

L.N. 261 of 2008**MERCHANT SHIPPING (LIMITATION OF SHIPOWNERS LIABILITY)
(RATE OF INTEREST) (AMENDMENT) (NO. 3) ORDER 2008**

(Made by the Monetary Authority under section 19(1) of the
Merchant Shipping (Limitation of Shipowners Liability)
Ordinance (Cap. 434))

1. Rate of interest for purposes of limitation fund

Section 1 of the Merchant Shipping (Limitation of Shipowners Liability)
(Rate of Interest) Order (Cap. 434 sub. leg. D) is amended—

- (a) in paragraph (r), by repealing “onwards, 5.88%.” and substituting
“to 11 December 2008, 5.88%.”;
- (b) by adding—
 - “(s) from 12 December 2008 onwards, 5.2%.”.

Joseph C. K. YAM
Monetary Authority

8 December 2008

Explanatory Note

Under paragraph 1 of Article 11 of the Convention on Limitation of Liability for Maritime Claims, 1976 as applied to Hong Kong by the Merchant Shipping (Limitation of Shipowners Liability) Ordinance (Cap. 434), shipowners and salvors may limit their liability for maritime claims by constituting limitation funds. A limitation fund shall comprise the amounts set out in the Convention and interest on those amounts.

2. Under section 19 of the Ordinance, the Monetary Authority may from time to time prescribe the rate of interest to be applied to limitation funds constituted under paragraph 1 of Article 11 of the Convention. This Order prescribes the new rate of interest applicable on or after 12 December 2008.