerned with the carriage of goods; and
- (b) live animals;

“passenger” means a person carried in a ship-

- (a) under a contract of carriage; or
- (b) who, with the consent of the carrier, is accompanying a vehicle or live animals which are covered by any contract for the carriage of goods;

“performing carrier” means a person other than the carrier, being the owner, charterer or operator of a ship, who actually performs the whole or a part of the carriage; and



“ship” means a seagoing vessel, but does not include an air-cushion vehicle.

(2) For the purposes of this Part-

“carriage” covers the following periods-

- (a) with regard to the passenger and his cabin luggage, the period during which the passenger and his cabin luggage are on board the ship or in the course of embarkation or disembarkation, and the period during which the passenger and his cabin luggage are transported by water between land and ship, if the cost of such transportation is included in the fare or if the vessel used for the purpose of auxiliary transportation has been put at the disposal of the passenger by the carrier;
- (b) with regard to the passenger, the period referred to in paragraph (a) but not including the period during which the passenger is in a marine terminal or station or on a quay or in or on any other port installation;
- (c) with regard to cabin luggage, the period referred to in paragraph (a) as well as the period during which the passenger is in a marine terminal or station or on a quay or in or on any other port installation if that luggage has been taken over by the carrier or his servant or agent and has not been re-delivered to the passenger; and
- (d) with regard to luggage other than cabin luggage, the period from the time it is taken over by the carrier or his servant or agent ashore or on board until the time it is redelivered by the carrier or his servant or agent.

371. (1) Subject to subsection (2), where a dispute concerning the carriage of passengers, and their luggage by sea is brought before the Court, this Chapter shall apply to any international carriage if- Application

- (a) the ship is flying the flag of or is registered in a State party to the Convention;
- (b) the contract of carriage has been made in a State party to the Convention; or
- (c) the place of departure or destination according to the contract of carriage, is in a State party to the Convention.

(2) Notwithstanding subsection (1), this Part shall not apply where the carriage is subject to the provisions of any other international convention concerning civil liability with respect to the carriage of passengers or luggage by another mode of transportation, insofar as those provisions have mandatory application to carriage by sea.

(3) For the purposes of subsection (2), provisions of such an international convention as is mentioned in that subsection which do not have mandatory application to carriage by sea shall be treated as having mandatory application to carriage by sea if it is stated in the contract of carriage for the carriage in question that those provisions are to apply in connection with the carriage.

Liability of the carrier

372. (1) The carrier shall be liable for the damage suffered as a result of the death of or personal injury to a passenger and the loss of or damage to luggage if the incident which caused the damage so suffered occurred in the course of the carriage and was due to the fault or neglect of the carrier or of his servants or agents acting within the scope of their employment.

(2) Subject to subsections (3) and (4), the claimant shall carry the burden of proving-

- (a) that the incident which caused the loss or damage occurred in the course of the carriage, and the extent of such loss or damage; and
- (b) fault or neglect on the part of the carrier or of his servants or agents acting within the scope of their employment.

(3) Where the death of or personal injury to the passenger, or the loss of or damage to cabin luggage, arose from or in connection with the shipwreck, collision, stranding, explosion or fire, or defect in the ship, there shall be a presumption of fault or neglect on the part of the carrier or his servants or agents acting within the scope of their employment, unless there is proof to the contrary.

(4) In respect of loss of or damage to luggage other than cabin luggage, there shall be a presumption of fault or neglect on the part of the carrier or his servants or agents acting within the scope of their employment, irrespective of the nature of the incident which caused the loss or damage, unless there is proof to the contrary.

Performing carrier

373. Where the performance of the carriage or part thereof has been entrusted to a performing carrier-

- (a) subject to paragraphs (b), (c), (d) and (e), the carrier shall be liable under this Chapter for the entire carriage, and in relation to the carriage performed by the performing carrier, shall be liable for the acts and omissions of the performing carrier and of his servants and agents acting within the scope of their employment;
- (b) subject to paragraphs (a), (c), (d) and (e), the performing carrier shall be subject and entitled to the provisions of this Chapter for the part of the carriage performed by him;
- (c) any special agreement, under which the carrier assumes obligations not imposed by this Chapter or any waiver of rights conferred by this Part, shall not affect the performing carrier unless the performing carrier so agrees expressly and in writing;

- (d) where, and to the extent that, both the carrier and the performing carrier are liable, their liability shall be joint and several; and
- (e) nothing in this section shall prejudice any right of recourse as between the carrier and the performing carrier.

374. The carrier shall not be liable for the loss of or damage to moneys, negotiable securities, gold, silverware, jewellery, ornaments, works of art or other valuables, except where such valuables have been deposited with the carrier for the agreed purpose of safe-keeping, in which case the carrier shall be liable up to the limit provided for in section 377.

Valuables

375. Where the carrier proves that the death of or personal injury to a passenger, or the loss of or damage to his luggage was caused or contributed to by the fault or neglect of the passenger, the carrier may be exonerated wholly or partly from liability in accordance with the law of the Islands.

Contributory fault

376. (1) With respect to limits of liability of the carrier for death or personal injury-

Limits of liability for death or personal injury

- (a) subject to paragraphs (b), (c) and (d), liability for the death of or personal injury to a passenger shall not exceed 46,666 special drawing rights per carriage;
- (b) where damages are awarded in the form of periodical income payments, the equivalent capital value of those payments shall not exceed the limits prescribed in paragraph (a);
- (c) interest on damages and legal costs shall not be included in the limits of liability prescribed in paragraphs (a) and (b); and
- (d) the carrier and the passenger may agree, expressly and in writing, to limits of liability higher than those prescribed in paragraphs (a) and (b).

(2) Notwithstanding subsection (1)(a), the Cabinet may, by Order, provide for a limit of liability higher than that provided for in subsection (1)(a) for a carrier whose principal place of business is in the Islands.

377. With respect to limits of liability of the carrier for the loss of or damage to luggage-

Limits of liability for loss of, or damage to, luggage

- (a) subject to paragraphs (b) and (c), the liability of the carrier shall not exceed-
  - (i) for the loss of or damage to cabin luggage, 833 special drawing rights per passenger, per carriage;
  - (ii) for the loss of or damage to vehicles including all luggage carried in or on the vehicle, 3,333 special drawing rights per vehicle, per carriage; and
  - (iii) for the loss of or damage to luggage other than those mentioned in subparagraphs (i) and (ii), 1,200 special drawing rights per passenger, per carriage;

- (b) the carrier and the passenger may agree-
  - (i) that the liability of the carrier shall be subject to a deductible not exceeding 117 special drawing rights in the case of damage to a vehicle, and not exceeding 13 special drawing rights per passenger in the case of loss of or damage to other luggage, such sum to be deducted from the loss or damage; and
  - (ii) expressly and in writing, to limits of liability higher than those prescribed in paragraph (a); and
- (c) interest on damages and legal costs shall not be included in the limits of liability prescribed in paragraph (a).

Special drawing rights and conversion

378. (1) For the purpose of converting from special drawing rights into dollars, the amounts mentioned in sections 376 and 377 in respect of which a judgment is given, one special drawing right shall be treated as equal to such a sum in dollars as the International Monetary Fund have fixed as being the equivalent of one special drawing right for-

- (a) the day on which the judgment is given; or
- (b) if no sum has been so fixed for that day, the last day before that day for which a sum has been so fixed.

(2) A certificate given by or on behalf of the Minister stating-

- (a) that a particular sum in dollars has been fixed as mentioned in subsection (1) for a particular day; or
- (b) that no sum has been so fixed for that day and a particular sum in dollars has been so fixed for a day which is the last day for which a sum has been so fixed before the particular day,

shall be conclusive evidence of those matters for the purposes of sections 376 and 377, and a document purporting to be such a certificate shall, in any proceedings, be received in evidence and, unless the contrary is proved, be deemed to be such a certificate.

Defences and limits for carriers, servants

379. If an action is brought against a servant or agent of the carrier or of the performing carrier arising out of damage covered by this Part, such servant or agent, if he proves that he acted within the scope of his employment, shall be entitled to avail himself of the defences and limits of liability which the carrier or the performing carrier is entitled to invoke under this Chapter.

Aggregation of claims

380. (1) Where the limits of liability prescribed in sections 376 and 377 take effect, they shall apply to the aggregate of the amounts recoverable in all claims arising out of the death of or personal injury to any one passenger or the loss of or damage to his luggage.

(2) In relation to the carriage performed by a performing carrier, the aggregate of the amounts recoverable from the carrier and the performing carrier

and from their servants and agents acting within the scope of their employment shall not exceed the highest amount which could be awarded against either the carrier or the performing carrier under this Part, but none of the persons mentioned shall be liable for a sum in excess of the limit applicable to him.

(3) In any case where a servant or agent of the carrier or of the performing carrier is entitled under section 379 to avail himself of the limits of liability prescribed in sections 376 and 377, the aggregate of the amounts recoverable from the carrier or the performing carrier and from that servant or agent, shall not exceed those limits.

(4) The limitations on liability mentioned in this section in respect of a passenger or his luggage apply to the aggregate liabilities of the persons in question in all proceedings for enforcing the liabilities or any of them which may be brought whether in the Islands or elsewhere.

381. (1) The carrier shall not be entitled to the benefit of the limits of liability prescribed in sections 376 and 377 if it is proved that the damage resulted from an act or omission of the carrier, done with the intent to cause such damage, or recklessly and with knowledge that such damage would probably result.

Loss of right to limit liability

(2) The servant or agent of the carrier or of the performing carrier shall not be entitled to the benefit of those limits if it is proved that the damage resulted from an act or omission of that servant or agent done with the intent to cause such damage, or recklessly and with knowledge that such damage would probably result.

382. No action for damages for the death of or personal injury to a passenger, or for the loss of or damage to luggage, shall be brought against a carrier or performing carrier otherwise than in accordance with this Chapter.

Basis for claim

383. (1) The passenger shall give written notice to the carrier or his agent-

Notice of loss of or damage to luggage

- (a) in the case of apparent damage to luggage-
  - (i) for cabin luggage, before or at the time of disembarkation of the passenger; and
  - (ii) for all other luggage, before or at the time of its redelivery; and
- (b) in the case of damage to luggage which is not apparent, or loss of luggage, within fifteen days from the date of disembarkation or redelivery or from the time when such redelivery should have taken place.

(2) If the passenger fails to comply with this section, he shall be presumed, unless the contrary is proved, to have received the luggage undamaged.

(3) The notice in writing need not be given if the condition of the luggage has, at the time of its receipt, been the subject of joint survey or inspection.

Time-bar for actions

384. (1) Subject to subsections (2), (3) and (4), any action for damages arising out of the death of or personal injury to a passenger, or for the loss of or damage to luggage, shall be time-barred after a period of two years.

(2) The limitation period shall be calculated-

- (a) in the case of personal injury, from the date of disembarkation of the passenger;
- (b) in the case of death occurring during carriage, from the date when the passenger should have disembarked, and in the case of personal injury occurring during carriage and resulting in the death of the passenger after disembarkation, from the date of death, provided that this period shall not exceed three years from the date of disembarkation; or
- (c) in the case of loss of or damage to luggage, from the date of disembarkation or from the date when disembarkation should have taken place, whichever is later.

(3) The Court may, at its discretion, determine the suspension and interruption of limitation periods, but in no case shall an action under this Chapter be brought after the expiration of a period of three years from the date of disembarkation of the passenger or from the date when disembarkation should have taken place, which ever is later.

(4) Notwithstanding subsections (1), (2) and (3), the period of limitation may be extended by a declaration in writing of the carrier or by agreement in writing of the parties after the cause of action has arisen.

Competent jurisdiction

385. (1) Proceedings under this Chapter may be brought before the Court by a claimant if-

- (a) the permanent residence or principal place of business of the claimant or the defendant is situated in the Islands;
- (b) the place of departure or destination according to the contract of carriage is in the Islands; or
- (c) the contract of carriage was entered into in the Islands and the defendant has a place of business in, and is subject to, the jurisdiction of the Islands.

(2) After the occurrence of the incident causing the damage, subject to agreement by the parties, the claim for damages may be submitted to arbitration, and section 384 shall, in such case, apply to an arbitration as it applies to an action.

(3) The Court before which proceedings are brought under subsection (1) to enforce a liability which is limited by virtue of section 380 may, at any stage of the proceedings, make such orders as appear to the Court to be just and equitable in view of the provisions of section 380 and of any other proceedings which have

been or are likely to be begun in the Islands or elsewhere to enforce the liability in whole or in part; and without prejudice to the generality of the preceding provisions of this subsection, such a Court shall, where the liability is or may be partly enforceable in other proceedings in the Islands or elsewhere, have jurisdiction to award an amount less than the Court would have awarded if the limitation applied solely to the proceedings before the Court or to make any part of its award conditional on the results of any other proceedings.

386. Any contractual provisions concluded before the occurrence of the incident which has caused the death of or personal injury to a passenger or the loss of or damage to his luggage, purporting to relieve the carrier of his liability towards the passenger or to prescribe a lower limit of liability than that fixed in this Chapter, except as provided in section 377(b)(i), and any such provision purporting to shift the burden of proof which rests on the carrier, or having the effect of restricting the application of section 385(1), shall be null and void, but the nullity of that provision shall not render void the contract of carriage which shall remain subject to this Chapter.

Invalidity of contractual provisions

387. This Chapter shall not modify the rights or duties of the carrier, the performing carrier, and their servants or agents provided for in international conventions applicable to the Islands or any other law of the Islands relating to the limitation of liability of owners of seagoing ships.

Application of other limitation regimes

388. No liability shall arise under this Chapter for damage caused by a nuclear incident if liability arises under an international convention relating to nuclear damage applicable to the Islands, or any other law of the Islands relating to nuclear damage.

Nuclear damage

389. This Chapter shall apply to commercial carriage undertaken by ships owned by the Government or a Public Authority under contracts of carriage within the meaning of section 370.

Commercial carriage by state-owned ships

390. If Her Majesty, by Order in Council, declares that any State specified in the Order is a party to the Convention in respect of a particular country, the Order shall, subject to the provisions of any subsequent Order be conclusive evidence for the purposes of this Chapter, that the State is a party to the Convention in respect of that country.

States party to Convention

391. The Cabinet may, by Order, make provision for-

Carrier's obligation to give notice to passengers

- (a) requiring a person who is the carrier, in relation to a passenger, to give to the passenger, in a manner specified in the Order, notice of such of the provisions of this Chapter as are so specified; and
- (b) a person who fails to comply with a requirement imposed on him by the Order, to have committed an offence and to be liable on summary conviction to a fine not exceeding level 4 on the standard scale or not exceeding a lesser amount.

Application of section 417(4) 392. Nothing in this Chapter affects the operation of section 417(4) which limits a shipowner's liability in certain cases of loss of life, injury or damage.

Application of section 418 393. Nothing in section 418 which, among other things, limits a shipowner's liability for the loss of or damage to goods in certain cases, shall relieve a person of any liability imposed on him by this Chapter.

### **Chapter II - Limitation and Division of Liability for Maritime Claims**

Definitions in this Chapter 394. In this Chapter-

“salvage operation” includes the operations referred to in section 396(1)(d),(e) and (f);

“salvage services” means services rendered in direct connection with salvage operations;

“salvor” means a person rendering salvage services;

“ship” includes any structure (whether completed or in the course of completion) launched and intended for use in navigation as a ship or part of a ship; and

“shipowner” includes charterer, manager or operator of a ship.

Persons entitled to limit liability 395. (1) Shipowners and salvors may limit their liabilities in accordance with this Chapter.

(2) An insurer of liability for claims subject to limitation under this Chapter shall be entitled to the benefit of limitation to the same extent as the assured.

(3) A person for whose act, neglect or default the shipowner or salvor is responsible may limit his liability under this Chapter.

Claims subject to limitation 396. (1) Subject to sections 397 and 398, the following claims shall be subject to limitation of liability regardless of the basis of liability-

- (a) claims in respect of loss of life or personal injury or loss of or damage to property, including damage to harbour works, basins and waterways and aids to navigation, occurring on board or in direct connection with the operation of the ship or with salvage operations, and consequential loss resulting therefrom;
- (b) claims in respect of loss resulting from delay in the carriage by sea of cargo, passengers or their luggage;
- (c) claims in respect of other loss resulting from infringement of rights other than contractual rights, occurring in direct connection with the operation of the ship or salvage operations;



- (d) claims in respect of the raising, removal, destruction or the rendering harmless of a ship which is sunk, wrecked, stranded or abandoned, including anything that is or has been on board such ship;
- (e) claims in respect of the removal, destruction or the rendering harmless of the cargo of the ship; and
- (f) claims of a person other than the person liable in respect of measures taken in order to avert or minimise loss for which the person liable may limit his liability in accordance with this Chapter, and further loss caused by such measures.

(2) The claims referred to in subsection (1) shall be subject to limitation of liability even if brought by way of recourse or for indemnity under a contract or otherwise, but the claims referred to in subsection (1)(d), (e) and (f) shall not be subject to limitation to the extent that they relate to remuneration under a contract with the person liable.

(3) Subsection (1)(d) shall not apply unless provision has been made by the Cabinet, by Order, for the setting up and management of a fund to be used for the making to the Port Authority of payments needed to compensate it for the reduction, in consequence of subsection (1)(d), of amounts recoverable by dues or levies collected by the Port Authority in respect of vessels in like manner as other sums raised by it.

(4) Any Order made under subsection (3) may contain such incidental and supplemental provisions as appear to the Cabinet to be necessary or expedient.

397. For the purposes of this Chapter, the liability of a shipowner shall include liability in an action against his ship, and the act of invoking limitation shall not constitute an admission of liability.

Invoking limitation not an admission of liability

398. Limitation of liability under this Chapter shall not apply to the following claims-

Claims excepted from limitation

- (a) for salvage under section 307 and corresponding claims under a contract;
- (b) for contribution in general average;
- (c) by servants of the shipowner or salvor whose duties are connected with the ship or the salvage operations, including claims of their heirs, dependants or other persons entitled to make such claims, if, under the contract of service between the shipowner or salvor and such servants, the shipowner or salvor is not entitled to limit his liability in respect of such claims, or if he is under such contract only permitted to limit his liability to an amount greater than that provided for in section 401;
- (d) for oil pollution damage in respect of any liability incurred under section 338;

- (e) subject to any law applicable in the Islands governing or prohibiting limitation of liability for nuclear damage; or
  - (f) against the shipowner of a nuclear ship for nuclear damage.
- Conduct barring limitation 399. A person liable shall not be entitled to limit his liability if it is proved that the loss resulted from his personal act or omission, committed with the intent to cause such loss, or recklessly and with knowledge that such loss would probably result.
- Counter claims 400. Where a person entitled to limitation of liability under this Chapter, has a claim against the claimant arising out of the same occurrence, their respective claims shall be set off against each other and this Chapter shall only apply to the balance, if any.
- Limitation calculations 401. The limits of liability for claims, other than those provided for in section 406, arising on any distinct occasion, shall be calculated as follows-
  - (a) in respect of claims for loss of life or personal injury-
    - (i) 2,000,000 special drawing rights for a ship with a tonnage not exceeding two thousand tons; and
    - (ii) for a ship with a tonnage in excess of two thousand tons, the following amount in addition to that mentioned in subparagraph (i)-
      - (A) for each ton from two thousand and one to thirty thousand tons, 800 special drawing rights;
      - (B) for each ton from thirty thousand and one to seventy thousand tons, 600 special drawing rights; and
      - (C) for each ton in excess of seventy thousand tons, 400 special drawing rights; and
  - (b) in respect of any other claims-
    - (i) 1,000,000 special drawing rights for a ship with a tonnage not exceeding two thousand tons; and
    - (ii) for a ship with a tonnage in excess of two thousand tons the following amount in addition to that mentioned in subparagraph (i)-
      - (A) for each ton from two thousand and one to thirty thousand tons, 400 special drawing rights;
      - (B) for each ton from thirty thousand and one to seventy thousand tons, 300 special drawing rights; and
      - (C) for each ton in excess of seventy thousand tons, 200 special drawing rights.
- Limits of liability for salvors 402. The limits of liability for any salvor not operating from any ship or for any salvor operating solely on the ship to which, or in respect of which, he is rendering salvage services, shall be calculated according to a tonnage of one thousand five hundred tons.

403. Where the amount calculated in accordance with section 401(a) is insufficient to pay the claims mentioned therein in full, the amount calculated in accordance with section 401(b) shall be available for payment of the unpaid balance of claims under section 401(a) and such unpaid balance shall rank rateably with claims mentioned under section 401(b).

Limitation calculations  
for fixed claims

404. For the purposes of this Chapter, a ship's tonnage shall be its gross tonnage calculated in accordance with the tonnage regulations made under section 50.

Measurement of ship's  
tonnage

405. (1) This section applies in relation to the Port Authority and the owners of any dock.

Limitation of liability of  
dock owners and the  
Port Authority

(2) The liability of the Port Authority or a person to which this section applies for any loss or damage caused to any ship, or to any goods, merchandise or other things whatsoever on board any ship shall be limited in accordance with subsection (5) by reference to the tonnage of the largest Cayman Islands ship which, at the time of the loss or damage is, or within the preceding five years has been, within the area over which the Authority or person discharges any functions.

(3) The limitation of liability under this section relates to the whole of any losses and damages which may arise on any one distinct occasion, although such losses and damages may be sustained by more than one person, and shall apply whether the liability arises at common law or under any enactment, and notwithstanding anything contained therein.

(4) This section does not exclude the liability of the Port Authority or a person to which it applies for any loss or damage resulting from any such personal act or omission of the Authority or person as is mentioned in section 399.

(5) The limit of liability shall be ascertained by applying to the ship, by reference to which the liability is to be determined, the method of calculation specified in section 401(b) as read with section 404.

(6) Sections 409 and 410 apply for the purposes of this section.

(7) For the purposes of subsection (2), a ship shall not be treated as having been within the area over which the Port Authority discharges any functions by reason only that it has been built or fitted out within the area, or that it has taken shelter within or passed through the area on a voyage between two places both situated outside that area, or that it has loaded or unloaded mails or passengers within the area.

(8) Nothing in this section imposes any liability for any loss or damage where no liability exists apart from this section.

(9) In this section-

“dock” includes wet docks and basins, tidal docks and basins, locks, cuts, entrances, dry docks, graving docks, slips, quays, wharves, piers, stages, landing places and jetties; and

“owners of any dock” include any authority or person having the control and management of any dock.

Limits for passenger claims

406. (1) In respect of claims arising on any distinct occasion for loss of life or personal injury to passengers of a ship, the limit of liability of the shipowner thereof shall be an amount of 175,000 special drawing rights multiplied by the number of passengers which the ship is authorised to carry according to the ship’s certificate.

(2) In this section-

“claims for loss of life or personal injury to passengers of a ship” mean any such claims brought by or on behalf of any person carried in that ship-

- (a) under a contract of passenger carriage; or
- (b) who, with the consent of the carrier, is accompanying a vehicle or live animals which are covered by a contract for the carriage of goods.

(3) In the case of a ship for which there is in force a Passenger Ship Safety Certificate or Passenger Certificate, as the case may be, issued under or recognised by this Law, the ship’s certificate mentioned in subsection (1) shall be that certificate.

Conversion of special drawing rights

407. (1) For the purpose of converting the amounts mentioned in sections 401, 402, 403 and 406 from special drawing rights into dollars, one special drawing right shall be treated as equal to such a sum in dollars as the International Monetary Fund have fixed as being the equivalent of one special drawing right for-

- (a) the date the limitation fund shall have been constituted, payment is made, or security is given under section 409; or
- (b) if no sum has been so fixed for that date, the last preceding date for which a sum has been so fixed.

(2) A certificate given by or on behalf of the Minister stating-

- (a) that a particular sum in dollars has been fixed as mentioned in subsection (1) for a particular date; or
- (b) that no sum has been so fixed for that date and that a particular sum in dollars has been so fixed for a date which is the last preceding date for which a sum has been so fixed,

shall be conclusive evidence of those matters for the purposes of those sections and a document purporting to be such a certificate shall, in any proceedings, be

received in evidence and, unless the contrary is proved, be deemed to be such a certificate.

408. (1) The limits of liability determined in accordance with sections 401, 402 and 403 shall apply to the aggregate of all claims which arise on any distinct occasion against -

Aggregation of claims

- (a) the shipowner and any person for whose act, neglect or default he or they are responsible;
- (b) the shipowner of a ship rendering salvage services from that ship, the salvor or salvors operating from such ship and any person for whose act, neglect or default he or they are responsible; or
- (c) the salvor or salvors who are not operating from a ship or who are operating solely on the ship to, or in respect of which, the salvage services are rendered and any person for whose act, neglect or default he or they are responsible.

(2) The limits of liability determined in accordance with section 406 shall apply to the aggregate of all claims subject thereto which may arise on any distinct occasion against the shipowner in respect of the ship referred to in section 406 and any person for whose act, neglect or default he may be responsible.

409. (1) A person alleged to be liable and seeking to limit his liability under this Part, may constitute a fund by depositing with the Court an amount at least equivalent to the limit provided for in section 401 or 406 as appropriate, or by producing a guarantee acceptable by the Court, together with interest thereon from the date of the occurrence giving rise to the liability until the date of the constitution of the fund, and the fund so constituted shall be available only for the payment of claims in respect of which limitation of liability can be invoked.

Constitution of  
limitation fund

(2) A fund constituted by one of the persons mentioned in section 408(1)(a), (b) or (c) or his insurer; or by a person or his insurer in respect of section 408(2), shall be deemed to have been constituted by all persons mentioned in section 408(1)(a), (b) or (c) or all persons in respect of section 408(2).

(3) The Minister may determine the rate of interest to be applied for the purposes of subsection (1).

(4) Where a fund is constituted with the Court under this section for the payment of claims arising out of any occurrence, the Court may stay any proceedings relating to any claim arising out of that occurrence which are pending against the person by whom the fund has been constituted.

410. (1) Subject to sections 401, 403 and 406, the fund shall be distributed among the claimants in proportion to their established claims against the fund.

Distribution of fund

(2) The Court may proceed in such manner as to the exclusion of any claimants who do not come in within a certain time and as to payment of costs, as the Court thinks just.

(3) No lien or other right in respect of any ship or property shall affect the proportions in which any amount is distributed among several claimants.

(4) All sums paid for or on account of any loss or damage in respect whereof the liability of owners is limited under this Chapter and all costs incurred in relation thereto may be brought into account among part owners of the same ship in the same manner as money disbursed for the use thereof.

(5) If, before the fund is distributed, the person liable or his insurer has settled the claim, such person shall, up to the amount he has paid, acquire by subrogation the rights which the person so compensated would have enjoyed under this Chapter.

(6) In making any distribution in accordance with this section, the Court may, if it thinks fit, postpone the distribution of such part of the amount to be distributed as it deems appropriate having regard to any claims, subrogated or otherwise, that may be established later.

Bar to other actions

411. (1) Where a limitation fund has been constituted in accordance with section 409, a person having made a claim against the fund shall be barred from exercising any right in respect of such claim against any other assets of a person by or on behalf of whom the fund has been constituted.

(2) Where a ship or other property is attached or arrested in connection with a claim which appears to the Court to be founded on liability to which limitation is applicable under this Chapter, and in respect of which a fund has been constituted or a security or guarantee has been deposited, the Court shall order the release of the ship or property if the limitation fund has been constituted in the Islands or at-

- (a) the port where the occurrence took place, or, if it took place out of port, at the first port of call thereafter;
- (b) the port of disembarkation in respect of claims for loss of life or personal injury; or
- (c) the port of discharge in respect of damage to cargo,

but where the release is ordered, the person on whose application it is ordered shall be deemed to have submitted to the jurisdiction of the Court to adjudicate on the claim for which the ship or property was attached or arrested.

(3) Subsections (1) and (2) shall apply only if the claimant brings a claim before the Court and the limitation fund is actually available and freely transferable in respect of that claim.

412. Where a limitation fund is constituted in the Islands, the rules relating to its constitution and distribution, and all rules of procedure in connection therewith, shall be governed by the law of the Islands. Governing law
413. (1) Where, by the fault of two or more ships, damage or loss is caused to one or more of those ships, to their cargoes or freight or to any property on board, the liability to make good the damage or loss shall be in proportion to the degree in which each ship was at fault. Apportionment of liability for damage or loss
- (2) If, in any such case, having regard to all the circumstances, it is not possible to establish different degrees of fault, the liability shall be apportioned equally.
- (3) This section applies to persons other than the owners of ships who are responsible for the faults of the ships, as well as to the owners of ships and where, by virtue of any charter or demise, or for any other reason, the owners are not responsible for the navigation and management of the ship in question, this section applies to the charterers or other persons for the time being so responsible instead of the owners.
- (4) Nothing in this section shall operate so as to render any ship liable for any loss or damage to which the fault of the ship has not contributed.
- (5) Nothing in this section shall affect the liability of any person under a contract of carriage or any contract, or shall be construed as imposing any liability upon any person from which he is exempted by any contract or by any provision of law, or as affecting the right of any person to limit his liability in the manner provided by law.
- (6) In this section-
- “freight” includes passage money and hire.
- (7) In this section, references to damage or loss caused by the fault of a ship include references to any salvage or other expenses, consequent upon that fault, recoverable at law by way of damages.
414. (1) Where loss of life or personal injuries are suffered by a person on board a ship owing to the fault of that ship and of any other ship or ships, the liability of the owners of the ships shall be joint and several. Loss of life or personal injuries: joint and several liability
- (2) Section 413(3) applies also to this section.
- (3) Nothing in this section shall be construed as depriving any person of any right of defence on which, apart from this section, he might have relied on in an action brought against him by the person injured, or any person or persons entitled to sue in respect of such loss of life, or shall affect the right of any person to limit his liability in the manner provided by law.

Right of contribution for  
loss of life or personal  
injuries

415. (1) Where loss of life or personal injuries are suffered by a person on board a ship owing to the fault of that ship and any other ship or ships, and a proportion of the damages is recovered against the owners of one of the ships which exceeds the proportion in which the ship was in fault, they may recover, by way of contribution, the amount of the excess from the owners of the other ship or ships to the extent to which those ships were respectively at fault.

(2) Section 413(3) applies also to this section.

(3) Nothing in this section authorises the recovery of any amount which could not, by reason of any statutory or contractual limitation of, or exemption from, liability, or which could not for any other reason, have been recovered in the first instance as damages by the persons entitled to sue therefor.

(4) In addition to any other remedy provided by law, the persons entitled to any contribution recoverable under this section shall, for the purposes of recovering it, have the same rights and powers as the persons entitled to sue for damages in the first instance.

Time limit for  
proceedings against  
owners or ship

416. (1) This section applies to any proceedings to enforce any claim or lien against a ship or its owners-

- (a) in respect of damage or loss caused by the fault of that ship to another ship, its cargo or freight or any property on board it; or
- (b) for damages for loss of life or personal injury caused by the fault of that ship to a person on board another ship.

(2) The extent of the fault is immaterial for the purposes of this section.

(3) Subject to subsections (5) and (6), no proceedings to which this section applies shall be brought after the period of two years from the date when-

- (a) the damage or loss was caused; or
- (b) the loss of life or injury was suffered.

(4) Subject to subsections (5) and (6), no proceedings under section 413, 414 or 415 to enforce any contribution in respect of any overpaid proportion of any damages for loss of life or personal injury shall be brought after the period of one year from the date of payment.

(5) The Court may, in accordance with the rules of court, extend the period allowed for bringing proceedings to such extent and on such conditions as it thinks fit.

(6) The Court, if satisfied that there has not been, during any period allowed for bringing proceedings, any reasonable opportunity of arresting the defendant ship within-

- (a) the jurisdiction of the Court; or



- (b) the territorial sea of the country to which the plaintiff's ship belongs or in which the plaintiff resides or has his principal place of business,

shall extend the period allowed for bringing proceedings to an extent sufficient to give a reasonable opportunity of so arresting the ship.

417. (1) Subject to subsection (3), this Chapter shall apply whenever a person referred to in section 395 seeks to limit his liability before the Court or seeks to procure the release of a ship or other property, or the discharge of any security given within the jurisdiction of the Islands.

Scope of application of Chapter

(2) This Chapter shall apply in relation to Government ships as it applies in relation to other ships.

(3) In this section-

“Government ships” mean-

- (a) ships of which the beneficial interest is vested in the Government;
- (b) ships which are registered as Government ships; and
- (c) ships which are, for the time being, demised or sub-demised to or in the exclusive possession of the Government.

(4) This Chapter shall not apply to any liability in respect of loss of life or personal injury caused to, or loss of or damage to, any property of a person who is on board the ship in question or employed in connection with that ship, or with the salvage operations in question, if he is so on board or employed under a contract of service governed by the law of the Islands.

418. (1) Subject to subsection (3), the owner of a Cayman Islands ship shall not be liable for any loss or damage where-

Exclusion of liability

- (a) any property on board the ship is lost or damaged by reason of fire on board the ship; or
- (b) any gold, silver, watches, jewels or precious stones on board the ship are lost or damaged by reason of theft, robbery or other dishonest conduct and their nature and value were not at the time of shipment declared by their owner or shipper to the owner or master of the ship in the bill of lading or otherwise in writing.

(2) Subject to subsection (3), where the loss or damage arises from anything done or omitted by a person in his capacity as master or member of the crew or (otherwise than in that capacity) in the course of his employment as a servant of the owner of the ship, subsection (1) shall also exclude the liability of-

- (a) the master, member of the crew or servant; and

- (b) in a case where the master or member of the crew is the servant of a person whose liability would not be excluded by that subsection apart from this paragraph, the person whose servant he is.

(3) This section does not exclude the liability of a person for any loss or damage resulting from any such personal act or omission of his as is mentioned in section 399.

- (4) In this section-

“owner”, in relation to a ship, includes any part owner and any charterer, manager or operator of the ship.

## PART XVII - Enforcement Officers and Powers

### Enforcement Officers

Appointment of  
Director, surveyors and  
inspectors

419. (1) The Governor, acting in his discretion, shall appoint the Director and such other officers as surveyors of ships in connection with surveys of ships and other matters incidental thereto as he thinks fit.

(2) There shall be appointed at such ports as the Minister may specify, persons to be surveyors of ships for the purposes of this Law.

(3) Subject to such conditions as the Director may impose, surveys and inspections of ships under this Law may be carried out by any corporation or society for the survey and classification of ships authorised by the Director, and in such instances the terms “surveyor” and “surveyor of ships” shall be construed to include such corporations and societies.

- (4) A surveyor of ships may be appointed as-

- (a) a nautical surveyor;
- (b) a ship’s surveyor;
- (c) an engineer surveyor; or
- (d) any combination of the types of surveyor specified in paragraphs (a), (b) and (c).

(5) Surveyors of ships may be appointed either generally or for any particular case or purpose.

- (6) The Director may, if he thinks fit, appoint a person as an inspector-

- (a) to report to him-

- (i) upon the nature and causes of any accident or damage which any ship has or is alleged to have sustained or caused;
  - (ii) whether any requirements, restrictions or prohibitions imposed by or under this Law have been complied with or, as the case may be, contravened; or
  - (iii) whether the hull and machinery of a ship are sufficient and in good condition; and
- (b) for the purposes of sections 424 and 429,

who may be authorised by the Director to issue such certificates under this Law as the Director may determine.

- (7) A surveyor appointed under this section may act as an inspector.

#### **Inspection, etc., Powers**

420. (1) The powers conferred by this section are conferred in relation to Cayman Islands ships and are available to any of the following officers-

Powers to require production of ship's documents

- (a) the Director;
- (b) a surveyor of ships;
- (c) any British consular officer;
- (d) the Registrar of Shipping;
- (e) any Chief Officer of customs; and
- (f) the Shipping Master,

whenever the officer has reason to suspect that this Law or any law for the time being in force relating to merchant seafarers or navigation is not complied with.

- (2) Those powers are-

- (a) to require the owner, master, or any of the crew to produce any official log books or other documents relating to the crew or any member of the crew in their possession or control;
- (b) to require the master to produce a list of all persons on board his ship, and take copies of or extracts from the official log books or other such documents;
- (c) to muster the crew; and
- (d) to require the master to appear and give any explanation concerning the ship or its crew or the official log books or documents produced or required to be produced.

(3) A person who, on being duly required by an officer under this section to produce a log book or any document, fails without reasonable excuse to produce the log book or document, commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

(4) A person who, on being duly required by any officer under this section-

- (a) to produce a log book or document, refuses to allow the log book or document to be inspected or copied;
- (b) to muster the crew, impedes the muster; or
- (c) to give any explanation, refuses or neglects to give the explanation or knowingly misleads or deceives the officer,

commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

Power to inspect ships and their equipment

421. (1) For the purpose of seeing that this Law and the regulations or that the terms of any approval, licence, consent, direction or exemption given by virtue of such regulations are duly complied with, a surveyor of ships, may, at all reasonable times, go on board a ship and inspect the ship and its equipment or any part thereof, any articles on board and any document carried in the ship under this Law or the regulations.

(2) The powers conferred by subsection (1) are, if the ship is a Cayman Islands ship, also exercisable outside the Islands, and may be so exercised by a proper officer as well as the persons mentioned in that subsection.

(3) A person exercising powers under this section shall not unnecessarily detain or delay a ship but may, if he considers it necessary in consequence of an accident or for any other reason, require a ship to be taken into dock for a survey of its hull or machinery.

(4) Where any such person, as is mentioned in subsection (1), has reasonable grounds for believing that there are, on any premises, provisions or waters intended for supply to a Cayman Islands ship which, if provided on the ship, would not be in accordance with safety regulations containing requirements as to provisions and water to be provided on ships, he may enter the premises and inspect the provisions or water for the purpose of ascertaining whether they would be in accordance with the regulations.

(5) A person who obstructs a person in the exercise of his powers under this section, or fails to comply with a requirement made under subsection (3), commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

Powers of inspectors in relation to premises and ships

422. (1) The powers conferred by this section are conferred in relation to-

- (a) any premises in the Islands; or
- (b) any Cayman Islands ship wherever it may be and any other ship which is present in the Islands or in Cayman Islands waters,

and are available to any inspector appointed under section 419(6), for the purpose

of performing his functions.

- (2) Such an inspector may -
- (a) at any reasonable time, or, in a situation which in his opinion is or may be dangerous, at any time-
    - (i) enter any premises; or
    - (ii) board any ship,if he has reason to believe that it is necessary for him to do so;
  - (b) on entering any premises by virtue of paragraph (a), or, on boarding a ship by virtue of that paragraph, take with him any other person authorised for the purpose by the Director, and any equipment or materials he requires;
  - (c) make such examination and investigation as he considers necessary;
  - (d) give a direction requiring that the premises or ship or any part of the premises or ship or any thing in the premises or ship or such a part shall be left undisturbed, whether generally or in particular respects, for so long as is reasonably necessary for the purposes of any examination or investigation under paragraph (c);
  - (e) take such measurements and photographs and make such recordings as he considers necessary for the purpose of any examination or investigation under paragraph (c);
  - (f) take samples of any articles or substances found in the premises or ship and of the atmosphere in or in the vicinity of the premises or ship;
  - (g) in the case of any article or substance which he finds in the premises or ship and which appears to him to have caused or to be likely to cause danger to health or safety, cause it to be dismantled or subjected to any process or test, but not so as to damage or destroy it unless that is, in the circumstances, necessary;
  - (h) in the case of any such article or substance as is mentioned in paragraph (g), take possession of it and detain it for so long as is necessary to-
    - (i) examine it and do to it anything which he has power to do under that paragraph;
    - (ii) ensure that it is not tampered with before his examination of it is completed; and
    - (iii) ensure that it is available for use as evidence in any proceedings for an offence under this Law or any instrument made under it;

- (i) require a person whom he has reasonable cause to believe is able to give any information relevant to any examination or investigation under paragraph (c)-
  - (i) to attend at a place and time specified by the inspector;
  - (ii) to answer, in the absence of persons other than any persons whom the inspector may allow to be present and a person nominated to be present by the person on whom the requirement is imposed, such questions as the inspector thinks fit to ask; and
  - (iii) to sign a declaration of the truth of his answers;
- (j) require the production of, and inspect and take copies of, or of any entry in-
  - (i) any books or documents which, under this Law, are required to be kept; and
  - (ii) any other books or documents which he considers it necessary for him to see for the purposes of any examination or investigation under paragraph (c); and
- (k) require any person to afford him such facilities and assistance with respect to any matters or things within that person's control or in relation to which that person has responsibilities as the inspector considers are necessary to enable him to exercise any of the powers conferred on him by this subsection.

(3) Nothing in subsections (1) and (2) authorises a person unnecessarily to prevent a ship from proceeding on a voyage.

(4) The Cabinet may, by regulations, make provision as to the procedure to be followed in connection with the taking of samples under subsections (2)(f) and (7) and provision as to the way in which samples that have been so taken are to be dealt with.

(5) Where an inspector proposes to exercise the power conferred by subsection (2)(g) in the case of an article or substance found in any premises or ship, he shall, if so requested by a person who at the time is present in, and has responsibilities in relation to the premises or ship, cause anything which is to be done by virtue of that power to be done in the presence of that person unless the inspector considers that its being done in that person's presence would be prejudicial to the safety of that person.

(6) Before exercising the power conferred by subsection (2)(g), an inspector shall consult such persons as appear to him appropriate for the purpose of ascertaining what dangers, if any, there may be in doing anything which he proposes to do under that power.

(7) Where, under the power conferred by subsection (2)(h), an inspector takes possession of any article or substance found in any premises or ship, he shall leave there, either with a responsible person or, if that is impracticable, fixed

in a conspicuous position, a notice giving particulars of that article or substance sufficient to identify it and stating that he has taken possession of it under that power; and, before taking possession of any such substance under that power, an inspector shall, if it is practicable for him to do so, take a sample of the substance and give to a responsible person at the premises or on board the ship a portion of the sample marked in a manner sufficient to identify it.

(8) No answer given by a person under a requirement imposed under subsection (2)(i) shall be admissible in evidence against that person or the husband or wife of that person in any proceedings except proceedings under section 423(1)(c) in respect of a statement in or a declaration relating to the answer; and a person nominated as mentioned in subsection (2)(i) shall be entitled, on the occasion on which the questions there mentioned are asked, to make representations to the inspector on behalf of the person who nominated him.

423. (1) A person who-

- (a) intentionally obstructs an inspector in the exercise of any power available to him under section 422;
- (b) without reasonable excuse, does not comply with a requirement imposed under section 422 or prevents another person from complying with such a requirement; or
- (c) without prejudice to paragraph (b), makes a statement or signs a declaration which he knows is false, or recklessly makes a statement or signs a declaration which is false, in purported compliance with a requirement made under section 422(2)(i),

Provisions  
supplementary to section  
422

commits an offence and is liable-

- (i) on summary conviction, to a fine of ten thousand dollars; or
- (ii) on conviction on indictment, to a fine of twenty thousand dollars and to imprisonment for one year.

(2) Nothing in section 422 shall be taken to compel the production by a person of a document of which he would on grounds of legal professional privilege be entitled to withhold production on an order for discovery in an action in the Court.

(3) A person who complies with a requirement imposed on him under section 422(2)(i), (j) or (k) shall be entitled to recover from the person who imposed the requirement such sums in respect of the expenses incurred in complying with the requirement as may be prescribed.

(4) Any payments under subsection (3) shall be made out of money provided by the Legislative Assembly.

**Improvement Notices and Prohibition Notices**

Improvement notices

424. (1) If an inspector appointed under section 419(6) is of the opinion that a person-

- (a) is contravening one or more of the relevant statutory provisions; or
- (b) has contravened one or more of those provisions in circumstances that make it likely that the contravention will continue or be repeated,

he may serve on that person a notice under this section, referred to in this section and sections 425 to 429 as an “improvement notice”.

(2) An improvement notice shall-

- (a) state that the inspector is of the said opinion, specify the provision or provisions as to which he is of that opinion, and give particulars of the reasons why he is of that opinion; and
- (b) require the person on whom the notice is served to remedy the contravention in question or, as the case may be, the matters occasioning it within such period as may be specified in the notice.

(3) The period specified under subsection (2)(b) shall not expire before the end of the period within which a notice can be given under section 427 requiring questions relating to the improvement notice to be referred to arbitration.

(4) In this section and sections 425 to 429 -

“relevant statutory provisions” mean-

- (a) the appropriate provisions of Parts VI to XI; and
- (b) the provisions of any instrument of a legislative character having effect under any of those provisions.

Prohibition notices

425. (1) If, as regards any relevant activities which are being or are likely to be carried out on board any ship by or under the control of any person, an inspector appointed under section 419(6) is of the opinion that, as so carried on or as likely to be carried on, the activities involve or, as the case may be, will involve the risk of serious personal injury to any person, whether on board the ship or not, the inspector may serve on the first-mentioned person a notice under this section referred to in this section and in sections 426 to 429 as a “prohibition notice”.

(2) In subsection (1)-

“relevant activities” means activities to or in relation to which any of the relevant statutory provisions apply or will, if the activities are carried on as mentioned in that subsection, apply.



- (3) A prohibition notice shall-
  - (a) state that the inspector is of the said opinion;
  - (b) specify the matters which in his opinion give or, as the case may be, will give rise to the said risk;
  - (c) where in his opinion any of those matters involve or, as the case may be, will involve a contravention of any of the relevant statutory provisions state that he is of that opinion, specify the provision or provisions as to which he is of that opinion, and give particulars of the reasons why he is of that opinion; and
  - (d) direct-
    - (i) that the activities to which the notice relates shall not be carried on by or under the control of the person on whom the notice is served; or
    - (ii) that the ship shall not go to sea, (or both of those things), unless the matters specified in the notice under paragraph (b), and any associated contravention of any provision so specified under paragraph (c), have been remedied.
- (4) A direction contained in a prohibition notice under subsection (3)(d) shall take effect-
  - (a) at the end of a period specified in the notice; or
  - (b) if the direction is given under subsection (3)(d)(ii) or the notice so declares, immediately.

426. (1) An improvement notice or a prohibition notice may include directions as to the measures to be taken to remedy any contravention or matter to which the notice relates; and any such directions may be framed so as to afford the person on whom the notice is served a choice between different ways of remedying the contravention or matter.

Provisions  
supplementary to  
sections 424 and 425

(2) An improvement notice or a prohibition notice shall not direct any measures to be taken to remedy the contravention of any of the relevant statutory provisions that are more onerous than those necessary to secure compliance with that provision.

(3) Where an improvement notice or a prohibition notice that is not to take immediate effect has been served-

- (a) the notice may be withdrawn by an inspector at any time before the end of the period specified in it under section 424(2)(b) or, as the case may be, section 425; and
- (b) the period so specified may be extended or further extended by an inspector at any time when a reference to arbitration in respect of the notice is not pending under section 427.

427. (1) Any question as to whether -

References of notices to  
arbitration

- (a) any of the reasons or matters specified in an improvement notice or a prohibition notice under section 424(2)(a) or under 425(3) (b) or (c) in connection with any opinion formed by the inspector constituted a valid basis for that opinion; or
- (b) directions included in the notice under section 426(1) were reasonable,

shall, if the person on whom the notice was served so requires by a notice given to the inspector within twenty-one days from the service of the notice, be referred to a single arbitrator appointed by agreement between the parties for that question to be decided by him.

(2) Where a notice is given by a person under subsection (1)-

- (a) in the case of an improvement notice, the giving of the notice shall have the effect of suspending the operation of the improvement notice until the decision of the arbitrator is published to the parties or the reference is abandoned by that person; and
- (b) in the case of a prohibition notice, the giving of the notice shall have the effect of so suspending the operation of the prohibition notice if, but only if, on the application of that person the arbitrator so directs, and then only from the giving of the direction.

(3) Where, on a reference under this section, the arbitrator decides as respects any reason, matter or direction to which the reference relates, that in all the circumstances-

- (a) the reason or matter did not constitute a valid basis for the inspector's opinion; or
- (b) the direction was unreasonable,

he shall either cancel the notice or affirm it with such modifications as he may, in the circumstances, think fit; and in any other case the arbitrator shall affirm the notice in its original form.

(4) A person shall not be qualified for appointment as an arbitrator under subsection (1) unless he is-

- (a) a person holding a certificate of competency as a master mariner (unrestricted) or as a marine engineer officer class 1, or a person holding a certificate equivalent to any such certificate;
- (b) a naval architect;
- (c) a person with at least ten years' standing as an attorney-at-law in the Islands and with at least ten years experience in shipping law;

- (d) a person referred to in section 3(1)(a) of the Legal Practitioners Law (2015 Revision) who has practised in the designated profession for a period of at least ten years and with at least ten years experience in shipping law; or
- (e) a person with special experience of shipping matters, or of activities carried on in ports.

2015 Revision

(5) In connection with his functions under this section, an arbitrator shall have the powers conferred on an inspector by section 422.

428. (1) If, on a reference under section 427 relating to a prohibition notice-

Compensation in connection with invalid prohibition notices

- (a) the arbitrator decides that any reason or matter did not constitute a valid basis for the inspector's opinion; and
- (b) it appears to him that there were no reasonable grounds for the inspector to form that opinion,

the arbitrator may, subject to subsection (3), award the person on whom the notice was served such compensation in respect of any loss suffered by him in consequence of the service of the notice as the arbitrator thinks fit.

(2) If, on any such reference, the arbitrator decides that any direction included in the notice was unreasonable, the arbitrator may, subject to subsection (3), award the person on whom the notice was served such compensation in respect of any loss suffered by him in consequence of the direction as the arbitrator thinks fit.

(3) An arbitrator shall not award any compensation under subsection (1) or (2) in the case of any prohibition notice unless-

- (a) it appears to him that the direction given under section 425(3)(d) contained any such requirement as is mentioned in subparagraph (ii) of that provision; or
- (b) it appears to him that-
  - (i) the inspector was of the opinion that there would be such a risk of injury as is referred to in the notice if the ship went to sea; and
  - (ii) the effect of the direction given under section 425(3)(d) was to prohibit the departure of the ship unless the matters, or, as the case may be, the matters and contraventions referred to in the direction were remedied.

(4) Any compensation awarded under this section shall be payable by the Legislative Assembly.

429. (1) A person who contravenes any requirement imposed by an improvement notice commits an offence and is liable-

Offences

- (a) on summary conviction, to a fine not exceeding level 5 on the standard scale; or
- (b) on conviction on indictment, to a fine of fifteen thousand dollars.

(2) A person who contravenes any prohibition imposed by a prohibition notice commits an offence and is liable -

- (a) on summary conviction, to a fine not exceeding level 5 on the standard scale; or
- (b) on conviction on indictment, to a fine of twenty-five thousand dollars and to imprisonment for two years.

(3) It shall be a defence for a person charged with an offence under this section to prove that he exercised all due diligence to avoid a contravention of the requirement or prohibition in question.

(4) In this section, any reference to an improvement notice or a prohibition notice includes a reference to any such notice as modified under section 427.

### **PART XVIII - Inquiries and Investigations into Marine Casualties**

Investigations of  
shipping casualties

430. (1) Where any of the following casualties occur, that is to say-

- (a) the loss or presumed loss, stranding, grounding, abandonment of, or damage to, a ship;
- (b) a loss of life or serious injury to any person, caused by fire on board, or by any accident to a ship or ship's boat, or by any accident occurring on board a ship or ship's boat; or
- (c) any damage caused by a ship,

and, at the time it occurs, the ship was a Cayman Islands ship or the ship or ship's boat was in Cayman Islands waters, the Minister may cause a preliminary inquiry into the casualty to be held by a person appointed for the purpose by the Minister as an inspector of marine casualties who shall have the powers conferred on an inspector by section 422.

(2) Whether or not a preliminary inquiry into the casualty has been held under subsection (1), the Minister may cause a formal investigation to be held by a Board appointed for that purpose.

Formal investigation

431. (1) A Board holding a formal investigation into a shipping casualty under section 430 shall consist of a judge of the Court or a magistrate who shall be assisted by one or more assessors appointed by the Minister; such assessors being persons with requisite skills and knowledge in maritime matters.

(2) Where in any investigation, any question as to the cancellation or suspension of the certificate issued to an officer under any regulations made under section 110 is likely to arise, there shall be not less than two assessors.

(3) If, as a result of the investigation, the Board is satisfied, with respect to any officer, or any of the matters mentioned in section 124(1)(a) to (c) and, if it is a matter mentioned in paragraph (a) or (b) of that section, is further satisfied that it caused or contributed to the accident, the Director may cancel, or suspend any certificate issued to the officer under regulations made under section 110 or censure him; and if he cancels or suspends the certificate, the officer shall deliver it forthwith to him.

(4) A person who fails to deliver a certificate as required under subsection (3) commits an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

(5) Where a certificate has been cancelled or suspended under this section, the Director, if of the opinion that the justice of the case requires it, may re-issue the certificate or, as the case may be, reduce the period of suspension and return the certificate, or may grant a new certificate of the same or a lower grade in place of the cancelled or suspended certificate.

(6) The Board may make such awards as it thinks just with regard to the costs or, as the case may be, expenses of the investigation, and with regard to the parties by whom those costs or expenses are to be paid; and any such award of the Board may, on the application of any party named in it, be made an order of the Court.

(7) Subsections (2), (3) and (4) shall apply to endorsements of certificates in the same manner as they apply to certificates.

(8) The Board shall make a report on the investigation to the Minister.

432. (1) Where a formal investigation has been held under section 431, the Minister may order the whole or part of the case to be reheard and shall do so if-

Rehearings and appeals

- (a) new and important evidence which could not have been produced at the inquiry or investigation has been discovered; or
- (b) it appears to the Minister that there are other grounds for suspecting that a miscarriage of justice may have occurred.

(2) An order under subsection (1) may provide for the rehearing to be made by the Board which held the investigation or by the Court.

(3) Any rehearing under this section shall be conducted in accordance with rules made under section 433, and section 431 shall apply in relation to a rehearing of an investigation by a Board as it applies in relation to the holding of an investigation.

(4) Where the Board holding the investigation has decided to cancel or suspend the certificate of a person issued under any regulations made under section 110, or has found a person at fault, then if no application for an order under subsection (1) has been made, or if such application has been refused, that

person or any other person who, having an interest in the investigation, has appeared at the hearing and is affected by the decision or finding, may appeal to the Court.

Rules relating to inquiries and investigations

433. (1) The Minister may make rules for the conduct of inquiries under section 430, for formal investigations under section 431, and for the conduct of any rehearing under section 432 which is not held by the Court.

(2) Without prejudice to subsection (1), rules under this section may provide for the appointment and summoning of assessors, the manner in which any facts may be proved, the persons allowed to appear and the notices to be given to persons affected.

(3) Rules of the court made for the purpose of rehearings under section 432 which are held by the Court, or of appeals to the Court, may require the Court, subject to such exceptions, if any, as may be allowed by the rules, to hold such a rehearing or hear such an appeal with the assistance of one or more assessors.

Inquiries into and reports on deaths and injuries

434. (1) Subject to subsection (6), where-

- (a) a person dies in a Cayman Islands ship or in a boat or life-raft from such a ship; or
- (b) the master of, or a seafarer employed in, such a ship dies in a country outside the Islands,

an inquiry into the cause of the death shall be held by the Shipping Master or a proper officer at the next port where the ship calls after the death, or at such other place as the Director may direct.

(2) Subject to subsection (6), where it appears to the Director that-

- (a) in consequence of an injury sustained or a disease contracted by a person when he was the master of, or a seafarer employed in, a Cayman Island ship, he ceased to be employed in the ship and subsequently died; and
- (b) the death occurred in a country outside the Islands during the period of one year beginning with the day on which he so ceased,

the Director may arrange for an inquiry into the cause of the death to be held by the Shipping Master or a proper officer.

(3) Subject to subsection (6), where it appears to the Director that a person may have-

- (a) died in a Cayman Islands ship or in a boat or life-raft from such a ship; or
- (b) been lost from such a ship, boat or life-raft and have died in consequence of being so lost,

the Director may arrange for an inquiry to be held by the Shipping Master, or a proper officer into whether the person died as mentioned above and, if the Shipping Master or proper officer finds that he did, into the cause of death.

(4) The Shipping Master or proper officer holding the inquiry shall, for the purpose of the inquiry, have the powers conferred on an inspector by section 422.

(5) The person holding the inquiry shall make a report of his findings to the Director who shall make the report available-

- (a) if the person to whom the report relates was employed in the ship and a person was named as his next of kin in the crew agreement or list of the crew in which the name of the person to whom the report relates last appeared, to the person so named; and
- (b) in any case, to any person requesting it who appears to the Director to be interested.

(6) No inquiry shall be held under this section where a coroner's inquest is to be held.

435. Where-

- (a) an inquest is held into a death or a post mortem examination is made of a dead body as a result of which the coroner is satisfied that an inquest is unnecessary; and
- (b) it appears to the coroner that the death in question is such as is mentioned in section 336(2),

Transmission of particulars of certain deaths on ships

it shall be the duty of the coroner to send to the Registrar of Shipping particulars in respect of the deceased of a kind prescribed by regulations made by the Cabinet.

## PART XIX - Legal Proceedings

### Prosecution of Offences

436. (1) Subject to subsections (2) and (3), no person shall be convicted of an offence under this Law in summary proceedings unless-

Time limit for summary offences

- (a) the proceedings were commenced within six months beginning with the date on which the offence was committed; or
- (b) in a case where the accused happens during that period to be out of the Islands, the proceedings were commenced within two months after he first happens to arrive within the Islands and before the expiration of three years beginning with the date on which the offence was committed.

(2) Nothing in subsection (1) shall apply in relation to any indictable offence.

(3) Subsection (1) shall not prevent a conviction for an offence in summary proceedings begun before the expiration of three years beginning with the date on which the offence was committed and before-

- (a) the expiration of the period of six months beginning with the day when evidence which the Director of Public Prosecutions considers is sufficient to justify a prosecution for the offence came to his knowledge; or
- (b) the expiration of two months beginning with the day when the accused was first present in the Islands after the expiration of the period mentioned in paragraph (a), if throughout that period the accused was absent from the Islands.

(4) For the purpose of subsection (3)-

- (a) a certificate of the Director of Public Prosecutions stating that evidence came to his knowledge on a particular day shall be conclusive evidence of that fact; and
- (b) a document purporting to be a certificate of the Director of Public Prosecutions and to be signed on his behalf shall be presumed to be such certificate unless the contrary is proved.

Time limit for summary orders

437. No order for the payment of money shall be made under this Law in proceedings before a magistrate's court unless-

- (a) the proceedings were commenced within six months beginning with the date on which the matter of complaint arose; or
- (b) in a case where both or either of the parties to the proceedings happen during that period to be out of the Islands, the proceedings were commenced within six months after they both first happen to arrive, or to be at one time, within the Islands.

Offences by officers of bodies corporate

438. (1) Where a body corporate commits an offence under this Law or any instrument made under it, and that offence is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, a director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in such a capacity, he as well as the body corporate commits that offence and is liable to be proceeded against and punished accordingly.

(2) Where the affairs of a body corporate are managed by its members, subsection (1) shall apply in relation to the acts and defaults of a member in connection with its functions of management as if he were a director of the body corporate.



(3) Any document required or authorised, by virtue of any statutory provision, to be served on a foreign company for the purposes of the institution of, or otherwise in connection with, proceedings for an offence under this Law alleged to have been committed by the company as the owner of a ship, shall be treated as duly served on that company if the document is served on the master of the ship; and any person authorised to serve any document for the purposes of the institution of, or otherwise in connection with proceedings for an offence under this Law (whether or not in pursuance of the foregoing provisions of this subsection) shall, for that purpose, have the right to go on board the ship in question.

(4) In subsection (3)-  
“foreign company” has the same meaning as in the Companies Law (2016 Revision). 2016 Revision

### Jurisdiction

439. (1) For the purpose of conferring jurisdiction, any offence under this Law shall be deemed to have been committed in any place in the Islands where the offender may be for the time being. Jurisdiction in relation to offences

(2) For the same purpose, any matter of complaint under this Law shall be deemed to have arisen in any place in the Islands where the person complained against may be for the time being.

(3) The jurisdiction under subsections (1) and (2) shall be in addition to, and not in derogation of, any jurisdiction or power of the Court under any other enactment.

440. Where the area within which the Court has jurisdiction is situated on the coast of the sea or abuts on or projects into any bay, channel or other navigable water, the Court shall have jurisdiction as respects offences under this Law over any vessel being on, or lying or passing off, that coast or being in or near that bay, channel or navigable water and over all persons on board that vessel or for the time being belonging to it. Jurisdiction over ships lying off coasts

441. Where a person is charged with having committed any offence under this Law, the person- Jurisdiction in case of offences on board ship

- (a) if he is a Cayman Islands citizen and is charged with having committed it-
  - (i) on board any Cayman Islands ship on the high seas;
  - (ii) in any foreign port or harbour; or
  - (iii) on board any foreign ship to which he does not belong; or

- (b) if he is not a Cayman Islands citizen and is charged with having committed it on board any Cayman Islands ship on the high seas,

and he is found within the jurisdiction of the Court in the Islands which would have had jurisdiction in relation to the offence if it had been committed on board a Cayman Islands ship within the limits of its ordinary jurisdiction to try the offence, the Court shall have jurisdiction to try the offence as if it had been so committed.

Offences committed by  
Cayman Islands  
seafarers

442. (1) Any act, in relation to property or person, done in or at any place, ashore or afloat, outside the Islands by any master or seafarer who, at the time, is employed on a Cayman Islands ship, which, if done in any part of the Islands would be an offence under the law of any part of the Islands, shall-

- (a) be an offence under that law; and
- (b) be treated for the purposes of jurisdiction and trial, as if it had been done within the jurisdiction of the Court.

(2) Subsection (1) also applies in relation to a person who had been so employed within the period of three months expiring with the time when the act was done.

(3) Subsections (1) and (2) apply to omissions as they apply to acts.

Return of offenders

443. (1) The powers conferred on a British consular officer by subsection (2) are exercisable in the event of any complaint being made to him-

- (a) that any offence against property or persons has been committed at any place, ashore or afloat, outside the Islands by any master or seafarer who at the time when the offence was committed, or within three months before that time, was employed in a Cayman Islands ship; or
- (b) that any offence on the high seas has been committed by any master or seafarer belonging to any Cayman Islands ship.

(2) Those powers are-

- (a) to inquire into the case upon oath; and
- (b) if the case so requires, to take any steps in his power for the purpose of placing the offender under the necessary restraint and sending him by a Cayman Islands ship as soon as practicable in safe custody to the Islands for proceedings to be taken against him.

(3) The consular officer may, subject to subsections (4) and (5), order the master of any Cayman Islands ship bound for the Islands to receive and carry the offender and the witnesses to the Islands; and the officer shall endorse upon the agreement of the ship such particulars with respect to them as the Director requires.

(4) A consular officer shall not exercise the power conferred by subsection (3) unless no more convenient means of transport is available or it is available only at disproportionate expense.

(5) No master of a ship may be required under subsection (3) to receive more than one offender for every one hundred tons of his ship's gross tonnage, or more than one witness for every fifty tons of his ship's gross tonnage.

(6) The master of any ship, to whose charge an offender has been committed under subsection (3), shall, on his ship's arrival in the Islands, give the offender into the custody of a police officer or constable.

(7) A person who, being a master of a ship, when required under subsection (3) to receive and carry any offender or witness in his ship-

- (a) fails to do so; or
- (b) in the case of an offender, fails to deliver him as required by subsection (6),

commits an offence and is liable on summary conviction to a fine of ten thousand dollars.

(8) The expense of imprisoning any such offender and of carrying him and witnesses to the Islands otherwise than in the ship to which they respectively belong, shall be paid out of money provided by the Legislative Assembly.

(9) References in this section to carrying a person in a ship include affording him subsistence during the voyage.

#### **Detention of Ship and Distress on Ship**

444. (1) Where, under this Law, a ship is to be detained, any of the following officers may issue an order for detention and detain the ship-

Enforcing detention of ship

- (a) the Director;
- (b) any surveyor of ships authorised by the Director for the purpose;
- (c) any officer of customs; and
- (d) any British consular officer,

and a copy of the order shall be provided to the proper office of customs at the port at which the ship seeks clearance.

(2) If a ship, which has been detained or, as respects which, notice of detention or an order for detention has been served on the master, proceeds to sea before it is released by a competent authority, the master of the ship commits an offence and is liable-

- (a) on summary conviction, to a fine of twenty thousand dollars; or
- (b) on conviction on indictment, to a fine of fifty thousand dollars.

(3) The owner of a ship, and any person who sends to sea a ship, as respects which an offence is committed under subsection (2) is, if party or privy to the offence, deemed to have committed an offence under that subsection and is liable accordingly.

(4) Where a ship proceeding to sea in contravention of subsection (2), takes to sea any officer authorised, by subsection (1), to detain the ship, who is on board the ship in the execution of his duty, the owner and master of the ship shall each -

- (a) be liable to pay all expenses of, and incidental to, the officer being so taken to sea; and
- (b) be deemed to have committed an offence.

(5) A person who commits an offence under subsection (4), is liable-

- (a) on summary conviction, to a fine not exceeding the level 5 on the standard scale;
- (b) on conviction on indictment, to a fine of ten thousand dollars.

(6) Where, under this Law, a ship is to be detained, an officer of customs shall, and where under this Law a ship may be detained, an officer of customs may, refuse to clear the ship outwards.

(7) When any provision of this Law provides that a ship may be detained until any document is produced to the proper officer of customs, the officer able to grant a clearance of the ship is, unless the context otherwise requires, that officer.

(8) Any reference in this section to proceeding to sea includes a reference to going on a voyage or excursion that does not involve going to sea and references to sending or taking to sea shall be construed accordingly.

(9) Subject to subsection (12), where proceedings are to be instituted in respect of an alleged contravention of this Law, a person exercising the power of detention shall immediately release the ship if -

- (a) no proceedings for the offence in question are instituted within seven days beginning with the day on which the ship is detained;
- (b) such proceedings, having been instituted through exercise of the power conferred by subsection (1) within that period, are concluded without the master or owner being convicted;
- (c) either -
  - (i) the sum of one hundred thousand dollars is paid to the Minister by way of security; or
  - (ii) security which, in the opinion of the Minister, is satisfactory and is for an amount not less than one hundred thousand dollars is given to the Minister by or on behalf of the master or owner;

- (d) where the master or owner is convicted of the offence, any costs or expenses ordered to be paid by him, and any fine imposed on him, have been paid; or
- (e) the release is ordered by a court or tribunal referred to in Article 292 of the United Nations Convention on the Law of the Sea 1982, and any bond or other financial security ordered by such a court or tribunal is posted.

(10) The Minister shall repay any sum paid under subsection (9)(c) or release any security so given-

- (a) if no proceedings for the offence in question are instituted within seven days beginning with the day on which the sum is paid; or
- (b) if such proceedings, having been instituted within that period, are concluded without the master or owner being convicted.

(11) Where a sum has been paid, or security has been given, by any person under subsection (9)(c), and the master or owner is convicted of the offence in question, the sum so paid or the amount made available under the security shall be applied-

- (a) first, in payment of any costs or expenses ordered by the Court to be paid by the master or owner; and
- (b) next, in payment of any fine imposed by the Court,

and the balance shall be repaid to the person paying the sum, or giving the security.

(12) Notwithstanding subsection (9), where a ship is detained under section 268, it shall not be released until the deficiency for which the ship was detained is rectified to the satisfaction of the Director or any person authorised by the Director.

(13) Where a ship detained under this Law is to be released, an order for release shall be issued by one of the persons referred to in subsection (1) as may be appropriate in the particular case, and such person shall provide a copy of the order to the proper officer of customs of the port at which the ship is to be cleared onwards.

445. (1) Where the Court makes an order directing payment to be made of any seafarer's wages, fines or other sums of money, then, if the person directed to pay is the master or owner of the ship and the money directed to be paid is not paid in accordance with the order, the Court which made the order may direct the amount remaining unpaid to be levied by distress.

Sums ordered to be paid  
leviable by distress on  
the ship

(2) Where a fine imposed by a court in proceedings against the owner or master of a ship for an offence under this Law is not paid, or any costs or expenses ordered to be paid by him are not paid at the time ordered by the Court,

the Court shall, in addition to any other powers for enforcing payment, have power to direct the amount remaining unpaid to be levied by distress or arrestment and sale of the ship, its tackle, furniture and apparel.

(3) Where a person is convicted of an offence under this Law and the Court imposes a fine in respect of the offence, then if it appears to the Court that any person has incurred, or will incur, expenses in making good any damage which is attributable to the offence, the Court may order the whole or part of the fine to be paid to that person for or towards defraying those expenses.

### **Special Evidentiary Provisions**

Depositions of persons  
abroad admissible

446. (1) If the evidence of any person is required in the course of any legal proceeding before a judge or magistrate in relation to the subject matter of the proceedings and it is proved that that person cannot be found in the Islands, any deposition that he may have previously made at a place outside the Islands in relation to the same subject matter shall, subject to subsection (2), be admissible in evidence in those proceedings.

(2) For a deposition to be admissible under subsection (1) in any proceedings, the deposition shall -

- (a) have been taken on oath;
- (b) have been taken before a justice or magistrate in any British Colony or a British consular officer in any other place;
- (c) be authenticated by the signature of the justice, magistrate or officer taking it; and
- (d) if the proceedings are criminal proceedings, have been taken in the presence of the accused,

and, in a case falling within paragraph (d), the deposition shall be certified by the justice, magistrate or officer taking it to have been taken in the presence of the accused.

(3) No proof need be given of the signature or official character of the person appearing to have signed any such deposition and, in any criminal proceedings, a certificate stating that the deposition was taken in the presence of the accused shall, unless the contrary is proved, be evidence of that fact.

(4) This section also applies to proceedings before a person authorised by law or consent of the parties to receive evidence.

(5) Nothing in this section affects the admissibility in evidence of depositions under any other enactment or the practice of the Court

447. (1) The following documents shall be admissible in evidence and, when in the custody of the Director, shall be open to public inspection-

Admissibility in evidence and inspection of certain documents

- (a) documents purporting to be submissions to or decisions by the Shipping Master or proper officers under section 96;
- (b) the official log book of any ship kept under section 140 and, without prejudice to section 448(2), any document purporting to be a copy of an entry therein and to be certified as a true copy by the master of the ship;
- (c) crew agreements, lists of crews made under section 141 and notices given under Part V of additions to or changes in crew agreements and lists of crews;
- (d) returns or reports under section 336; and
- (e) documents transmitted to the Director under section 456.

(2) A certificate issued under regulations made under section 110 shall be admissible in evidence.

448. (1) Where a document is, by this Law, declared to be admissible in evidence the document shall, on its production from proper custody-

Admissibility of documents in evidence

- (a) be admissible in evidence in any court or before a person having by law or consent of parties authority to receive evidence; and
- (b) subject to all just exceptions, be evidence of the matters stated in the document.

(2) A copy of, or extract from, any document so made admissible in evidence shall, subject to subsection (3), also be admissible in evidence and evidence of the matters stated in the document.

(3) A copy of, or extract from, a document shall not be admissible by virtue of subsection (2), unless-

- (a) it is proved to be an examined copy or extract; or
- (b) it purports to be signed and certified as a true copy or extract by the officer to whose custody the original document was entrusted,

and that officer shall furnish the certified copy or extract to any person who applies for it at a reasonable time and pays such reasonable price as the Director determines.

(4) A person shall, on payment of such reasonable price as the Director determines, be entitled to have a certified copy of any declaration or document a copy of which is made evidence by this Law.

(5) If any officer, having duties of certification under subsection (3), in relation to any document intentionally certifies any document as being a true copy or extract knowing that the copy or extract is not a true copy or extract commits an offence and is liable-

- (a) on summary conviction, to a fine not exceeding level 5 on the standard scale or to imprisonment for six months; or
- (b) on conviction on indictment, to a fine of ten thousand dollars and to imprisonment for two years.

Inspection and  
admissibility in evidence  
of copies of certain  
documents

449. (1) Where, under any enactment, a document is open to public inspection when in custody of the Director-

- (a) there may be supplied for public inspection a copy or other reproduction of the document instead of the original; but
- (b) the original shall, nevertheless, be made available for public inspection if the copy or other reproduction is illegible.

(2) Where the Director destroys any document which has been sent to him under or by virtue of any enactment and keeps a copy or other reproduction of that document, then-

- (a) any enactment providing for that document to be admissible in evidence or open to public inspection; and
- (b) in the case of a document falling within subsection (1), that subsection,

shall apply to the copy or other reproduction as if it were the original.

(3) For the purposes of this section, and of section 448(2) in its application to documents in the custody of the Director, a copy is to be taken to be the copy of a document notwithstanding that it is taken from a copy or other reproduction of the original.

Proof, etc., of  
exemptions

450. (1) Where any exception, exemption, excuse or qualification applies in relation to an offence-

- (a) it may be proved by the defendant; but
- (b) need not be specified or negatived in any information or complaint,

and, if so specified or negatived, shall not require to be proved by the informant or complainant.

(2) This section applies in relation to an offence whether or not the exception, exemption, excuse or qualification is contained in the section creating the offence.

Service of documents

451. (1) A notice or document authorised or required to be served on a person may be served on that person-

- (a) by delivering it to him;
- (b) by leaving it at his proper address; or
- (c) by sending it by post to him at his proper address.



(2) Any such document required to be served on the master of a ship may be served-

- (a) where there is a master, by leaving it for him on board the ship with the person appearing to be in command or charge of the ship; and
- (b) where there is no master, on-
  - (i) the managing owner of the ship;
  - (ii) if there is no managing owner, on any agent of the owner; or
  - (iii) where no such agent is known or can be found, by leaving a copy of the document fixed to the mast of the ship.

(3) Subject to subsection (4), a document authorised or required to be served on any person may-

- (a) in the case of a body corporate, be served on the secretary or clerk of that body; or
- (b) in the case of a partnership, be served on a partner or a person having the control or management of the partnership business.

(4) A document required or authorised by or under any enactment to be served on the registered owner of a Cayman Islands ship shall, where there are two or more registered owners, be treated as duly served, if served on any one of the registered owners.

(5) A notice authorised by section 424, 425, 426 or 427 to be given to an inspector may be given by delivering it to him or by leaving it at, or sending it by post to, his office.

(6) For the purposes of this section, the proper address of a person on whom a document is to be served shall be his last known address, except that-

- (a) in the case of a body corporate, or their secretary or clerk, it shall be the address of the registered or principal office of that body; or
- (b) in the case of a partnership, or a person having the control or management of the partnership business, it shall be the principal office of the partnership,

and for the purposes of this subsection, the principal office of a company registered outside the Islands shall be its principal office in the Islands.

(7) For the purposes of section 52 of the Interpretation Law (1995 Revision), service of documents by post, a letter containing-

- (a) a notice to be served on a person under subsection (4), or
- (b) a notice required or authorised to be served under this Law on a representative person within the meaning of this Law,

shall be deemed to be properly addressed if it is addressed to that person at the address for the time being recorded in relation to him in the register, and a letter containing any other notice to which subsection (1)(c) applies shall be deemed to be properly addressed if it is addressed to the last known address of the person to be served, whether of his residence or of a place where he carries on business.

(8) Subject to subsection (7), if the person to be served with a notice has specified an address in the Islands other than his proper address within the meaning of subsection (6), as the one at which he or someone on his behalf will accept notices of the same description as that notice, that address shall also be treated for the purposes of this section as his proper address.

## PART XX - Supplemental

### Administration

General functions of  
Minister and Director

452. (1) The Minister shall have the general superintendence of all matters relating to merchant shipping and seafarers and is authorised to carry into execution the provisions of this Law except as provided in subsection (2) and of all laws relating to merchant shipping and seafarer, for the time being in force, except where otherwise provided or so far as relating to revenue.

(2) The provisions of this Law-

- (a) concerning revenue and matters related thereto, shall be administered by the Financial Secretary; and
- (b) concerning the Port Authority and the Director of Ports, shall be administered by the Minister responsible for the Port Authority.

(3) The Minister may take any legal proceedings under this Law in the name of any of his officers.

(4) The Director shall be the head of the Cayman Islands Shipping Registry and may act in the capacity of the Registrar of Shipping, the Shipping Master and in such other capacity as the Cabinet may direct.

(5) No action shall lie against the Government or any public officer or other person appointed or authorised to perform any function under this Law in respect of anything done or omitted to be done by him in good faith in the exercise or performance of any power, authority or duty conferred or imposed on him under this Law.

General power to  
dispense

453. (1) The Director may, and upon such conditions, if any, as the Director thinks fit to impose, exempt any ship from any specified requirement of, or prescribed under, this Law, or dispense with the observance of any such requirement in the case of any ship, if he is satisfied, as respects that requirement, of the matters specified in subsection (2).

- (2) Those matters are-
  - (a) that the requirement has been substantially complied with in the case of that ship or that compliance with it is unnecessary in the circumstances; and
  - (b) that the action taken or provision made as respects the subject matter of the requirement in the case of the ship is as effective as, or more effective than, actual compliance with the requirement.
- (3) The Minister shall annually lay before the Legislative Assembly a special report stating-
  - (a) the cases in which the Director has exercised his powers under this section during the preceding year; and
  - (b) the grounds upon which the Director has acted in each case.

454. There shall be paid to any assessor appointed under this Law such remuneration, out of money provided by the Legislative Assembly, as the Minister may determine. Nautical assessors

455. (1) The duties set out in subsections (2) and (3) are imposed on the Shipping Master and all officers of customs as respects all documents which are delivered or transmitted to or retained by them under this Law. Transmission of documents to Director

(2) They shall take charge of the documents and keep them for such time, if any, as may be necessary for the purpose of settling any business arising at the place where the documents come into their hands, or for any other proper purpose.

(3) They shall, if required, produce them for any of those purposes, and shall then transmit them to the Director.

(4) The Director shall record and preserve all documents transmitted to him under subsection (3).

456. (1) The Shipping Master shall make and send to the Director such returns or reports on any matter relating to Cayman Islands seafarers as he may require. Returns, etc., to Director

(2) The Shipping Master shall, when required by the Director, produce to him or to his officers all official log-books and other documents which are delivered to him under this Law.

457. (1) The Director may prepare and approve forms for any book, instrument or paper required under this Law and may alter such forms as he thinks fit. Forms

(2) The Director shall cause every such form to be marked with the distinguishing mark of the Cayman Islands Shipping Registry and, before finally issuing any form or making any alteration in a form, shall cause public notice

thereof to be given in such manner as he thinks requisite in order to avoid inconvenience.

(3) The Director shall cause such forms to be supplied at offices of customs and the Cayman Islands Shipping Registry, free of charge or at such reasonable prices as he may fix.

(4) Every such book, instrument or paper shall be made in the form, if any, approved by the Director, or as near as circumstances permit; and, unless so made, shall not be admissible in evidence in any civil proceedings on the part of the owner or master of any ship.

(5) Every such book, instrument or paper, if made in a form purporting to be the proper form and to be marked in accordance with subsection (2), shall be deemed to be in the form required by this Law, unless the contrary is proved.

(6) Subsections (1) to (5) do not apply where special provision is made by this Law.

(7) A person who prints, sells or uses any document purporting to be a form approved by the Director, knowing that the document is not the form approved for the time being or that the document has not been prepared or issued by the Director, commits an offence and is liable on summary conviction to a fine not exceeding level 2 on the standard scale.

Advisory committees

458. (1) The Minister may, if he thinks fit, appoint committees for the purpose of advising him when considering the making or alteration of any regulations or rules for the purposes of this Law.

(2) A committee appointed under subsection (1) shall consist of persons representing the interests principally affected or having special knowledge of the subject matter.

(3) The Minister may pay to the members of any committee under this section such travelling and other allowances as the Minister determines.

(4) Committees may be appointed under subsection (1) to advise the Minister specially as regards any special regulations, rules or generally as regards any class or classes of regulations or rules which the Minister may assign to them.

### **Financial Provisions**

Fees, regulations and  
scale of fines

459. (1) The Cabinet may make regulations prescribing fees to be charged in respect of-

- (a) the issue or recording under this Law of any certificate, licence or other document; or

(b) the doing of any thing under this Law.

(2) The standard scale of fines shall be as provided in Schedule 2.

(3) The Cabinet may, by Order, vary the standard scale of fines, taking into account the rate of inflation in the Islands for the time being.

460. (1) All expenses incurred by the Collector of Customs in the conduct of proceedings or otherwise in carrying into effect this Law shall be treated as expenses relating to the revenue of customs and shall be paid accordingly.

Expenses of Collector of Customs

(2) The Minister may, however, repay all or any part of such of the expenses paid in accordance with subsection (1) as are chargeable under this Law on money provided by the Legislative Assembly.

461. The following expenses and other amounts shall be payable out of money provided by the Legislative Assembly-

Expenses charged on money provided by Legislative Assembly

- (a) the expenses incurred by the Minister under this Law;
- (b) the expenses of obtaining depositions, reports and returns respecting wrecks and casualties;
- (c) such sums as the Minister may, in his discretion, think fit to pay in respect of claims on account of the proceeds of wreck;
- (d) the expenses incurred in respect of the Receiver of Wreck and the performance of his duties;
- (e) such expenses as the Minister directs for-
  - (i) establishing and maintaining on the coasts of the Islands proper lifeboats with the necessary crews and equipment;
  - (ii) affording assistance towards the preservation of life and property in cases of shipwreck and distress at sea; or
  - (iii) rewarding the preservation of life in such cases; and
- (f) any other amounts which are, under this Law, payable out of money provided by the Legislative Assembly.

462. (1) The following sums shall be paid into the Treasury-

Payments to be made into Treasury

- (a) *Repealed by section 2 of Law 17 of 2014.*
- (b) all fines imposed under this Law;
- (c) any fees received by the Receiver of Wreck; and
- (d) any sums received by the Minister under this Law or which are, by any provision of it, required to be paid into the Treasury.

(2) All fees mentioned in this section shall be paid at such time and in such manner as the Minister directs.

### Subordinate Legislation

463. (1) Without prejudice to any other provision of this Law, the Cabinet may make regulations making such provisions as it considers appropriate for-

Regulations, etc.

- (a) securing the safety of ships registered in the Islands and persons on them and for protecting the health of persons on Cayman Islands ships;
- (b) giving effect to any provisions of an international agreement adopted by the United Kingdom, and extended to the Islands so far as the agreement relates to the safety of other ships or persons on them, or to the protection of the health of persons on other ships;
- (c) securing the safety of other ships and persons on them while they are within a port in the Islands; and
- (d) any other matters relating to load lines in addition to those referred to in section 229, including-
  - (i) the issue of certificates and forms thereof;
  - (ii) the determination and assignment of load lines to Cayman Islands ships to which the Loadline Convention does not apply; and
  - (iii) requirements with respect to the carriage of cargo in any uncovered space on the deck of a ship; and
- (e) prescribing anything that, under this Law, is to be prescribed.

(2) The power conferred by subsection (1) to make provision for giving effect to an agreement includes power to provide for the provision to come into force although the agreement has not come into force.

(3) Regulations made under subsection (1) may-

- (a) make different provisions for different circumstances and, in particular, make provision for an individual case;
- (b) be made so as to apply only in such circumstances as are prescribed by the regulations;
- (c) be made so as to extend outside the Islands; and
- (d) contain such incidental and transitional provisions as the Cabinet considers appropriate.

(4) The Cabinet may, by regulations-

- (a) make such repeals or other modifications of this Law as it considers appropriate in consequence or in anticipation of the making of regulations under subsection (1);
- (b) make such repeals or other modifications of provisions of any enactment passed, and any instrument made before the passing of this Law as it considers appropriate, in connection with any modification made, or to be made, in pursuance of the preceding paragraph; and
- (c) provide for anything done under a provision repealed or otherwise modified by virtue of paragraph (a) or (b), to have effect as if done under regulations made under subsection (1),

and make such other transitional provision and such incidental and supplemental provision as it considers appropriate in connection with any modification made by virtue of either of those paragraphs.

(5) Any power of the Cabinet to make regulations, orders or rules under this Law shall be exercisable by statutory instrument.

(6) Any direction, notice, order or authorisation under this Law, given or made by the Minister or Director shall be in writing.

(7) Any power to give a direction includes power to vary or revoke the direction by a subsequent direction.

(8) In making any regulations under this Law, the Cabinet may prescribe fines exceeding one thousand dollars in respect of breaches of any provisions thereof.

**Application of Law to Certain Descriptions of Ships, etc.**

464. (1) The Cabinet may make regulations specifying any description of non-Cayman Islands ships and directing that such of the provisions of this Law and of instruments under this Law, as may be specified in the regulations-

Application of Law to non-Cayman Islands ships

- (a) shall extend to non-Cayman Islands ships of that description and to masters and seafarers employed in them; or
- (b) shall so extend in such circumstances as may be so specified, with such modifications, if any, as may be so specified.

(2) Regulations under this section may contain such transitional, supplementary and consequential provisions as appear to the Cabinet to be expedient.

(3) In this section-

“non-Cayman Islands ships” means ships that are not registered in the Islands.

465. (1) Subject to any other provision herein, this Law shall not apply to ships belonging to the Government.

Application of Law to Government ships

(2) The Cabinet may, by Order, make regulations with respect to the manner in which Government ships may be registered as Cayman Islands ships under Part II; and this Law, subject to any exceptions and modifications which may be made by Order, either generally or as respects any special class of Government ships, shall apply to Government ships registered in accordance with the Order as if they were registered in accordance with Part II.

(3) Any Order under subsection (2) shall be laid before the Legislative Assembly after being made.

Application of Law to ships chartered by demise to the Government

466. (1) This section applies to a ship if, for the time being-
- (a) the ship is -
    - (i) registered in the Islands; and
    - (ii) in the services of the Government by reason of a charter by demise to the Government; and
  - (b) there is in force, under section 466(2), an Order providing for the registration of Government ships.
- (2) Where this section applies to any ship-
- (a) the provisions of the Order referred to in paragraph (b) of subsection (1) (excluding those relating to registration under the Order); and
  - (b) the provisions of this Law (as they apply by virtue of section 466(2)) and that Order,

shall, subject to subsections (3) and (4), have the same effect in relation to that ship as they have in relation to a Government ship, whether referred to as such or as such a ship registered in pursuance of that Order.

(3) Subject to subsection (4), Part II shall have effect, in relation to a ship to which this section applies, in like manner as if it were not, for the purpose of this Law, a ship belonging to the Government.

(4) The Cabinet may, by Order, provide that any statutory provision falling within subsection (2) or (3), and specified in the Order-

- (a) shall not have effect in accordance with that subsection in relation to a ship to which this section applies; or
- (b) shall so have effect in relation to such a ship, but subject to such modifications as are specified in the Order.

(5) In the application of this Law, other than Part II, in relation to a ship to which this section applies, any reference to the owner of the ship shall be construed as a reference to the Government.

(6) An Order under this section may make such transitional, incidental or supplementary provisions as appears to the Cabinet to be necessary or expedient.

Application of Law to certain structures, etc.

467. (1) The Cabinet may, by Order, provide that a thing designed or adapted for use at sea and described in the Order is or is not to be treated as a ship for the purposes of any specified provision of this Law or of an instrument made thereunder.

- (2) An Order under this section may-
- (a) make different provisions in relation to different occasions; and
  - (b) if it provides that a thing is to be treated as a ship for the purposes of a specified provision, provide that the provision shall



have effect in relation to the thing with such modifications as are specified.

(3) In this section-

“specified” means specified in the Order.

#### **Application of United Kingdom Legislation**

468. (1) The Cabinet may, after consultation with the Secretary of State for Transport of the United Kingdom, by Order, apply to the Islands as part of the law of the Islands, subject to such exceptions, adaptations and modifications as may be specified in the Order, any legislation of the United Kingdom to which this section applies.

Application of United Kingdom legislation

(2) An Order under subsection (1), may include provisions repealing or amending any provision of any enactment, other than this section, including an enactment which applies or enables the application of any legislation of the United Kingdom relating to merchant shipping, which is inconsistent with, or is unnecessary or requires modification in consequence of this section, the Order or any legislation of the United Kingdom applied to the Islands by the Order.

(3) The Minister shall, as soon as is practicable after the coming into operation of an Order under subsection (1), cause a text to be prepared of the legislation of the United Kingdom, applied by the Order, incorporating the exceptions, adaptations and modifications specified in the Order.

(4) The Minister shall supply a copy of the text, prepared under subsection (3), to a person requesting the same, at such reasonable charge as the Minister may determine.

469. Any order, rules or regulations made under this Law shall be made after notification thereof is given to the Secretary of State for Transport of the United Kingdom.

Consultation with Secretary of State

**SCHEDULE 1**

section 60

**Instruments and Documents for which Forms are to be Prescribed**

Certificate of survey.

Declaration of ownership by individual owner.

Declaration of ownership on behalf of a corporation as owner.

Certificate of registry.

Declaration of ownership by individual transferee.

Provisional certificate.

Declaration of owner taking by transmission.

Declaration of mortgagee taking by transmission.

Bill of Sale.

Mortgage to secure principal sum and interest.

Mortgage to secure account current, etc. (individuals or joint owners).

Transfer of mortgage by individual or joint owners.

Transfer of mortgage by body corporate.

**SCHEDULE 2**

section 459(2)

**Standard Scale of Fines**

- Level 1 -\$1,000
- Level 2 -\$2,000
- Level 3 -\$3,000
- Level 4 -\$4,000
- Level 5 -\$5,000

Publication in consolidated and revised form authorised by the Cabinet this 30th day of August, 2016.

Kim Bullings  
Clerk of Cabinet

*Notes (not forming part of the Law):*

1. By Commencement Notice made the 13th July, 1999, this Law was brought into force on the 19th July, 1999 with the exception of the repeal under section 466-omitted from this revision-of the enactments specified in the Schedule to the Commencement Order, namely-

*Merchant Shipping (Medical Fitness) Regulations, 1989*

*Merchant Shipping (Provisions & Water) (Cayman Islands) Regulations, 1989*

*Merchant Shipping (Reporting of Pollution Incidents (Cayman Islands) Regulations, 1989*

*Merchant Shipping (Repatriation) (Cayman Islands) Regulations, 1989*

*Merchant Shipping (Crew Accommodation) (Cayman Islands) Regulations, 1988*

*Merchant Shipping (Tonnage) (Cayman Islands) (Amendment) Regulations, 1988*

*Merchant Shipping (Submersible Craft Construction, Equipment and Survey) (Cayman Islands) Regulations, 1991*

*Merchant Shipping (Submersible Craft Operation) (Cayman Islands) Regulations, 1991*

*Merchant Shipping (Crew Agreements, List of Crew and Discharge of Seaman) Regulations, 1992.*

2. Section 17(d) of Law 11 of 2007 provides that this subsection shall come into force on such day as may be appointed by Order of the Governor: As at the date of authorisation of this Revision no such Order had been made.

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