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## BILLS SUPPLEMENT

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**Notification No. B 32** — The High Court (Admiralty Jurisdiction) (Amendment) Bill is hereby published for general information. It was introduced in Parliament on the 10th day of November 2003.

# High Court (Admiralty Jurisdiction) (Amendment) Bill

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**Bill No. 32/2003.**

*Read the first time on 10th November 2003.*

A BILL

*i n t i t u l e d*

An Act to amend the High Court (Admiralty Jurisdiction) Act  
(Chapter 123 of the 2001 Revised Edition).

Be it enacted by the President with the advice and consent of the  
Parliament of Singapore, as follows:

### Short title and commencement

1. This Act may be cited as the High Court (Admiralty Jurisdiction) (Amendment) Act 2003 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

### 5 Amendment of section 4

2. Section 4 of the High Court (Admiralty Jurisdiction) Act is amended by deleting subsection (4) and substituting the following subsection:

“(4) In the case of any such claim as is mentioned in section 3(1)(d) to (q), where —

- 10 (a) the claim arises in connection with a ship; and
- (b) the person who would be liable on the claim in an action in personam (referred to in this subsection as the relevant person) was, when the cause of action arose, the owner or charterer of, or in possession or in control of, the ship,
- 15 an action in rem may (whether or not the claim gives rise to a maritime lien on that ship) be brought in the High Court against —
  - (i) that ship, if at the time when the action is brought the relevant person is either the beneficial owner of that ship as respects all the shares in it or the charterer of that ship under
  - 20 a charter by demise; or
  - (ii) any other ship of which, at the time when the action is brought, the relevant person is the beneficial owner as respects all the shares in it.”.

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### EXPLANATORY STATEMENT

This Bill seeks to amend the High Court (Admiralty Jurisdiction) Act (Cap.123). The Bill implements the recommendations of the Attorney-General’s Chambers’ Law Reform and Revision Division in their Consultation Paper, *Admiralty Jurisdiction of the High Court: Arrest of Ships on Demise Charter to Secure the Obligations of the Demise Charterer (LRRD 1/2003)*.

The provisions of the High Court (Admiralty Jurisdiction) Act as they presently stand do not permit a claimant to arrest a vessel under demise charter (bareboat charter) even where the demise charterer is himself the person liable to the claimant. If a debt is

owed by the beneficial owner of the ship, a claimant may arrest that ship to secure payment of the debt, subject to certain conditions. However, if the debt is owed by a demise charterer, the claimant may not arrest that same ship even though the demise charterer has the same control of the ship as an owner.

Maritime claims may be pursued by an action *in personam* or an action *in rem*. An action *in personam* is an action against the defendant personally. An action *in rem*, unique to admiralty law, is an action that is pursued against the “thing” (the *res*) rather than a person. The “thing” is usually the ship and the action is commenced by the arrest of the ship.

Clause 1 relates to the short title and commencement.

Clause 2 amends section 4(4) and is modelled after the UK Supreme Court Act 1981. At present, under section 4(4), the High Court may arrest a ship in connection with which a claim arises, only where the person who would be liable *in personam* is the full beneficial owner of the ship. The amendment extends the present right of action *in rem* by allowing the High Court to arrest a ship where either the owner or the charterer by demise (the bareboat charterer) is the person who would be liable *in personam*. A claimant who succeeds in establishing a claim in relation to the ship is entitled to satisfaction from the proceeds of the sale of the ship, notwithstanding that the owner of the ship is not liable *in personam* on the claim. Such an owner is, however, not personally liable for any shortfall between the judgment sum and proceeds from the sale of the ship; his liability extends only to the loss of the ship (or the value of the security put up to obtain its release). The amendment therefore creates not only procedural rights but also certain substantive rights in favour of a claimant.

## EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.

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