

L.N. 213 of 2006**MERCHANT SHIPPING (LOCAL VESSELS)
(AMOUNT OF INSURANCE COVER)
NOTICE**

(Made by the Director of Marine under section 21 of the Merchant Shipping (Local Vessels) (Compulsory Third Party Risks Insurance) Regulation (L.N. 195 of 2006))

1. Commencement

This Notice shall come into operation on the day appointed for the commencement of section 9 (except in so far as it relates to the new section 23B(1)(c)) of the Merchant Shipping (Local Vessels and Miscellaneous Amendments) Ordinance 2005 (24 of 2005).

2. Amount of insurance cover for first 6 months

The following amounts are specified for the purposes of section 23D(3)(c) of the Ordinance for the period of 6 months beginning on the commencement of this Notice—

- (a) \$3,000,000 in the case of a policy of insurance in respect of—
 - (i) a local vessel which was, immediately before the commencement of section 23D of the Ordinance, a ferry vessel or launch as defined in section 107B(3) of the Merchant Shipping Ordinance (Cap. 281) in force immediately before that commencement; or
 - (ii) a local vessel which is certificated under the Merchant Shipping (Local Vessels) (Certification and Licensing) Regulation (Cap. 548 sub. leg. D) for—
 - (A) Class I: ferry vessel, launch or multi-purposes vessel; or
 - (B) Class II: transportation boat or tug; and
- (b) \$600,000 in the case of a policy of insurance in respect of—
 - (i) a local vessel which was, immediately before the commencement of section 23D of the Ordinance, a pleasure vessel as defined in section 107B(3) of the Merchant Shipping Ordinance (Cap. 281) in force immediately before that commencement; or
 - (ii) a local vessel which is certificated under the Merchant Shipping (Local Vessels) (Certification and Licensing) Regulation (Cap. 548 sub. leg. D) for Class IV.

3. Amount of insurance cover from seventh month onwards

The following amounts are specified for the purposes of section 23D(3)(c) of the Ordinance with effect from the expiration of 6 months beginning on the commencement of this Notice—

- (a) \$5,000,000 in the case of a policy of insurance in respect of a certificated local vessel which is permitted to carry more than 12 passengers under the conditions of its operating licence, other than—
 - (i) a Class I primitive vessel; and
 - (ii) a Class IV vessel not let for hire or reward; and
- (b) \$1,000,000 in the case of a policy of insurance in respect of—
 - (i) a certificated local vessel which is permitted to carry 12 or less than 12 passengers under the conditions of its operating licence;
 - (ii) a Class I primitive vessel; or
 - (iii) a Class IV vessel not let for hire or reward.

R. F. TUPPER
Director of Marine

16 October 2006

Explanatory Note

This Notice specifies the minimum amount of insurance cover for different classes, types or descriptions of local vessels for the purposes of section 23D(3)(c) of the Merchant Shipping (Local Vessels) Ordinance (Cap. 548). Section 23D(3)(c) of the Ordinance provides that the policy of insurance in relation to the use of a local vessel is not required to cover any liability in respect of any one accident or series of accidents arising out of the same event exceeding such amount as specified by the Director of Marine.