

CAYMAN ISLANDS



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MARITIME AUTHORITY LAW

(2013 Revision)

Law 2 of 2005 consolidated with Laws 30 of 2006, 12 of 2007 and 26 of 2012.

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

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Maritime Authority Law (2013 Revision)

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Law 12 of 2007-3rd September, 2007
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Note (not forming part of the Law): This revision replaces the 2008 Revision which should now be discarded.

MARITIME AUTHORITY LAW

(2013 Revision)

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MARITIME AUTHORITY LAW

(2013 Revision)

PART I - Introductory

1. This Law may be cited as the Maritime Authority Law (2013 Revision). Short title

2. In this Law -
 - “Authority” means the Maritime Authority of the Cayman Islands established under section 3; Definitions

 - “Board” means the board of directors of the Authority as constituted under section 4;

 - “Cayman Islands ship” means a ship registered in the Islands under the Merchant Shipping Law (2011 Revision); 2011 Revision

 - “Cayman Islands Shipping Registry” means the Shipping Registry established under the Merchant Shipping Law (2011 Revision);

 - “chairman” means the chairman of the Board;

 - “Chief Executive Officer” means the Chief Executive Officer of the Authority appointed under section 9;

 - “director” means a member of the Board appointed under section 4;

 - “Governor” means the Governor in Cabinet;

 - “Minister” means the member of Cabinet for the time being charged with responsibility for merchant shipping in accordance with section 9 of the Constitution;

 - “non-coercive revenue” means any revenue not categorized as coercive revenue under the Financial Regulations (2013 Revision); 2013 Revision

 - “port state control” means the inspection of ships, other than Cayman Islands ships, whilst they are in Cayman waters, in accordance with the Merchant Shipping (Port State Control) Regulations, 2003;

 - “property” includes -
 - (a) money, goods, things in action, land and every description of property, whether real or personal; and
 - (b) obligations, easements and every description of estate, interest and profit, present or future, vested or contingent, arising out of or incident to property as defined in paragraph (a);

“public officer” has the meaning assigned to that expression in the Constitution;
“ship” includes every description of vessel used in navigation; and
“ship registration services” includes the registration of ships, tonnage measurement and surveys and certification related to the registration process.

PART II - Establishment, Structure and Functions of Maritime Authority

Establishment and
incorporation of
Authority

3. (1) There is established in accordance with this Law a body corporate called the Maritime Authority of the Cayman Islands, having perpetual succession and a common seal and being capable in its corporate name, of entering into contracts, of suing and being sued and of acquiring, holding, mortgaging, leasing and disposing of all kinds of property, movable or immovable.

(2) The Authority shall establish and maintain its head office and principal place of business in the Islands and shall cause details thereof to be published in the Gazette, and service of all documents on the Authority shall be deemed to be effective if delivered at the head office.

(3) Where expedient, the Authority may establish and maintain branch offices outside the Islands.

(4) The Authority shall have exclusive right to use the names “Maritime Authority of the Cayman Islands”, “Cayman Islands Shipping Registry” and “Cayman Islands Yacht Registry”.

(5) It shall be within the capacity of the Authority as a statutory corporation to carry on any activity and enter into such transactions as appear to it to be requisite, convenient or conducive to, or for the discharge of, any of its functions under this Law.

Board of Directors of
Authority

2013 Revision

4. (1) There shall be a board of directors of the Authority, which, subject to this Law, shall be responsible for the governance and performance of the Authority and the general conduct of its affairs and business, having regard to the Public Management and Finance Law (2013 Revision).

Schedule 1

(2) The Board shall consist of seven directors appointed by the Governor in accordance with Schedule 1, which Schedule shall have effect with respect to the Board.

Advisers and secretary
to Board

5. (1) The Board may appoint a legal adviser or such other adviser whom the Board considers necessary for the discharge of its functions under this Law for such period and on such terms and conditions of employment as the Board considers fit.

(2) The Board shall appoint for such period and on such terms and conditions of employment as the Board considers fit, a person not being a director, to be the secretary of the Authority, and the appointee shall be present at all meetings and shall take minutes of the business transacted, which minutes shall record all decisions, resolutions, orders, policies and rules made by the Board.

6. (1) It shall be the function of the Authority to administer and enforce all matters for which the Minister is responsible under the laws in force in the Islands relating to merchant shipping and seamen and to promote the proper development of ship registration, survey and related services.

Functions and powers of Authority

(2) For the purposes of carrying out its functions, the Authority may -

- (a) engage such officers and consultants as it considers necessary, on such terms and conditions as it considers appropriate, subject to the requirements of applicable law of the Islands;
- (b) provide an advisory service and disseminate information and guidance on matters relating to ship registration, maritime regulatory requirements and maritime legislation in the Islands;
- (c) make such charges, as the Authority may determine, for the provision of its services under this subsection; and
- (d) borrow money and otherwise raise capital in accordance with this Law.

(3) In particular and without prejudice to the generality of subsection (1) the Authority shall -

- (a) provide shipping registration services, and maintain a register of ships;
- (b) provide maritime regulatory services, including -
 - (i) survey and inspection services for all ships on the register;
 - (ii) documentation and certification services for all ships on the register and all crew serving on those ships;
 - (iii) monitoring in respect of all ships on the register to ensure compliance with applicable requirements of international conventions relating to shipping which have been extended to the Islands, together with related instruments and codes;
 - (iv) issuance, in appropriate circumstances, of exemptions and dispensations from the requirements referred to in subparagraph (iii);
 - (v) port state control;
 - (vi) investigations into marine casualties;
 - (vii) detention of unsafe or unseaworthy ships;
 - (viii) preparation of cases for prosecution of offences committed under Cayman Islands shipping laws and regulations;

- (ix) maritime search and rescue in co-ordination with other relevant Government departments and bodies;
 - (x) issuance of shipping notices disseminating advice and information to the shipping industry; and
 - (xi) international relations within the maritime sector including cooperation with regional agreements on port state control;
- (c) promote the development of the Islands as an international shipping centre including, but not limited to -
- (i) onshore ship operations and activities;
 - (ii) shipping dispute resolution and other maritime services;
 - (iii) international ship finance; and
 - (iv) the growth and utilisation of the Admiralty jurisdiction of the Grand Court;
- (d) provide advice to the Minister on maritime policy, legislative requirements and economic issues pertaining to the activities in this section and with respect to maritime administration in the Islands;
- (e) represent the Islands at international fora related to maritime affairs; and
- (f) discharge such other functions as are for the time being conferred on it by virtue of this Law or any other law.

Minister may give general directions

7. (1) The Minister may, after consultation with the Board, give in written form general and lawful directions on matters of policy and the Board shall give effect to such directions.

(2) Any such direction given by the Minister which affects members of the public shall be published in the Gazette.

Delegation of Board's powers

8. (1) Subject to this Law, the Authority may delegate to a director, to a committee appointed by the Board or to the Chief Executive Officer such of the Authority's powers, together with powers that the Board determines are necessary or expedient to enable that director, committee or the Chief Executive Officer to carry out a delegated function as the Authority sees fit, but the Authority's borrowing powers may not be delegated.

(2) Every delegation under this section shall be in writing and shall be revocable by the Authority, but no such delegation shall prevent the Authority from exercising the powers so delegated.

PART III - Personnel of Authority

9. (1) The Board shall appoint for such period and on such terms and conditions of employment as it thinks fit, a Chief Executive Officer of the Authority. Board to appoint Chief Executive Officer

(2) The Chief Executive Officer shall perform the duties and responsibilities specified in section 11 and shall render his services exclusively to the Authority as a full-time officer of the Authority.

10. (1) There shall be appointed- Appointment of officer

- (a) an officer known as the Registrar of Shipping who shall exercise such functions as are conferred on him by this Law and by the Merchant Shipping Law (2011 Revision) and keep such records and perform such other duties as the Chief Executive Officer may determine; and 2011 Revision
- (b) an officer known as the Shipping Master who shall exercise the functions conferred on him by this Law and the Merchant Shipping Law (2011 Revision) and perform such other duties as the Chief Executive Officer may direct.

(2) There may be appointed-

- (a) one or more Deputy Registrars of Shipping who may, in the absence of the Registrar of Shipping, act as the Registrar of Shipping for the purposes of this Law and of the Merchant Shipping Law (2011 Revision) and who, when so acting, shall exercise such functions as are conferred on him by this Law or the Merchant Shipping Law (2011 Revision) and keep such records and perform such other duties as the Chief Executive Officer may determine;
- (b) one or more Assistant Registrars of Shipping who shall carry out, under the direction of the Registrar of Shipping or a Deputy Registrar of Shipping, as the case may be, such functions and duties as the Chief Executive Officer may determine;
- (c) one or more Deputy Shipping Masters who may, in the absence of the Shipping Master, act as the Shipping Master for the purposes of this Law and of the Merchant Shipping Law (2011 Revision) and who shall carry out such other functions and duties as the Chief Executive Officer may determine; and
- (d) one or more Assistant Shipping Masters who shall carry out, under the direction of the Shipping Master or a Deputy Shipping Master, as the case may be, such functions and duties as the Chief Executive Officer may determine.

Responsibilities of Chief Executive Officer

2011 Revision

11. (1) The Chief Executive Officer shall be accountable to the Board for-
- (a) the day-to-day management of the affairs of the Authority;
 - (b) the recruitment, appointment and management of the following personnel under such terms and conditions as the Chief Executive Officer deems appropriate in accordance with the policies authorised by the Authority and the statutory provisions related to the appointments contained in this Law and in the Merchant Shipping Law (2011 Revision), namely-
 - (i) the general staff of the Authority;
 - (ii) surveyors and inspectors under section 419 of the Merchant Shipping Law (2011 Revision); and
 - (iii) the Registrar of Shipping, Shipping Master, Deputy Registrars of Shipping, Assistant Registrars of Shipping, Deputy Shipping Masters and Assistant Shipping Masters;
 - (c) the establishment and maintenance of the appropriate executive, management, technical and administrative structure of the Authority, in accordance with policies approved by the Board;
 - (d) the achievement of the outputs and ownership performance of the Authority;
 - (e) public relations and financial management;
 - (f) the carrying out of the functions of the Authority in accordance with the decisions of the Board; and
 - (g) the provision of technical advice and guidance on matters of policy, legislative development needs and strategic planning.

(2) In the Chief Executive Officer's absence or inability to fulfil his functions, the Board may appoint a senior employee of the Authority to discharge the functions of the Chief Executive Officer during the period of his absence or inability.

(3) The Authority may arrange with the Chief Officer of the Ministry or Portfolio concerned for the secondment of a public officer to work at the Authority, and any person so seconded shall, in relation to salary, pensions, gratuity or conditions of service, be treated as continuing in the service of the Government.

(4) Notwithstanding subsection (3) the cost of employing a public officer seconded to the Authority shall be met by the Authority during the period of the secondment.

Authority to subscribe to Public Service Pensions Fund
2013 Revision

12. (1) The Authority shall subscribe to the Public Service Pensions Fund in accordance with the Public Service Pensions Law (2013 Revision) for the payment of pensions to all employees of the Authority.

(2) Notwithstanding subsection (1) -

- (a) where an employee, transferred in accordance with Schedule 2, is entitled to a contracted officer's supplement, the Authority shall not subscribe to the Fund in respect of such employee during the period in which the employee remains entitled to such supplement; Schedule 2
- (b) with respect to an employee employed by the Authority after the 1st July, 2005, the Authority has the option of subscribing to the Public Service Pensions Fund or of creating and maintaining, or subscribing to, a fund in accordance with the National Pensions Law (2012 Revision); and 2012 Revision
- (c) the Authority shall not subscribe to a fund in respect of an employee who is employed under a contract which is six months or less in duration.

(3) The Authority shall be considered to be an employer for the purposes of the Public Service Pensions Law (2013 Revision) and an employee referred to in subsection (2)(a) shall not be considered to have retired from the Service for the purposes of that Law. 2013 Revision

13. The Health Insurance Law (2013 Revision) shall apply to the Authority except that- Applicability of Health Insurance Law (2013 Revision)

- (a) the Authority may elect to provide free or subsidised medical benefits in lieu of and at least equivalent to, or in addition to, insurance coverage under that Law; and
- (b) a person referred to in paragraph 2 of Schedule 2 shall, unless otherwise notified by the Authority, be entitled to receive from the Authority at least the same medical benefits to which he was entitled on the day preceding his transfer to the Authority.

PART IV - Financial Provisions

14. (1) The funds available to the Authority for the performance of its functions under this Law shall consist of - Funds available to Authority

- (a) such sums as may be paid by the Governor in Cabinet for outputs purchased by him from the Authority or equity injections or loans to the Authority made by the Governor in Cabinet;
- (b) such sources of non-coercive revenue as may be available in respect of shipping and maritime services;
- (c) amounts borrowed by the Authority in accordance with this Law;
- (d) miscellaneous receipts including interest and returns on investments;

- (e) amounts charged in respect of fees paid for consulting and other services; and
 - (f) other costs recoverable from the Government relating to casualty and other inquiries and investigations, port state control activities and judicial and administrative proceedings as agreed with the Governor in Cabinet through a purchase agreement with the Authority.
- (2) The revenue received shall be paid into bank accounts established for the purpose in the name of the Authority and approved by the Board.
- (3) Subject to this Law, revenue of the Authority, equity invested in the Authority and loans made to the Authority shall be held and applied to furthering the purposes of the Authority in such manner as the Authority may think fit.
- 2011 Revision (4) Where this Part is inconsistent with the Merchant Shipping Law (2011 Revision), this Part shall prevail.
- Financial year of Authority 15. The financial year of the Authority is the period of twelve months ending on the 30th June in each year.
- Capital and borrowing powers of Authority 16. (1) The initial capitalisation of the Authority shall be established by agreement between the Minister and the Board and shall include sufficient working capital to allow the Authority to operate efficiently.
- (2) Subject to subsection (3), the Authority may borrow such sums required by it for meeting its obligations and discharging its functions.
- (3) The power of the Authority to borrow an amount in excess of a cumulative outstanding balance of two hundred and fifty thousand dollars shall be exercisable only with the approval of the Governor, as to the amount, sources of borrowing and terms on which the borrowing may be effected; and approval given in any respect for the purpose of this subsection may be either general or limited to a particular borrowing or otherwise and may be either conditional or subject to conditions.
- 2013 Revision (4) Subject to the Public Management and Finance Law (2013 Revision) and in accordance with a resolution of the Legislative Assembly, the Governor may guarantee the payment of the principal and interest on any authorised borrowings of the Authority.
- Reserve fund 17. (1) The Authority shall maintain a level of cash reserves of an amount agreed with the Governor in the annual ownership agreement prepared in accordance with section 49 of the Public Management and Finance Law (2013 Revision).
- 2013 Revision

(2) Subject to subsection (3), the management of the reserve fund, the sums to be carried from time to time on the credit thereof, and the application thereof, shall be as the Authority may determine.

(3) Subject to section 18, no part of the reserve fund shall be applied otherwise than for the purposes of the Authority.

(4) The Authority may invest its reserve funds and other surplus cash at interest, in cash and bank deposits, including Certificates of Deposit.

18. (1) The Authority is a statutory authority as defined in section 3 of the Public Management and Finance Law (2013 Revision) and accordingly that Law applies, among other things, to -

Applicability of Public Management and Finance Law (2013 Revision)

- (a) the Authority's expenditure budget for each financial year; and
- (b) the preparation, maintenance, auditing and publication of the Authority's accounts.

(2) Where the exercise of a power conferred by or under this Law would be inconsistent with the exercise of a power conferred by or under the Public Management and Finance Law (2013 Revision), that Law shall, to the extent of the inconsistency, prevail over this Law.

19. (1) The Governor may, by written notice to the Board direct the Authority to -

Payment of dividends by Authority

- (a) pay a dividend to Government for an amount, and at a time, specified in the notice; and
- (b) provide, at a time and in a manner specified in the notice, such information as is specified in the notice,

and the Authority shall comply with the directions.

(2) The dividend referred to in subsection (1) shall be calculated by a formula determined by the Financial Secretary after consulting the Governor and the Authority; and such method of calculation shall be so determined before a request for a dividend from the Authority is made by the Governor.

(3) Receipts issued under section 14(1)(c) shall not be taken into account in calculating the amount of any dividend payable under this section.

PART V - General Matters

20. (1) Neither the Authority, nor a director or employee of the Authority shall be liable in damages for anything done or omitted in the discharge of their respective functions, responsibilities, powers and duties under this Law unless it is shown that the act or omission was in bad faith.

Immunity and indemnity

(2) The Authority shall indemnify-

- (a) every director;
- (b) every employee; and
- (c) the secretary of the Authority, appointed under section 5(2),

against all claims, damages, costs, charges or expenses incurred by that director, employee or secretary in the discharge of his functions, responsibilities, powers and duties under this Law, except claims, damages, costs, charges or expenses caused by their bad faith; and the Authority may purchase insurance with respect to such indemnification.

Confidentiality

21. (1) Subject to subsection (2), a person who, being a director, officer, employee, agent or adviser of the Authority discloses, without the prior authorisation of the Board, information acquired by him by reason of his office or employment or in exercise of the Authority's function under or for the purposes of this Law or any other law, which information relates to -

- (a) the affairs of the Authority;
- (b) the affairs of a ship on the register; or
- (c) the affairs of a registered owner of a Cayman Islands ship,

commits an offence and is liable on summary conviction to a fine of ten thousand dollars and to imprisonment for one year, and on conviction on indictment to a fine of fifty thousand dollars and to imprisonment for three years.

(2) Subsection (1) shall not apply to a disclosure -

- (a) lawfully required or permitted by a court of competent jurisdiction in the Islands;
- (b) made for the purpose of assisting the Authority to exercise a function conferred on it by this Law or any other law;
- (c) made in respect of the affairs of a ship or its owner for which consent has been voluntarily given by the owner;
- (d) where the information disclosed is or has been available to the public from any other source;
- (e) where the information disclosed is in a summary or in statistics expressed in a manner that does not enable the identity of the person to whom, or a ship to which, the information relates to be ascertained; or
- (f) lawfully made to a person entitled to obtain such information under the laws of the Islands.

Regulations

22. The Governor may make regulations prescribing anything which may be or is required to be prescribed under this Law.

23. (1) The Authority may formulate policy guidelines and procedures that it considers necessary or expedient for the purpose of enabling it to carry out its functions under this Law. Policy guidelines and procedures of Authority
- (2) Without prejudice to subsection (1), the guidelines and procedures may make provision for -
- (a) rules of procedure to be followed in the conduct of the meetings of the Board; and
 - (b) the vetting of contracts, leases and other agreements which the Board may contemplate entering into.
24. The transitional provisions set out in Schedule 2 shall have effect. Transitional provisions

SCHEDULE 1

section 4

APPOINTMENT AND CONSTITUTION OF BOARD

Appointment of Directors

1. (1) The Governor shall appoint -
- (a) two directors who, in his opinion, are persons qualified for appointment as having had experience and shown capacity in financial management or law or who, in his opinion, are persons qualified for appointment as having had experience and shown capacity in matters relating to the Authority's functions; and
 - (b) five directors who, in his opinion, are persons qualified for appointment as having had experience and shown capacity respectively in national security, international shipping, corporate services or maritime affairs.
- (2) Prior to appointing a person to be a director, the Governor shall satisfy himself that the person will have no financial or other interest likely to prejudicially affect the exercise of his functions as a director, and the Governor may require a person whom he proposes to appoint to give him such information as he considers necessary for that purpose.
- (3) The Governor shall appoint one of the two directors appointed under subparagraph (1) (a) as chairman and the other such director as deputy chairman.
- (4) Neither a member of the Legislative Assembly nor an official member of Cabinet shall be eligible for appointment as a director.

2. The Chief Executive Officer shall be present at each meeting of the Board unless -
- (a) he has obtained leave of absence from the chairman;
 - (b) he is incapacitated by illness; or
 - (c) he is asked to leave the meeting temporarily so that the Board may discuss, in his absence, matters relating to -
 - (i) the standard of his performance; or
 - (ii) the soundness of his decisions.

Tenure of Directors

3. (1) Subject to subparagraph (1A) the directors shall hold and vacate office in accordance with the terms of their appointment as follows-
- (a) the two directors appointed under paragraph 1(1)(a) shall be appointed for a term of up to three years and with respect to the five directors appointed under paragraph 1(1)(b) two shall be appointed for a term of up to two years and three shall be appointed for a term of up to one year;
 - (b) a director shall be eligible for reappointment but shall not hold office for more than six consecutive years;
 - (c) a director may at any time, by notice in writing addressed to the Minister, resign his office; and
 - (d) the Governor shall terminate the appointment of a director who-
 - (i) resigns his office;
 - (ii) is adjudged bankrupt or suspends payments to, or compounds with, his creditors;
 - (iii) is incapacitated by reason of physical or mental illness;
 - (iv) has been absent without leave of the chairman for three consecutive Board meetings;
 - (v) fails to comply with his obligations under paragraph 4;
 - (vi) commits serious misconduct in relation to his duties;
 - (vii) has been convicted in the Islands or elsewhere of an offence involving fraud or dishonesty; or
 - (viii) is otherwise not a fit and proper person to discharge the functions of a director.

(1A) Notwithstanding subparagraph (1) the directors shall hold and vacate office at the pleasure of the Governor.

(2) Where a director ceases to be a director before the normal expiration of his office, the Governor in accordance with this Law, may appoint another person to hold that office until the time that the director's office would have expired.

(3) A person appointed as a director shall not use his appointment to promote the interests of any commercial, financial, maritime or other organisation or institution with which he may be associated, in any capacity, during meetings of the Board or otherwise in his service as a Board member.

Disclosure of interests

4. (1) Where a director or a member of a committee appointed under paragraph 8 has a pecuniary interest, direct or indirect, in a contract, proposed contract, licence or other matter and is present at a meeting of the Board at which the contract, proposed contract, licence or other matter is the subject of consideration, he shall, at the meeting and as soon as practicable after its commencement, disclose the fact and shall not take part in the consideration or discussion of the contract, proposed contract, licence or other matter, or vote on a question with respect to it, and shall be excluded from the meeting for the duration of the consideration, discussion and voting procedure.

(2) A person who fails to comply with subparagraph (1) commits an offence and is liable -

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

unless he proves that he did not know that the contract, proposed contract, licence or other matter in which he had a pecuniary interest was the subject of consideration at that meeting.

(3) A disclosure under subparagraph (1) shall be recorded in the minutes of the meeting.

(4) The validity of an act or proceeding of the Board or committee shall not be questioned on the ground that a director or a member of a committee has contravened this paragraph.

Pecuniary Interests for the purposes of paragraph 4

5. (1) For the purposes of paragraph 4, a director or a member of a committee shall be treated, subject to subparagraphs (2) and (3) and to paragraph 7, as having indirectly a pecuniary interest in a contract, proposed contract, licence or other matter if -

- (a) he, or a nominee of his, is a member of a company or other body with which the contract was made or is proposed to be made or

which has a direct pecuniary interest in the licence or other matter under consideration;

- (b) he is a partner, or is in the employment of a person with whom the contract was made or is proposed to be made, or who has a direct pecuniary interest in the licence or other matter under consideration; or
- (c) he or a partner of his is a professional adviser to a person who has a direct or indirect pecuniary interest in a contract, proposed contract, licence or other matter under consideration.

(2) Subparagraph (1) does not apply to -

- (a) membership of or employment by a public body; or
- (b) an interest in a contract, proposed contract, license or other matter which a director, as a member of the public, has an interest or participates in, where such contract, proposed contract, license or other matter is one for which the right to participate is open to the public.

(3) In the case of married persons, the interest of one spouse shall be deemed for the purpose of this paragraph to be also the interest of the other.

Appointment of persons as directors in special cases

6. (1) The Governor in his discretion may, in the public interest and subject to such conditions as he may think fit, appoint persons to act as directors for a specified period, in any case in which the number of directors disabled by paragraph 4 at any one time would be so great a proportion of the whole as to impede the transaction of business.

(2) Nothing in paragraph 4 precludes a director from taking part in the consideration or discussion of, or voting on, the question whether an application should be made to the Governor for the exercise of the powers conferred by subparagraph (1).

Proceedings

7. (1) The Board shall meet at least once every three months and at such other times as may be necessary or expedient for the transaction of the business of the Authority, and such meetings shall be held at such place, time and days as the Board may, from time to time, determine.

(2) Except in cases of unavoidable urgency, due notice of such place, date and time of meetings of the Board shall be given to each director in writing at least seven days in advance.

(3) The chairman shall call a meeting of the Board if so directed by the Minister or if requested to do so in writing by five directors; and such a direction or request shall include a statement of the agenda proposed for the meeting.

(4) Where the chairman refuses to convene a special meeting of the Board upon request or neglects to convene the meeting as requested, a meeting of the Board may be convened by the directors making the request.

(5) Subject to subparagraphs (6) and (7), the chairman shall preside at all meetings of the Board.

(6) In the absence of the chairman, the deputy chairman shall preside and perform the functions of the chairman.

(7) In the absence of both the chairman and the deputy chairman, the directors present shall elect one of their number to preside and perform the functions of chairman of the meeting provided there is a quorum.

(8) Every question or matter to be determined by the Board at a meeting shall be decided by a majority of the votes of the directors present and voting on the question or matter, and in the case of an equality of votes, the person presiding at that meeting shall have a second or casting vote.

(9) Subject to paragraph 6, the quorum of the Board and of a committee of the Board shall be a simple majority of the directors appointed for the time being to the Board or committee.

(10) The validity of the proceedings of the Board shall not be affected by a vacancy among the directors or by a defect in the appointment or the disqualification of a director.

Committees of Board

8. (1) For the purpose of advising or assisting the Board in the performance of its functions, the Board may appoint such committees as the Board determines is appropriate.

(2) Each committee appointed by the Board shall consist of at least two directors together with such other persons as the Board determines is appropriate for the purpose in respect of which the committee is appointed.

(3) On receipt of advice from its committees, the Board shall decide whether or not to adopt that advice, in whole or in part or with such modifications as the Board thinks fit.

Remuneration, etc. of Directors

9. (1) The Authority may pay to its directors and the members of its committees, other than public officers, such remuneration, whether by salary or fees, and such reasonable allowances in respect of expenses properly incurred by them in the performance of their duties, as the Authority may determine.

(2) In this paragraph-

“members” includes members of a committee who are not also directors.

Use of Seal, authentication and authenticity of documents

10. (1) The seal of the Authority shall be authenticated by the chairman or deputy chairman, together with the signature of the Chief Executive Officer or other officer or servant of the Authority duly authorised to act on behalf of the Chief Executive Officer, and the seal shall be judicially noticed.

(2) All instruments, contracts and other documents issued by the Authority, other than those required by law to be under seal, and all decisions of the Authority, shall be signed by the chairman or some other member, officer or employee of the Authority authorised by the Board to do so on behalf of the Authority.

(3) Minutes of the proceedings of each meeting of the Board and each meeting of a committee of the Board shall be kept in such form as the Board determines, and shall be confirmed as soon as practicable at the next following meeting of the Board or that committee by the chairman or other person who presided at the meeting at which the minutes were taken.

(4) A document purporting to be an instrument issued by the Authority and to be sealed or signed on behalf of the Authority in accordance with this paragraph, shall be received in evidence and shall be deemed to be such an instrument without further proof unless the contrary is shown.

Use of Government facilities

11. In carrying out its functions under this Law, the Authority may, with the approval of the Governor, enter into arrangements with a department of the Government for the use of the personnel, facilities and services of that department to an extent not incompatible with that department's operation, and all costs related to the use of the personnel, facilities and services shall be an expense of the Authority.

SCHEDULE 2

section 24

TRANSITIONAL PROVISIONS

Transfer of property, rights and liabilities

1. With effect from the 1st July, 2005 -
 - (a) all chattels and property of every kind vested immediately before the 1st July, 2005 in the Cayman Islands Shipping Registry are hereby transferred to and vested in the Authority in the same manner and for the same estate as previously held by such Registry; and
 - (b) all rights, powers, privileges and advantages and all liabilities and other obligations to which, immediately before the 1st July, 2005, the Cayman Islands Shipping Registry was entitled or subject to, are transferred to and conferred or imposed upon the Authority for the purpose of this Law.

Transfer of Cayman Islands Shipping Registry officers to Authority

2. (1) A public officer or a person who immediately before the 1st July, 2005 was in the service of the Cayman Islands Shipping Registry, may be offered employment by the Authority and if he accepts the offer he shall become an employee of the Authority on terms and conditions of employment no less favourable than those that applied to his office immediately before such commencement, except -
 - (a) to the extent that other terms and conditions of employment are agreed between him and the Authority; and
 - (b) that disciplinary matters shall be dealt with in accordance with the Labour Law (2011 Revision) and the disciplinary rules and procedures of the Authority.
- (2) Pension arrangements and medical benefits relating to an employee referred to in subparagraph (1) shall be subject to sections 12 and 13.

Transfer of Appointments and related Powers

3. From the 1st July, 2005 -
 - (a) the appointment of the Director of the Cayman Islands Shipping Registry under section 419 of the Merchant Shipping Law (2011 Revision) shall transfer to the Chief Executive Officer together

- with all the powers and functions vested in the appointments under that Law;
- (b) the appointment of surveyors and inspectors of ships under section 419 of the Merchant Shipping Law (2011 Revision) shall continue in effect under this Law, together with all the powers and functions of surveyors and inspectors vested in those appointees under that Law, as if made under this Law, until such time as those appointments are terminated or renewed under this Law; and
 - (c) the appointments of the Registrar of Shipping and Shipping Master under section 449 of the Merchant Shipping Law (2011 Revision), together with all the powers and functions vested in those appointees under that Law, shall continue in effect as if made under this Law until such time as those appointments are terminated or renewed under this Law.

References in enactments and instruments

4. An enactment or other instrument passed or made before the 1st July 2005 shall have effect as if a reference to the Cayman Islands Shipping Registry were a reference to the Authority.

Continuity

5. Anything done by or in relation to the Cayman Islands Shipping Registry and having effect immediately before the 1st July, 2005 shall, so far as is required for continuing its effect thereafter, be treated as if it had been done by or in relation to the Authority; and anything then in the process of being done by or in relation to the Cayman Islands Shipping Registry, including any legal proceedings then pending to which either of those bodies is a party, may be continued by or in relation to the Authority.

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Carmena Watler
Acting Clerk of Cabinet

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