I assent.

(L.S.)

PAUL XUEREB
Acting President

20th December, 1988

ACT No. XXXVII of 1988

AN ACT further to amend the Merchant Shipping Act, 1973.

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled and by the authority of the same, as follows:—

Short title.

1. This Act may be cited as the Merchant Shipping (Amendment) Act, 1988 and shall be read and construed as one with the Merchant Shipping Act, 1973, hereinafter referred to as "the principal Act".

Commencement.

2. This Act shall come into force on such date as the Minister responsible for shipping may, by notice in the Gazette, appoint, and different dates may be so appointed for different provisions and different purposes thereof.

General amendment of the principal Act.

3. The principal Act shall be amended as follows:

(a) wherever reference is made to the words "certificate or certificates of mortgage" and to the words "certificate or certificates of sale" such reference shall be deleted; and

(b) wherever reference is made to the word "pounds" it shall be substituted by the word "liri".

Amendment of section 2 of the principal Act.

4. Section 2 of the principal Act, shall be amended as follows:

(a) subsection (1) thereof shall be amended as follows:

(i) after the definition of "Minister" there shall be added the following new definition:

" "month" means "calendar month;";

(ii) the definition of "register book" shall be deleted and substituted by the following new definition:

" "register" means the record to be kept by the registrar under section 365 of this Act;";

and wherever the words "register book" occur in the principal Act, they shall be substituted by the word "register";

(iii) the definition of "registrar" shall be deleted and substituted by the following new definition:

" "registrar" means a person appointed as registrar under section 364 of this Act, and includes any person acting under his authority with the permission of the Registrar-General;";

(iv) the definition of "Registrar-General" shall be deleted and substituted by the following new definition:

" "Registrar-General" means the Registrar-General of Shipping and Seamen appointed under section 363 of this Act and includes any person acting under his authority;";

(v) the definition of "ship" shall be deleted and substituted by the following new definition:

" "ship" means every description of vessel used in navigation, whether self propelled or not, and it includes barges, pontoons and oil rigs and other similar vessels, but not including vessels propelled by oars, and for those parts of the Act wherever applicable it shall also include a ship under construction;";

(vi) the definition of "ship's registrar" shall be deleted;

and wherever the words "the ship's registrar" occur in the principal Act, they shall be deleted and substituted by the words "the registrar"; and

(b) immediately after subsection (1) thereof there shall be added the following new subsection:

"(2) Any notice required to be sent under this Act to the master, owner, or any other person representing the ship shall be deemed to have been duly received and notified if sent by registered post to the last address of the owner registered with the registrar.".

5. Section 3 of the principal Act, shall be amended as follows: Amendment of section 3 of the principal Act.

(a) in subsection (1) thereof, immediately after the words "exempted from registry" there shall be inserted the words "or a ship referred to in subsection (7) of this section;";

(b) the words "fifteen net tons" in subsection (2) thereof shall be deleted and substituted by the words "twenty-four metres in length"; and

(c) immediately after subsection (2) thereof there shall be added the following new subsections:

"(3) It shall be lawful to register any ship which is being built or equipped and that when built or equipped will be a ship registrable under this Act.

(4) Pending completion the ship may be assigned an official number and a name.

(5) For the purposes of identification the owner of such ship that is being built or equipped shall identify it by painting the official number, name and port of registry on the keel, such details to be reproduced on the ship's side and eventually on the stern, as may be possible from time to time and prior to the above being possible the owner shall identify it by painting on a board, maintained near the place in the yard of builder where the ship is being built, the assigned number, name and port of registry, on a dark background, in white or yellow figures and letters of not less than ten centimetres in length.

(6) The requirements of this Act relating to survey and safety of ships already built shall be suspended until the construction or equipping of the ship is completed.

(7) Notwithstanding any other provision of this Act, ships under six metres in length shall not be registrable under this Act.".

Amendment of section 4 of the principal Act.

6. Following subsection (2) of section 4 of the principal Act, there shall be added the following new subsection:

"(3) For the purposes of paragraph (b) of subsection (1) hereof the Minister may, by regulations, establish such other conditions as he may deem expedient in order to ensure the proper application of this Act, and the due observance of the laws of Malta relating to merchant shipping.".

Amendment of section 5 of the principal Act.

7. The words "the certificate of registry" in section 5 of the principal Act, shall be deleted and substituted by the words "any certificate of registry issued under section 19 of this Act.".

Amendment of section 7 of the principal Act.

8. Section 7 of the principal Act, shall be deleted and substituted by the following new section:

"Payment of fees.

7. (1) The fee due on initial registration and the annual fee for one year shall be paid before the ship is registered, and no certificate of registry as described in section 19 of this Act shall be issued in respect of a ship unless the said fees have been paid in respect of the ship.

(2) Thereafter the annual fee shall be payable on the anniversary of the initial registration.

(3) Notwithstanding that a ship remains on the register under this Act, no registry fees shall be payable unless and until a certificate is issued under this Act:

Provided that in no case may a certificate be issued as of a date later than the date of expiry of the last valid certificate and should the certificate be delivered at a later date, the fees due shall still accrue from the date of expiry of the last valid certificate.

(4) The fees specified in subsection (1) of this section are paid on the basis of the tonnage declared by the owner of the ship on the application for registry and such fees shall be adjusted in accordance with the tonnage specified in the surveyor's certificate issued in accordance with section 14 of this Act upon receipt of such certificate by the registrar.

(5) Fees on initial registration and annual fees shall not be subject to abatement or refund save as provided for in this Act, or in accordance with regulations which may be made by the Minister.".

Deletion and substitution of sections 9 to 16 of the principal Act.

9. Sections 9 to 16, both inclusive, of the principal Act, shall be deleted and substituted by the following new sections:

"Default of payment.

9. A registrar is entitled to demand payment of any outstanding fees, charges or penalties due under this Act prior to recording any transaction in the register of a ship or prior to granting any services in connection with a ship:

Provided that in any case any registered mortgagee shall always be entitled, on payment of such fee as may be prescribed, to official documentary evidence as to the status of his mortgage in the register of any ship.

Procedure for registration

Application for registry.

10. An application for registry of a ship, whether provisional or otherwise, shall contain such information and details as may be required by the registrar, and shall be made, in the case of individuals by the person requiring to be registered as owner or by some 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 hand of the appointors, and, if appointed by a body corporate under the hand of a person or persons authorised to authenticate documents for the body corporate.

Declaration of ownership.

11. 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 Act to make declarations on behalf of the body corporate, has made and signed a declaration of ownership referring to the ship as described in the application referred to in section 10 of this Act and containing the following particulars:

(a) a statement of his qualification to own a Maltese ship or, in the case of a body corporate, of such circumstances as prove it to be qualified to own a Maltese ship;

(b) a statement of the time and place where the ship was built or if these are not known, a statement that the declarant does not know the time and place of her building;

(c) a statement of the name and citizenship of the master, where applicable;

(d) a statement of the extent to which he or the body corporate, as the case may be, is entitled to be registered as owner;

(e) a declaration that to the best of his knowledge and belief no unqualified person or body of persons is entitled as owner to any interest in the ship or any share therein; and

(f) a declaration as to what registered encumbrances, if any, exist on the ship.

Provisional registration.

12. Upon receipt of an application for registry, whether provisional or otherwise, made in accordance with section 10 of this Act accompanied by a declaration of ownership as required by section 11 of this Act, and upon the payment of the fees specified in this Act or any regulations made thereunder, the registrar may provisionally register the ship as a Maltese ship for six months provided the applicant for registry has furnished evidence satisfactory to the Minister that:

(a) the ship is either a vessel being built or equipped, or if already built is seaworthy; and

(b) where required the registered owner has satisfied such conditions as may be established in accordance with the provisions of subsection (3) of section 4 of this Act:

Provided that the registrar may, on good cause being shown, renew the provisional registry of a ship for a further period of, or further periods not exceeding in the aggregate, six months.

Documents and evidence after provisional registration.

13. (1) Within one month of provisional registry, extendable for good reason for another period of one month, the owner shall, unless the ship is otherwise exempted, produce to the registrar the following documents and evidence:

(a) a builder's certificate, that is to say a certificate signed by the builder of the ship (which expression includes such person as the Registrar-General recognises as carrying on the business of the builder of a ship) and containing true account of the proper denomination and of the tonnage of the ship as estimated by him, and of the time when and the place where she was built, and of the name of the person (if any) on whose account the ship was built or, if there has been any sale, the bill of sale or other document under which the ship or a share therein was transferred to the applicant for registry;

(b) evidence satisfactory to the registrar, or as may be prescribed by the Minister, that any foreign certificate of registry of the ship, or equivalent documents, has been legally cancelled or the registry has been duly closed:

Provided that the Minister may, in such circumstances as he may deem appropriate, direct that no such certificate shall be required where subsequent to a court order in Malta in sale by auction of the ship, or any other order of that court, the owner has attempted to obtain such certificate but due to reasons beyond the control of the owner inordinate delay has occurred. The Minister may give any direction as to the production of such other documents as he deems fit;

(c) evidence that the ship's name, her official number and her port of registry have been marked as provided for in section 15 of this Act; and

(d) evidence, to the satisfaction of the registrar of the state of registered encumbrances on the ship.

(2) Within six months of provisional registry, extendable for good reason for another period of three months, the owner shall, unless the ship is otherwise exempted, produce to the registrar the following documents and evidence:

(a) a crew list signed by the master of the ship and stamped or endorsed by the port authorities of a port of call;

(b) certified copies of the certificate of competency of every officer serving on the ship; the registrar may require such certificates to be translated into the English language by a competent person;

(c) copies of the safety and load line certificates of the ship issued by a surveyor of ships;

(d) a tonnage measurement certificate and a certificate of survey issued in terms of section 14 of this Act; and

(e) a carving and marking note issued in accordance with section 15 of this Act.

Survey and measurement of ship.

14. (1) Every ship shall before registry be surveyed by a surveyor of ships and her tonnage ascertained in accordance with the tonnage regulations of this Act.

(2) The surveyor shall in his certificate specify the ship's tonnage and build and such other particulars descriptive of the identity of the ship as may from time to time be required by the Minister, and shall certify that the tonnage has been ascertained in accordance with the tonnage regulations of this Act.

(3) The surveyor's certificate and the copy of the tonnage certificate shall be delivered to the registrar before registry.

Marking of ship.

15. (1) Every ship shall before registry be marked permanently and conspicuously to the satisfaction of the registrar as follows:

(a) her name shall be marked on each of her bows and her name and the name of the home port shall be marked on her stern, on a dark ground in white or yellow letters or on a light ground in black letters, such letters to be of a length of not less than ten centimetres and of proportionate breadth;

(b) her official number and the number denoting her registered tonnage shall be cut in on her main beam; and

(c) a scale of feet, or decimetres denoting her draught of water shall be marked on each side of her stem and of her stern post in Roman capital letters or in figures not less than fifteen centimetres in length, the lower line of such letters or figures to coincide with the draught line denoted thereby, and those letters or figures must be marked by being cut in and painted white or yellow on a dark ground or in such other way as the Minister approves.

(2) The Minister may exempt any class of ships from all or any of the requirements of this section under such conditions as he may deem appropriate.

(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 shall be liable to a fine *(multa)* not exceeding one hundred liri.

(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 Act.

(5) If any owner or master of a ship neglects to keep his ship marked as required by this section, or if any person conceals, removes, alters, defaces or obliterates, or suffers any person under his control to conceal, remove, alter, deface or obliterate any of the said marks, except in the event aforesaid, or except for the purpose of escaping capture by an enemy, that owner, master or person shall for each offence be liable to a fine *(multa)* not exceeding one hundred liri, 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.

Compliance with the requirements of this Act.

16. (1) All ships provisionally registered under this Act shall comply, except where expressly exempted, with the requirements of this Act within the periods specified in this Act, and in any case, within a maximum period of twelve months of the date of provisional registration and thereafter shall observe such requirements that are laid down in the Act or in any regulations made thereunder.

(2) Any person who fails to observe the requirements of this Act within the time limits specified in a notice in writing served by the registrar upon the owner shall be liable to a penalty of fifty liri per month or part thereof for each violation and any ship not complying with the requirements of provisional registry within a maximum period of twelve months shall be liable to a penalty of two hundred liri per month or part thereof and in these cases the registrar may take steps to cancel such ship in accordance with this Act.

(3) The registrar may not re-register any ship, provisionally or otherwise, prior to the payment of all penalties previously incurred and unless satisfactory evidence is supplied to the registrar that the ship has been registered in a foreign register the penalties for the intervening period shall also be collected.

(4) It shall be the obligation of the owner throughout the whole period of registry, whether provisional or otherwise, to notify the registrar of any changes which might have occurred in the intervening period since registry, to the information contained in any certificates and evidence produced before registry.

(5) The registrar shall not consecutively register provisionally a ship more than two times in the name of the same owner.".

Amendment of section 17 of the principal Act.

10. Section 17 of the principal Act, shall be amended as follows:

(a) following the words "preliminary to registry" there shall be inserted the words ", whether provisional or otherwise,";

(b) immediately after the words "the surveyor's certificate" in paragraph (b) thereof there shall be added the words "where applicable"; and

(c) immediately after paragraph (d) thereof there shall be added the following new paragraph:

"(e) any registered encumberances that may come to the knowledge of the registrar.".

Amendment of section 19 of the principal Act.

11. Section 19 of the principal Act, shall be deleted and substituted by the following new section:

"Certificates of registry, provisional or other.

19. (1) On completion of the provisional registry of a ship the registrar, shall, subject to such conditions as he may deem proper, grant a provisional certificate of registry:

Provided that, unless exempted, if the ship is not in possession of valid safety and load line certificates and such other certificates as the Minister may by regulations prescribe, the registrar shall grant a non-operational provisional certificate:

Provided further that unless the requirements for registry have been completed the registrar shall also issue a non-operational provisional certificate to any laid up ship qualifying for special treatment under this Act, or to a ship under tow.

(2) On completion of registry of a ship the registrar shall grant a certificate of registry:

Provided that, unless otherwise exempted, if the ship is not in possession of valid safety and load line certificates and such other certificates as the Minister may by regulations prescribe, the registrar shall issue a non-operational certificate of registry:

Provided further that if the requirements for registry have been completed the registrar shall also issue a non-operational certificate to any laid up ship qualifying for special treatment under this Act, or to a ship under tow.

(3) The period of validity of a certificate of registry shall be as follows:

(a) if issued within the first twelve months of provisional registry for the remaining period of the said twelve months; or

(b) if issued at the expiry of the first twelve months for a period of twelve months:

Provided that the registrar, at the request of the owner and on payment of the relative annual fees, may issue a certificate of registry for the combined period of the periods specified in paragraphs (a) and (b) hereof, so however that the fee specified for the subsequent period of twelve months shall be refunded if the registry of the ship is closed prior the commencement of such period;

as may be determined by the owner upon payment of fees for the ship.

(4) Thereafter, all certificates of registry shall be issued for a period of twelve months provided that within a period of three months prior to the expiry of such certificate, the registrar, upon the payment of the annual fee, shall issue a renewal certificate in the prescribed form.

(5) No certificate may be issued, except in cases of loss or destruction of a certificate, other than on the return of the certificate currently being held by the owner or at the discretion of the registrar, upon the issue of an undertaking by the owner to return the certificate within a maximum period of one month.

(6) A certificate of registry, whether provisional or otherwise, issued to a ship in terms of the provisions of this section, may be issued subject to such conditions as the registrar may deem proper and shall include her particulars entered in the register showing the port of Valletta as the port to which she belongs.

(7) For the purpose of this section a laid up vessel shall qualify for special treatment under this Act or any regulations made thereunder if —

(a) the registered owner makes a declaration to the effect that the ship is laid up and shall remain laid up for a period of not less than twelve months; and

(b) evidence satisfactory to the registrar is produced to the effect that the ship is laid up certifying the location where the ship lies:

Provided that should the ship be reactivated within six months from the date of the declaration specified in paragraph (a) hereof, the ship shall be deemed not to

have been laid up, and the fees payable in accordance with section 7 of this Act shall become due in full from the date of the declaration:

Provided further that should the ship be reactivated after the lapse of six months from the date of the declaration specified in paragraph (a) hereof the fees payable under section 7 of this Act shall be payable from the lapse of the initial six months:

Provided further that where a declaration specified in paragraph (a) hereof is made on a date after the annual fee becomes due, the difference in the fees payable had the declaration been made on or before the date on which the annual fee becomes due, will be deducted only upon the payment of the next annual fee.".

Amendment of sections 20, 21, 22 and 23 of the principal Act.

12. Sections 20, 21, 22, and 23 of the principal Act, shall be amended as follows:

(a) in sections 20, 21, 22 and 23 of the principal Act, wherever the words "the certificate" and "a certificate" occur they shall be deleted and substituted by the words "any certificate";

(b) subsections (2) and (3) of section 23 shall be deleted.

Deletion of section 24 of the principal Act.

13. Section 24 of the principal Act, shall be deleted.

Amendment of section 25 of the principal Act.

14. Section 25 of the principal Act, shall be amended as follows:

(a) subsection (1) thereof shall be deleted and substituted by the following new subsection:

"(1) Whenever a change occurs in the registered ownership of a ship, the change of ownership shall be endorsed on any certificate of registry of the ship.";

(b) the words "the certificate of registry" in subsections (2), (3) and (4) thereof shall be deleted and substituted by the words "any certificate of registry"; and

(c) in subsection (3) thereof the words "at any port, not being the port at which the ship has been registered," shall be deleted.

Amendment of section 26 of the principal Act.

15. Section 26 of the principal Act, shall be amended as follows:

(a) immediately after the words "of a registered ship" in subsection (1) thereof there shall be inserted the words ", whether provisionally or otherwise,"; and

(b) subsections (2), (3) and (4) thereof shall be deleted and substituted by the following new subsection:

"(2) In any such case except where the ship's provisional or other certificate of registry is lost or destroyed, the master or owner of the ship shall within four days of such occurance deliver such certificates to the registrar and if the owner or master fail, without reasonable cause, to comply with the provisions of this section, he shall for each offence be liable to a fine *(multa)* not exceeding one hundred liri.".

Deletion and substitution of sections 27 to 31 of the principal Act.

16. Section 27 to section 31, both inclusive, of the principal Act, shall be deleted and substituted by the following new sections:

"Validity of provisional and other certificates of registry.

27. (1) A certificate shall cease to have effect:

(a) on the expiry of its validity date;

(b) on its substitution by another certificate issued in accordance with the provisions of this Act; or

(c) on closure of registry in accordance with the provisions of this Act.

(2) The registrar shall make note in the register of the type of certificate issued to the ship and the expiry date thereof.

(3) Upon a certificate ceasing to have effect the owner or the master shall forthwith forward this certificate to the registrar not later than one month of its expiry.

(4) If any such person as aforesaid fails without reasonable cause to deliver up the certificate as required by this section, he shall be liable to a fine *(multa)* not exceeding one hundred liri.

Closure of Registry

Voluntary closure of registry.

28. (1) Where the owner of a Maltese ship desires to close the register of a ship he shall make an application to that effect to the registrar, giving all such particulars and information as the registrar may require for the purpose.

(2) Any such application made and substantiated as aforesaid shall be acceded to if —

(a) all liabilities and obligations in respect of the ship towards the Republic of Malta, whether for fees, charges, fines or otherwise have been paid; and

(b) the consent in writing of all mortgagees whose mortgage is duly registered in respect of the ship is produced to the registrar.

(3) Where any such application is acceded to the registrar shall make an entry thereof in the register and thereupon the ship shall cease to be a Maltese ship and the registry of the ship shall be considered as closed except so far as relates to any unsatisfied mortgages or privileges entered therein.

Power of Minister to order closure of registry.

29. (1) The Minister may order that a ship shall cease to be registered in the following cases:

(a) if the annual fee has not been duly paid in accordance with this Act;

(b) if the formalities specified in section 13 of this Act are not complied with within the maximum periods therein specified;

(c) if it is the national interest or in the interest of Maltese shipping and after giving the owners of the ship a reasonable opportunity to make representation;

(d) if in the event of a registered ship being either actually or constructively lost, taken by the enemy, burnt or broken up, or ceasing, whether by reason of a transfer to persons not qualified to own a Maltese ship or for any other reason, to be a Maltese ship;

(e) if the owner fails to observe the provisions of this Act;

(f) if it is established that the ship will not or cannot be registered under this Act;

(g) if, where required, any conditions established by the Minister in accordance with subsection (3) of section 4 of this Act are not observed for period in excess of one month;

(h) if the owner fails to pay any fine imposed under this Act, or fails to pay any penalty within one month of their being demanded in writing by the registrar; or

(i) if the owner fails to be in possession of a valid certificate of registry, whether provisional or otherwise, for a period in excess of one month.

(2) Prior to the issue of any such order the registrar shall give one month's notice in writing to the registered owner and any registered mortgagee of his intention to recommend to the Minister to close the registry unless the cause for such closure is remedied. The registrar shall specify in the notice the reason for closure and the expiry date for compliance failing which closure will be ordered.

(3) Upon the issue of any notice in terms of subsection (2) of this section the registrar shall make a note thereof in the register and shall record the date on which the one month period shall lapse.

(4) Upon the lapse of the said one month from the giving of notice and upon receipt of the order from the Minister, the registrar shall make an entry thereof in the register and thereupon the ship shall cease to be a Maltese ship and the registry of the ship shall be considered as closed except so far as relates to any unsatisfied mortgages or privileges entered therein, and the mortgagees shall have the right to demand the immediate sale of the ship or share therein as if the debtor had not adhered to all the conditions under which the credit was granted.

Deletion Certificate.

30. (1) When the registry of a ship, whether provisional or otherwise, has been closed, the registrar shall, upon request of the registered owner, issue a deletion certificate provided that, all fees, charges and penalties due under this Act have been paid and any certificate of registry, whether provisional or otherwise, has been surrendered to the registrar.

(2) The registrar shall specify on the deletion certificate the reason for closure of registry, and, where the registry of a ship, whether provisional or otherwise, has been closed saving any unsatisfied mortgage or privilege entered therein, the deletion certificate shall also include a full description of any unsatisfied mortgage or privilege, together with a statement that the registry of the ship was closed saving such mortgage or privilege.".

Amendment of section 32 of the principal Act.

17. Immediately after subsection (3) of section 32 of the principal Act, there shall be added the following new subsection:

"(4) Upon the entry of a transfer of a registered ship or a share therein in favour of a person qualified to own a Maltese ship the registrar shall notify accordingly the holder of any registered mortgage.".

Amendment of section 37 of the principal Act.

18. Section 37 of the principal Act, shall be amended as follows:

(a) immediately after the words "on any terms and conditions it thinks just," there shall be inserted the words "including, without prejudice to the generality of the above, the imposition of an obligation to provide appropriate security, for damages, interests and costs,"; and

(b) the following provisos shall be added to the existing provision:

"Provided that if the order is issued in order to secure a claim which has not yet been judicially verified, unless proceedings on the merits of the claim are already pending, whether in a Maltese court or any other competent court or

arbitration, the plaintiff obtaining such order shall be obliged to prosecute such claim, in Malta or in any other competent jurisdiction or in arbitration, within eight working days of the issue of the order failing which the court issuing the order shall, on the application of the shipowner, or any other interested party, revoke the same:

Provided further that notwithstanding any provision of the Code of Organisation and Civil Procedure, an order given as aforesaid shall be immediately enforceable, unless the Court otherwise decrees.".

Substitution of title and addition of new sections, 37A, 37B, 37C and 37D to the principal Act.

19. The title "Mortgages" following section 37 of the principal Act, shall be deleted and substituted by the new title "Maritime privileges and mortgages", and thereafter there shall be added the following new sections:

"Definition of ships as security for debts.

37A. (1) Ships and other vessels constitute a particular class of moveables whereby they form separate and distinct assets within the estate of their owners for the security of actions and claims to which the vessel is subject. In case of bankruptcy of the owner of a ship, all actions and claims, to which the ship may be subject, shall have preference, on the said ship, over all other debts of the estate.

(2) A ship shall include together with the hull, all equipment, machinery and other appurtenances or accessories belonging to the ship, which are on board or which have been temporarily removed therefrom.

Types of charges over ships.

37B. (1) A ship may constitute security for a debt or other obligation either by agreement or by operation of the law as hereinafter provided.

(2) A debt or other obligation may be secured —

(a) by means of a mortgage which is a special charge over a vessel, or

(b) by a general hypothec which attaches to all the assets of a debtor including any vessel such debtor may own, or

(c) by a special privilege upon the vessel:

Provided that special privileges arise in virtue of law and no debt or other obligation other than those specified at law shall be secured by a special privilege.

(3) Subject to the provisions of section 40 of this Act, separate items upon a vessel may themselves be subject to special privileges in accordance with the provisions of the Civil Code, in security of the debts therein specified.

Priority of claims on ship over all other debts of owner.

37C. (1) All registered mortgages, any special privileges and all actions and claims to which a vessel may be subject shall not be affected by the bankruptcy of the mortgagor or shipowner happening after the date on which the mortgage was created or the special privilege, action or claim arose, notwithstanding that the owner at the commencement of the bankruptcy had the ship in his possession, order or disposition, or was the reputed owner thereof, and such mortgage, privilege, action or claim shall have preference, on the said vessel, over all other debts, claims or interests of any other creditor of the bankrupt or of any curator, trustee or receiver, acting on behalf of any other creditors.

(2) Any judicial sale proceedings instituted by any registered mortgagee or privileged creditor shall not be interrupted or in any way hindered by any curator in bankruptcy, whether voluntary or compulsory, or any liquidator or receiver of the shipowner for any cause other than a cause that could be set up by the owner.

Attachment and extinguishment of charges.

37D. (1) A registered mortgage shall attach to the ship or share therein in respect of which it is registered until it is discharged:

Provided that where the ship has been forfeited under this Act the interest of the mortgagee in the ship shall terminate if the mortgagee has authorised, consented to, or conspired, to the act, failure or omission in consequence of which the ship is forfeited:

Provided further, that where a ship has been sold pursuant to a court order in the sale by auction of the ship, by a competent court within whose jurisdiction the vessel was at the time of the sale, the interest of the mortgagees in the ship shall pass on to the proceeds of the sale of the ship, and where in any such case the purchaser is not a person who is qualified to own a Maltese ship, upon obtaining knowledge or being given notice of such a fact and upon receiving copies of the proceedings of the sale, certified to his satisfaction, the registrar shall make an entry thereof in the register and the register of the vessel shall be considered as closed except in so far as relates to any unsatisfied mortgages entered therein.

(2) Any hypothec or privilege whether general or special to which a ship may be subject under the provisions of the Civil Code shall not continue to attach to it when the vessel is transferred to third parties.

(3) Without prejudice to any other cause which may at law extinguish an obligation the special privileges specified in section 50 of this Act are not extinguished by the sale of the vessel, except in case of a judicial sale made according to the forms prescribed by law, or where,

subsequent to a voluntary sale a period of one year has elapsed from the date of the registration of that voluntary sale in the registry to which the ship belongs, unless within such period of one year an action for the recovery of the claim secured by such privilege has been brought before a competent court.

For the purposes of this section a vessel is deemed to have made a voyage:

(a) if one month has elapsed since her departure from one port, and her arrival in another port is proved;

(b) if more than two months have elapsed between her departure from, and her return to, the same port, although she has not put into any other port;

(c) if the vessel, having sailed for a long voyage, shall have been at sea for more than two months, without any protest having been made by the creditors of the seller:

Provided that any such protest shall only be operative in favour of the creditor making it.".

Amendment of section 38 of the principal Act.

20. Section 38 of the principal Act, shall be amended as follows:

(a) the present provision shall be renumbered as subsection (1) thereof; and

(b) immediately after subsection (1) thereof as renumbered there shall be added the following new subsection:

"(2) A mortgage shall attach to any proceeds from any indemnity arising from collisions and other mishaps as well as any insurance proceeds.".

Amendment of section 39 of the principal Act.

21. Immediately after subsection (2) of section 39 of the principal Act, there shall be added the following new subsection:

"(3) Where it is stated in the mortgage instrument that it is prohibited to create further mcrtgages over a vessel without the prior written consent of the mortgagee, the registrar shall make a note in the register to such effect, and the registrar shall not record such 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 shall be null and void.".

Deletion and substitution of section 40 of the principal Act.

22. Section 40 of the principal Act, shall be deleted and substituted by the following new section:

"Preservation of special privileges on accessories of ship.

40. (1) Upon the registration of any mortgage in the register the rights of any mortgagee shall not be affected by:

(a) the creation of any separate privilege or charge on any part, appurtenance or accessory of a ship which may attach in virtue of any law; or

(b) the reservation of ownership rights by a seller of any part, appurtenance or accessory sold to a shipowner under a contract of sale, hire purchase or any similar contract:

Provided that provisions, fuel and other consumable goods shall not be considered as appurtenances:

Provided further that the provision of this section shall in no way prejudice or reduce the rights of any creditor enjoying a privilege or reserving ownership rights in relation to any creditor other than the mortgagee.

(2) At any time prior to the registration of a mortgage over a ship any creditor having a separate privilege or charge over any part, appurtenance or accessory of a ship may register such privilege or charge in the register of the ship by means of an instrument executed by the owner in the presence of a witness in the form specified by the Minister; and on the production of such instrument the registrar shall by memorandum under his hand notify on each charge that it has been recorded by him stating the day and hour of that record.

(3) A seller reserving ownership rights in any part, appurtenance or accessory of a ship may also register his interest in the register of the ship at any time prior to the registration of a mortgage.

(4) The registration of such a charge or reservation of ownership rights prior to the registration of a mortgage shall preserve the creditor's rights on that part, appurtenance or accessory in relation to any subsequent mortgagee.

(5) A privilege or reservation of ownership rights registered over a ship under subsection (2) of this section shall be cancelled upon production by the owner of a receipt for the price and other charges relative to the transfer of such part, appurtenance or accessory, and the registrar, upon production of such receipt duly signed and attested to his satisfaction, shall make an entry in the register to the effect that the privilege or reservation of ownership rights have been cancelled.

(6) The transfer of the interest of any creditor enjoying a privilege or reservation of ownership rights registered in terms of this section may on the production of proof to the satisfaction of the registrar be recorded by the registrar who shall enter in the register the name of the transferee and shall by memorandum under his hand notify on the instrument of transfer that it has been recorded by him.".

Amendment of section 41 of the principal Act.

23. Section 41 of the principal Act, shall be amended as follows:

(a) subsection (1) thereof shall be deleted; and

(b) in subsection (2) thereof the number "(2)" and the words "saving the provisions of paragraph (5) of section 51 of this Act" shall be deleted.

Amendment of section 42 of the principal Act.

24. Section 42 of the principal Act, shall be amended as follows:

(a) immediately after paragraph (b) of subsection (1) thereof there shall be added the following new paragraph:

"(c) have power to apply for any extensions, pay fees, receive certificates, and generally do all such things in the name of the owner as may be required in order to maintain the status and validity of the registration of the ship."; and

(b) immediately after subsection (2) thereof there shall be added the following new subsections:

"(3) The provisions of this section shall apply to all registered mortgages which secure debts resulting from any account current or overdraft or other credit facility.

(4) In connection with the enforcement of any mortgage, not being a mortgage contemplated in subsection (2) of this section, for the purpose of determining the amount certain liquidated and due in connection with any judicial sale of a ship, the mortgagee shall specify the sum due at the time of enforcement by means of an affidavit served on the mortgagor:

Provided that this shall be without prejudice to the right of any interested party to contest such amount according to law.

(5) For the purpose of the proceedings referred to in this section the debtor shall be deemed to be duly served if the application or other Act is served on the master of the vessel, or if he is absent from these Islands, on the local agent appointed for the vessel by the owners or their agent, or in the absence of such local agent on a curator appointed by the Court to represent the debtor and the ship.".

25. Section 43 of the principal Act, shall be deleted. Deletion of section 43 of the principal Act.

26. In the English text of subsection (1) of section 45A of the principal Act, for the words "together with the written consent of the said instrument," there shall be substituted the words "together with the written consent on the said instrument,". Amendment of section 45A of the principal Act.

27. Sections 48 to 54A, both inclusive, of the principal Act shall be deleted and substituted by the following new sections: Deletion and substitution of sections 48 to 54A of the principal Act.

"Loss of original mortgage deed.

"48. (1) In case of loss of any registered mortgage instrument the registrar shall, at the request of the mortgagee alone, or together with the mortgagor, reconstitute the original mortgage and certify this instrument as a reconstituted original of the mortgage instrument. The registrar shall only accede to such a request upon the production by the party making the request of a sworn declaration to the effect that the original has been lost.

(2) In such a case the registrar shall make a note in the register that a reconstituted mortgage instrument has been issued, reciting at whose request such a reconstituted mortgage has been issued.

(3) In case of loss of any original mortgage instrument, the registrar may enter any transfer or discharge of mortgage if the mortgagee produces a sworn declaration that he is the holder of the mortgage, the instrument of which has been lost, and that he is discharging or transferring the said security in virtue of the sworn declaration.

(4) In such a case the registrar shall, on production of the said sworn declaration, treat such declaration as the mortgage instrument and shall follow the procedure specified in this Act for the transfer or discharge of mortgage; the registrar shall make a note in the register that the transfer or discharge of mortgage has taken place in virtue of a sworn declaration.

Recognition of foreign mortgages.

49. A foreign mortgage shall be recognised as a mortgage with the status and all the rights and powers specified in this Act, notwithstanding the fact that it is not entered over a registered ship if:

(a) such mortgage has been validly recorded in the registry of ships of the country under whose laws the ship is documented;

(b) such registry is a public registry;

(c) such mortgage appears upon a search of the registry; and

(d) such mortgage is granted a preferential and generally equivalent status as a mortgage under this Act under the laws of the country where the mortgage is registered.

Special privileges

Special privileges on ships.

50. The debts hereunder specified are secured by a special privilege upon the vessel, as well as any proceeds from any indemnity arising from collisions and other mishaps as well as any insurance proceeds:

(a) judicial costs incurred in respect of the sale of the ship and the distribution of the proceeds thereof;

(b) fees and other charges due to the registrar of Maltese ships arising under this Act;

(c) tonnage dues;

(d) wages and expenses for assistance, recovery or salvage, and for pilotage;

(e) the wages of watchmen, and the expenses of watching the ship from the time of her entry into port up to the time of sale;

(f) rent of the warehouses in which the ship's tackle and apparel are stored;

(g) the expenses incurred for the preservation of the ship and of her tackle including supplies and provisions to her crew incurred after her last entry into port;

(h) wages of the master and the crew employed for a period of three months prior to the last voyage, for the last voyage and for all the period after her last entry into port;

(i) damages and interest due to any seaman for death or personal injury and expenses attendant on the illness, hurt or injury of any seaman;

(j) moneys due to creditors for labour, work and repairs previously to the departure of the ship on her last voyage:

Provided that such privilege shall not be competent where the debt has not been contracted directly by the owner of the ship, or by the master, or by an authorised agent of the owner;

(k) ship agency fees due for the ship after her last entry into port, in accordance with port tariffs, and any

disbursements incurred during such period not enjoying a privilege in paragraphs (a) to (i) of this section, though in any case for a sum in the aggregate not in excess of four thousand liri;

(l) moneys lent to the master for the necessary expenses of the vessel during her last voyage, and the reimbursement of the price of goods sold by him for the same purpose;

(m) moneys due to creditors for provisions, victuals, outfit and apparel, previously to the departure of the ship on her last voyage:

Provided that such privilege shall not be competent where the debt has not been contracted directly by the owner of the ship, or by the master, or by an authorised agent of the owner;

(n) damages and interest due to the freighters for non-delivery of the goods shipped, and for injuries sustained by such goods through the fault of the master or the crew;

(o) damages and interest due to another vessel or to her cargo in cases of collision of vessels;

(p) the debt specified in sub-paragraph (d) of section 2009 of the Civil Code (Chapter 16) for the balance of the price from the sale of a ship.

Debts contracted in different ports.

51. Where debts of a nature similar to the ones mentioned in paragraphs (a) to (p), both inclusive, of section 50 of this Act shall have been contracted in different ports, or on the occasion of several forced returns to the same port, the priority established by the said section shall be observed with regard to the several debts contracted on the occasion of each arrival or return, but the debts contracted on the occasion of a subsequent arrival or return shall have preference over those contracted on the occasion of a former arrival or return.

Privileges of seller to be registered.

52. (1) The privilege granted to the seller for the price of the thing sold under the provisions of paragraph (d) of section 2009 of the Civil Code (Chapter 16), is not effectual in regard to vessels, unless the claim for such price be registered, in the case of ships registered under Part II of this Act, in the register of the said ship, within two days from the date of the sale. Such privilege is registered by delivery to the registrar on the prescribed form duly completed and signed by the seller.

(2) The said privilege shall not be effectual in regard to any other vessel unless the claim for such price be registered in the Public Registry within two days from the date of the sale.

(3) The same rule shall apply with regard to the right of recovering the thing sold, as provided in the said Code.

(4) Such privilege shall be extinguished upon payment of the price and relative charges, and upon production of a receipt issued by the seller, attested by a witness, the registrar or the Director of Public Registry, as the case may be, shall make a note in the register notifying the discharge thereof.

Seller bound to make debts known to buyer.

53. (1) The seller of a vessel is bound to inform the purchaser of all privileged debts, and to furnish him with a list thereof duly signed by himself.

(2) If the aforesaid list is not given to the purchaser, or if, in the list given to him, any of the aforesaid debts is omitted, he may, in the event of his sustaining any damage therefrom, exercise such rights as are competent to him against the seller, with all such means as the law provides against debtors committing fraud in contracting debts.

Possessory lien or privilege.

54. (1) Any shiprepairer, shipbuilder or other creditor into whose care and authority a ship has been placed for the execution of works or other purposes shall have a possessory lien over the ship.

(2) A possessory lien shall entitle the creditor to retain possession over the ship on which he has worked or carried out activity until such creditor is paid the debts due to him for such building, repairs or activity.

(3) A possessory lien shall be extinguished by the voluntary release of the ship from the custody of the creditor.

(4) A possessory lien shall not be extinguished if the vessel is released pursuant to a court order or following a judicial sale of the vessel. In the latter case the creditor shall enjoy the priority specified in section 54A of this Act over the proceeds of sale of the ship.

(5) The creditor shall be obliged to release the ship if he is paid the sum claimed, or adequate security is deposited in the Commercial Court under the provisions of the Code of Organisation and Civil Procedure:

Provided that the creditor shall enjoy the same priority over such sum.

Ranking of creditors.

54A. (1) The debts specified in section 50 of this Act shall rank in the order therein set out and in preference to other hypothecary and privileged claims, notwithstanding that the ship is still in the possession of the debtor, and the debts specified in paragraphs (a) and (b) of section 50 of this Act shall under all circumstances rank in preference to any claim.

(2) Any debt secured by a possessory lien or privilege over a ship as stated in section 54 of this Act, shall be paid in preference to all other claims except the debts specified in paragraphs (c), (d), (e), (f), (g), (h), (i) and (j) of section 50 of this Act if such debts were created prior to the debt of the creditor enjoying the possessory lien.

(3) Any debt secured by a mortgage registered under the provisions of this Act or secured by a foreign mortgage recognised under this Act shall rank after the debts specified in section 54 and in paragraphs (c), (d), (e), (f), (g), (h), (i), (j) and (k) of section 50 of this Act but before the debts specified in paragraphs (l), (m), (n), (o) and (p) of section 50 of this Act.

(4) Where the fund is insufficient, competing creditors under the same heading shall share in such fund ratably.".

Amendment of section 55 of the principal Act.

28. Immediately after subsection (2) of section 55 of the principal Act, there shall be added the following new subsections:

"(3) The owner of a ship intending to register a ship under this Act, may, on payment of such fee as may be prescribed and on application to the registrar, reserve the proposed name of the ship for a maximum period of three months.

(4) The application referred to in subsection (3) of this section may be made together with the application for registry of a ship, or with the application for permission to change the name of a ship, or by any other writing provided that the ship for which the reservation is being made is adequately identified.".

Amendment of section 56 of the principal Act.

29. Section 56 of the principal Act, shall be amended as follows:

(a) wherever the word "Minister" occurs it shall be deleted and substituted by the word "Registrar-General"; and

(b) immediately after the words "to be published" in subsection (3) thereof there shall be inserted the words ", or otherwise publicised,".

Amendment of section 57 of the principal Act.

30. Subsection (1) of section 57 of the principal Act, be deleted and substituted by the following new subsection:

"(1) Where a registered ship is so altered as not to correspond with the particulars relating to her tonnage or description contained in the register, an application accompanied by a certificate from the proper surveyor, requesting the registration of the alteration shall be made to the registrar who shall, on receipt thereof accompanied as aforesaid, either cause the alteration to be registered or direct that the ship be registered anew.".

Amendment of section 58 of the principal Act.

31. Subsection (2) of section 58 of the principal Act, shall be deleted and substituted by the following new subsection:

"(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 in the register.".

Deletion of sections 59, 62 and 66 of the principal Act.

32. Sections 59, 62 and 66 of the principal Act, shall be deleted.

Deletion and substitution of section 67 of the principal Act.

33. Section 67 of the principal Act, shall be deleted and substituted by the following new section:

"Inspection of register and transcript and extract of register.

67. Saving any other provisions of this Act, a person may, on payment of such fee as may be prescribed and on application to the registrar at all reasonable time during the hours of his official attendance, inspect any register, and obtain a transcript or extract of the register.".

Amendment of section 71 of the principal Act.

34. Immediately after the words "or ownership of," in paragraph (a) of section 71 of the principal Act, there shall be inserted the words "any registered encumbrance or mortgage existing on,".

Deletion of sections 78 and 80 of the principal Act.

35. Sections 78 and 80 of the principal Act, shall be deleted.

Amendment of section 85 of the principal Act.

36. Immediately after the definition of "operation" in subsection (1) of section 85 of the principal Act, there shall be inserted the following new definition:

"resident in Malta" means:

(a) in the case of an individual, a person who is either ordinarily resident in Malta or is domiciled in Malta; and

(b) in the case of a body of persons, any such body as is formed and registered in Malta, or which has its principal place of business in Malta or which is controlled, directly or indirectly by a person or persons resident in Malta;".

Amendment of section 86 of the principal Act.

37. Section 86 of the principal Act, shall be amended as follows:

(a) in subsection (1) thereof immediately after the words "on any dividend paid to the shareholders of such company" there shall be inserted the words ", and where the shareholder is itself a company, any dividend paid to the shareholders of such company";

(b) subsection (2) thereof shall be amended as follows:

(i) paragraph (b) thereof shall be deleted; and

(ii) paragraph (a) thereof shall be renumbered as subsection (2);

(c) in subsection (3) thereof for the words "in that paragraph." there shall be substituted the words "in that paragraph

and in case of loans referred to in that same paragraph it shall be permissable, for the purposes of this Act, for the amount of interest due in respect of any such loan or of any such other debt to exceed the amount of capital due in respect of any such loan or of any such other debt.";

(d) immediately after subsection (4) thereof there shall be added the following new subsection:

"(5) In the case of a company whose objects are limited for the sole purpose of owning and, or, operating exempted ships, and ancillary transactions and which actually owns and, or, operates only exempted ships, a declaration may be submitted to the Commissioner of Inland Revenue in the form set out in the Sixth Schedule to this Act by a person holding the warrant of a certified public accountant and auditor under the Accountancy Profession Act, 1979, in lieu of a tax return required in terms of the Income Tax Act, 1948, and the relative provisions of the Income Tax Act, 1948, shall, for the purpose of this Act, be construed accordingly.".

Addition of new schedule to the principal Act.

38. Immediately after the Fifth Schedule to the principal Act, there shall be added the following new Schedule:

"SIXTH SCHEDULE

(Section 86)

DECLARATION IN LIEU OF TAX RETURN IN RESPECT OF A COMPANY OWNING AND, OR, OPERATING AN EXEMPTED SHIP

Name of Company .....

Name and official number of ship .....

Declaration made by .....

of .....

Year of Assessment .....

I the undersigned do solemnly declare that I have ascertained to the best of my ability that the above mentioned company is the owner of the above mentioned ship which is an exempted ship under the provisions of the Merchant Shipping Act, 1973, and that the objects of the company limit its operations to the owning and, or, operation of an exempted ship, and the company qualifies for the concessions granted by the said Act for the period commencing

.....

and ending .....

and that the relative registration fees for this period have been paid.

I also declare that I have ascertained to the best of my ability that the company has not engaged in any business other than the ownership and, or, operation of exempted ships and that during any period not covered by the above mentioned dates the company has not traded and has not had any income which would not be exempted under the said Merchant Shipping Act, 1973.

I finally declare that to the best of my knowledge the company does not stand to lose any of the concessions granted nor has it waived any of the said concessions under the Act.

I make this declaration in full knowledge of the consequence of false declarations under the laws of Malta.

Signature .....

Identity Document No. .....

Status .....

Date: ..... ".

Amendment of section 88 of the principal Act.

39. Immediately after paragraph (c) of section 88 of the principal Act, there shall be added the following new paragraph:

"(d) the registration of any mortgage or other charge over any registered ship, the transfer or the discharge thereof, any receipt relative thereto, and any assignments granted in connection with:

(i) the financing of any registered ship, or

(ii) the securing of any claims against such ship.".

Addition of new section 88A to the principal Act.

40. Immediately after section 88 of the principal Act, there shall be added the following new section:

"Concessions at option of company.

88A. The concessions and other benefits granted by this Act are so granted at the option of the company benefitting therefrom and any such company may, by notice in writing to the Minister, opt not to be entitled to any such concession which shall be thereby waived and such waiver shall be indefinite and irrevocable in respect thereof.".

Deletion of sections 338 to 360 and 469 to 476 of the Commercial Code.

41. Sections 338 to 360 in Title II and sections 469 to 476 contained in Title V of the Commercial Code shall be deleted.

Amendment of section 363 of the principal Act.

42. Section 363 of the principal Act, shall be amended as follows:

(a) the present provision shall be renumbered as subsection (1) thereof; and

(b) immediately after subsection (1) thereof as renumbered there shall be added the following new subsection:

"(2) The Registrar-General may carry out any of the duties, and shall have all the powers which by this Act are to be carried out, or are conferred on by the registrars.".

Amendment of section 364 of the principal Act.

43. Subsection (1) of section 364 of the principal Act, shall be deleted and substituted by the following new subsection:

"(1) The Minister may also appoint registrars for the purposes of this Act in such number as he may deem necessary for the proper execution of this Act.".

Deletion and substitution of section 365 of the principal Act.

44. Section 365 of the principal Act, shall be deleted and substituted by the following new section:

"Register

365. (1) Every registrar shall keep a record to be called the register and there shall be made therein all such entries as required so to be made by this Act.

(2) Every registrar shall file and properly index all documents that are required to be kept by him.".

Addition of new sections 372A and 372B to the principal Act.

45. Immediately after section 372 of the principal Act, there shall be added the following new sections:

"Fixing and imposition of fines.

372A. (1) All penalties contemplated by any provision of this Act may be fixed and imposed by the Registrar-General.

(2) The imposition of a penalty in terms of this Act shall constitute an executive title within the meaning and for the purposes of Title VII Part I of Book Second of the Code of Organisation and Civil Procedure.

Enforcement of fines.

372B. The Registrar-General shall serve a demand note upon the person upon whom a fine is imposed and if payment is not made within seven days from the date of the service of such demand note, the Registrar-General may proceed to enforce payment after two days from the service on the debtor of an intimation for payment made by means of a judicial act.

Amendment of the Public Registry Act, (Cap. 56).

46. Section 9 of the Public Registry Act, shall be deleted.

Amendment of the Civil Aviation Act, 1972.

47. For the words "sections 38 to 51, both inclusive, and of sections 53, 54 and 62" in section 15A of the Civil Aviation Act, 1972, there shall be substituted the words "section 37C, subsection (1) of section 37D, sections 38, 39, 41, 42, 44, 45, 45A, 46, 47, 48 and 49".

Transitory provisions.

48. (1) The anniversary of initial registration with regard to ships registered before the coming into force of sections 8 and 11 of this Act shall for the purposes of sections 7 and 19 of the principal Act as amended by this Act, be fixed in accordance with regulations as may be made by the Minister, which regulations shall also provide that a fee shall be payable for any period not exceeding twelve months in such manner that such fee shall subsequent to its payment as aforesaid be next due on such anniversary date as fixed in the regulations.

(2) Save as provided for in the next following subsection, the principal Act as amended by this Act shall apply to Maltese ships and to mortgages entered in the registry prior to the coming into force of any of the provisions of this Act.

(3) The holder of any mortgage registered prior to the date upon which section 21 of this Act comes into force may, upon furnishing the registrar with evidence of an agreement by the shipowner not to register any further mortgages without the consent of the said mortgagee, and upon filing the relevant declaration, request that a note be entered in the register of the ship to the effect that no other mortgage may be registered without the prior written consent of the mortgagee.

Passed by the House of Representatives at Sitting No. 165 of the 9th November, 1988.

LAWRENCE GONZI
Speaker

P. MUSCAT TERRIBILE
Clerk to the House of Representatives

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