# The Norwegian Maritime Code

24 June 1994 no. 39
with amendments including
Act 7 June 2013 no. 30


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# Preface

Throughout the translation, the Norwegian term "reder" has been used when the original utilises this term or the term "rederi." There is no equivalent English term. The "reder" is the person (or company) that runs the vessel for his or her own account, typically the owner or the demise charterer. Time charterers and voyage charterers are not considered "reders".

# Contents

24 June 1994 no. 39

[0] Updated with amendments, including Act 7 June 2013 no. 30

# The Norwegian Maritime Code

Cf. previous NL 4th book, Act 16 February 1725, Act 18 March 1776 (with additional Acts 21 June 1777, 15 January 1781), Act 24 March 1860 (with additional Acts 6 March 1869, 3 June 1874 and 21 March 1883 no. 2), 20 July 1893 no. 1. Cf. current Acts 30 May 1975 no. 18, 12 June 1987 no. 48, 4 December 1992 no. 121, 26 June 1998 no. 47, 16 February 2007 no. 9.

## Part I. Ships

### Chapter 1. General Provisions[1]

[1] Cf. previous Act 4 May 1901 no.2, cf. current Act 12 June 1987 no. 48.

#### I. Nationality, etc.

**Section 1** Conditions for nationality

A ship shall be regarded as a Norwegian ship when it has not been entered in the Ship Register of another State and is owned by:[1]

1) a Norwegian national[2];
2) a shipping partnership[3] or other Norwegian company, the members of which have unlimited liability for the obligations of the company, provided that Norwegian nationals[2] are part owners of at least six tenths thereof;
3) a limited partnership[4], provided that Norwegian nationals[2] hold at least six tenths of the capital invested by the general partners and at least six tenths of the capital invested by the limited partners;
4) a limited company not covered by no. 3, provided the company's head office and the office of the board of Directors are in Norway

and the majority of the directors, including the board chairman, are Norwegian nationals[2] who are resident in Norway and have lived here for the past two years, and Norwegian nationals[2] own shares or holdings corresponding to at least six tenths of the share capital and are entitled to exercise at least six tenths of the voting rights in the company.

Regarded as equivalent for the purposes of this Section to property owned by a Norwegian national[2] shall be that owned by the Norwegian State, by an institution or a fund administered by the Norwegian State, by a Norwegian municipality, by a company that satisfies the conditions in paragraph one, or by a Norwegian bank, foundation or association provided that the office of its board is in Norway and the majority of the board are Norwegian nationals[2] resident in Norway.

Regarded as equivalent for the purposes of this Section to property owned by a Norwegian national[2] is that owned by a person, company or enterprise as included in the regulations in the EEA-agreement[5]. If the ship is owned by a company, enterprise or similar, the activity must have been founded in accordance with the legislation in one of the States connected with the EEA-agreement[5] and have its statutory head office, head administration or head enterprise in one of these countries. Equal to the requirement of Norwegian citizenship and address for the members of the board in paragraph one no. 4 is citizenship and address in a State connected to the EEA-agreement[5]. It is a requirement that the ship is part of the owner's economic activities established in Norway and that the ship is operated from Norway. A ship used for recreational purposes and not part of economic activities may be owned by a person who is residing in Norway and is a citizen of a State connected to the EEA-agreement[6].

If a ship is owned by a foreign national permanently resident in Norway and who is not from any State connected to the EEA-agreement[5], the Ministry may in exceptional circumstances recognize the ship as a Norwegian ship. Similarly the Ministry may in exceptional circumstances grant exemption from the requirements in paragraph one nos. 2 to 4, cf. paragraph two, to the effect that Norwegian nationals

must hold at least six tenths of the capital and be entitled to exercise at least six tenths of the voting rights.

If the owner does not have his permanent address in Norway, he must appoint a representative, residing in Norway and with citizenship from a State connected to the EEA-agreement[5], who has the authority to accept law suits on behalf of the owner[7].

[0] Amended by Acts 8 December 1995 no. 65 (in force 1 January 1996), 21 January 2000 no. 8, 27 June 2008 no. 72 (in force 1 July 2008 according to Resolution 27 June 2008 no. 743).

[1] Cf. Act 12 June 1987 no. 48.
[2] Cf. Act 10 June 2005 no. 51.
[3] Cf. Chapter 5.
[4] Cf. Act 21 June 1985 no. 83 Chapter 3.
[5] Cf. EEA agreement Art. 31 and 34.
[6] Cf. EEA agreement Art. 28 and appendix VI no. 6 (dir 90/364), no. 7 (dir 90/365) and no. 8 (dir 93/96).
[7] Cf. Section 13.

**Section 2** Estate of a deceased person, undivided estate and forced sale

Upon the death of the owner of a Norwegian ship or the owner of a share or a holding in a company as mentioned in Section 1, the ship shall retain its nationality for such period as the estate of the deceased remains under the administration of a Norwegian District Court[1], irrespective of the nationality of the heirs. A surviving spouse in possession of an undivided estate[2] shall for the purposes of Section 1 be deemed to be the sole owner of all the assets of the estate.

Upon the purchase of a Norwegian ship at a forced sale, for the purpose of securing a claim of the purchaser in respect of which he holds a lien or mortgage[3] on the ship, the Ministry[4] may consent to the ship temporarily remaining a Norwegian ship, even if the requirements of Section 1 are not fulfilled. Such consent shall take effect for such period and upon such conditions as may be laid down by the Ministry.

[0] Amended by Act 30 August 2002 no. 67 (in force 1 January 2003 according to Resolution 30 August 2002 no. 938).

[1] Cf. Act 21 February 1930.
[2] Cf. Act 3 March 1972 no. 5 Chapter III.
[3] Cf. Chapter 3.

[4] Ministry of Trade and Industry according to Resolution 20 December 1996 no. 1156.

**Section 3**[1] Managing reder[2], etc.

When a Norwegian ship is owned by an individual person, cf. Section 1 no. 1, who is not resident in Norway, the owner shall[3] nominate a representative who satisfies the conditions for being the managing reder of a shipping partnership, cf. Section 103, and who has the same authority as that of a managing reder[4]. The Ministry[5] may if necessary stipulate a time limit for such a nomination to be made. If the reder fails to make a nomination prior to the expiry of the time limit, the Ministry may decide that the ship shall not be deemed a Norwegian ship. In such an event, the ship shall no longer be entitled to registration in Norwegian registers of ships and shall, as the case may be, be deleted[6].

When a Norwegian ship is owned by a shipping partnership or other company as mentioned in Section 1 no. 2, a managing reder shall be appointed in accordance with the provisions of Section 103. The provisions of paragraph one second to fourth sentences apply correspondingly unless at least one of the members of the shipping partnership or company is a Norwegian national[7] resident in Norway or, in such cases as mentioned in Section 1 paragraph two, is on the same footing as a Norwegian national according to Section 1 paragraph two.

The provisions contained in paragraph one apply correspondingly to limited partnerships, cf. Section 1 no. 3, unless at least one of the general partners is a Norwegian national, resident in Norway or, in such cases as mentioned in Section 1 paragraph two, is on the same footing as a Norwegian national[7] according to the Section 1 paragraph 2.

The provisions of this Section shall only apply to such ships as must carry a certificate of nationality, cf. Section 5.

[1] Cf. Act 12 June 1987 no. 48 Section 1.
[2] The use of the term "reder" has been explained in the preface.
[3] General Civil Penal Code Section 419 paragraph one no. 3.
[4] Cf. Section 104.
[5] Ministry of trade and commerce according to Resolution 20 December 1996 no. 1156.
[6] Cf. Section 28.
[7] Cf. Act 10 June 2005 no. 51.

**Section 4**[1] Special provisions affecting certain ships

Ships [2] equipped for stationary use in drilling for, or the exploitation of, offshore subsea natural resources[3] shall be deemed to be Norwegian when they are not registered in the ship register of another country and are owned by:

1) a Norwegian national[4]
2) a shipping partnership[5] or other company whose members have unlimited liability for its obligations, provided that Norwegian nationals[4] are co-owners for at least six tenths;
3) other companies, provided they are registered in Norway.

In the cases mentioned in nos. 1 and 2, Section 1 paragraphs two to five and Sections 2 and 3 will apply correspondingly.

When the gross tonnage of a ship does not exceed 1,000 tonnage[6] units/register tons and the ship is primarily engaged in the owner's business undertaking in Norway, the ship is regarded as Norwegian if the owner's undertaking has its seat and head office in Norway, provided that shipping does not constitute any independent part of the undertaking's activities. Shipping, in this respect, also includes salvaging, towing, fishing and catching.

0 Amended by Acts 8 December 1995 no. 65 (in force 1. January 1996), 21 January 2000 no. 8.

1 Cf. Section 507.
2 Cf. Section 33.
3 Cf. Section 45, Section 51, Section 181 and Act 29 November 1996 no. 72.
4 Cf. Act 10 June 2005 no. 51.
5 Cf. Chapter 5.
6 Cf. Act 16 February 2007 no. 9 Section 10.

**Section 5** Use of flags. Certificate of nationality

A Norwegian ship[1] shall have the right to fly the Norwegian flag[2]. The King[3] may issue detailed regulations as to the use of flags, and if desirable as to the right of other ships to fly the Norwegian flag.

A Norwegian ship that must be registered, cf. Section 11 paragraph two, or which engages in foreign trade, must carry a certificate of nationality. The King[4] can issue regulations exempting ships that need

not be registered from the obligation to carry a certificate of nationality. The owner of a Norwegian ship can in any event demand that a certificate of nationality be issued for the ship. If a certificate of nationality is to be issued for a ship that need not be registered, the ship must be entered in the Ship Register, cf. Section 11 paragraph three.

Certificates of nationality are issued by the authority that has entered the ship in the Ship Register. Provisional certificates of nationality may in special cases be issued by the Maritime Directorate. If the ship is abroad, the certificate can be issued by the appropriate official of the Norwegian Foreign Service[5] upon authority from the Maritime Directorate. The King may issue regulations to the effect that in cases of urgency such an official may issue a certificate without authority.

The King may issue further regulations[6] as to certificates of nationality and their contents, and as to corrections to or the replacement and the return of certificates.

The provisions regarding certificates of nationality shall not apply to ships of maximum lengths of less than 10 meters.

[1] Cf. Section 1 and Act 12 June 1987 no. 48.
[2] Cf. Section 197, General Civil Penal Code Section 423 paragraph two.
[3] The Norwegian Maritime Directorate according to Resolution 2 May 1997 no. 394.
[4] Ministry of Trade and Industry according to Resolution 6 October 1972 no. 2, 18 December 1987 no. 970 and 20 December 1996 no. 1156.
[5] Cf. Act 3 May 2002 no. 13 Section 3.
[6] Cf. Act 10 February 1967 Section 2 and Chapter VII.

**Section 6** Hovercrafts

The provisions of Sections 1 to 3 shall apply correspondingly to hovercrafts[1]. The same applies to Section 5 unless the King[2] decides otherwise.

[1] Cf. Section 33 and Section 45
[2] Ministry of Trade and Industry according to Resolution 6 October 1972 no 2, 18 December 1987 no. 970 and 20 December 1996 no. 1156.

## II. Name, Home Port, etc.

**Section 7** Name

Every ship entered in the Ship Register[1] shall have a name chosen by its owner. The name must be clearly distinguishable from the names of all other registered ships. Ships belonging to the same reder[2] or group of reders can nevertheless have the same name if distinguished by different numbers. The name must not unreasonably interfere with any distinctive style of name used by another reder.

A ship may subsequently be renamed upon a change of ownership. The Ship Register may also in other circumstances grant permission to rename a ship provided that reasonable grounds exist for so doing. The Registrar[3] shall send a notice of the change of name to all those having registered rights in the ship.

Upon conclusion of a contract to buy or to build a ship, the ship's name may be reserved by notice to the Ship Register. The Directorate may also in other circumstances, and provided that reasonable grounds exist for so doing, reserve a ship's name to an applicant for a period of up to five years at a time. A name which has been reserved shall have the same protection as the name of a ship which has been entered in the Ship Register.

Except for paragraph one first sentence and paragraph two, the provisions of this Section only apply to ships which must be registered, cf. Section 11 paragraph two.

The King[4] may issue detailed regulations[5] supplementing and implementing the provisions of this Section.

0 Amended by Act 16 February 2007 no. 9 (in force 1 July 2007 according to Resolution 16 February 2007 no. 170).

1 Cf. Section 11.

2 The use of the term "reder" has been explained in the preface.

3 Cf. Section 11 and Act 12 June 1988 no. 47 Section 2.

4 Ministry of Trade and Industry according to Resolution 6 October 1972 no. 2, 18 December 1987 no. 870 and 20 December 1996 no. 1156.

5 Cf. Act 10 February 1967 Section 2 and Chapter VII.

**Section 8**[1] Home port

Where a ship is to be entered in the Ship Register, the owner shall choose its home port from among such towns and other built-up coastal areas as are approved by the Maritime Directorate as home ports. The provisions of paragraph three apply to ships on inland lakes.

The choice of home port is made by notice to the Registrar of Ships in accordance with Section 12. Such home port can subsequently be altered by notice in accordance with the Section 13 paragraph two.

Ships not entered in the Ship Register have their home port in the municipality in which the owner is resident. If the owner is not resident in Norway, the home port of the ship is in that municipality in which the owner's representative is resident. A ship owned by a shipping partnership or other company as mentioned in Section 1 no. 2 has its home port in the municipality in which the managing reder[2,3] is resident. In respect of other companies, the municipality in which the office of the company or the seat of its board is situated is regarded as the ship's home port.

0 Amended by Act 16 December 2011 no. 64

1 Cf. Dispute Act Section 4-5 paragraph five.
2 Cf. Section 103.
3 The use of the term "reder" has been explained in the preface.

**Section 9**[1] Signal letters, marks

The King[2] issues regulations regarding ships' signal letters and the marking of ships[3].

1 Cf. General Civil Penal Code Section 419.

2 Ministry of Trade and Industry according to Resolution 6 October 1972 no. 2, 18 December 1987 no. 970 and 20 December 1996 no. 1156; Ministry of Fisheries according to Resolution 12 July 1985 no. 1442.
3 Cf. Act 12 June 1987 no. 48 Section 2. See also Acts 5 December 1917 no. 1, 26 June 1998 no. 47.

**Section 10**[1] Ships beyond repair

A ship shall be regarded as beyond repair

1) when it cannot be repaired, either where it is or at a place to which it can be moved,
2) when it is not worth repairing because its value when damaged together with the anticipated cost of moving and repair will exceed its estimated value when repaired[2].

The owner of a ship beyond repair can demand its sale through the enforcement authority according to the applicable rules governing forced sales, with the effect that maritime liens and all other encumbrances on the ship[4] shall cease to attach to the ship. The provision contained in Section 11-20 of the Enforcement of Claims Act[5] relating to the lowest acceptable bid shall not apply.

[1] Cf. Chapter 18 III and Act 16 February 2997 no. 9 Section 36.
[2] Cf. Section 487 paragraph one no. 3 and 4.
[3] Cf. Section 51.
[4] Cf. Section 20.
[5] Act 26 June 1992 no. 86 (Enforcement of Claims Act).

## Chapter 2. Registration of Ships[1]

[1] Cf. previous Act 4 May 1901 no. 2, cf. current Acts 5 December 1917 no. 1, 12 June 1987 no. 48.

### I. The Ship Register, Registration Procedure, etc.

**Section 11** Registration authority. Scope of the register

The Ship Register is a nationwide, national register. It is kept by an official appointed by the King[1]. The Registrar decides whether the Registrar or an employee of the Register is incapacitated. If the Registrar finds reason for so doing, the question shall be submitted to the Ministry for decision. The provisions of Section 1 paragraph three of the Property Rights Registration Act[2] relating to the delegation of authority and in Section 2 relating to disqualification apply correspondingly.

Norwegian[3] ships[4] with a maximum length[5] of 15 meters or more shall be entered in the Ship Register or in the Norwegian International Ship Register if the conditions for registration there have been met[7].

However, ships acquired from abroad shall be exempt from the registration requirement if the person who acquired the vessel declares to the Maritime Directorate that the ship will be scrapped without further trading. The King[8] may issue regulations to the effect that State-owned ships shall be exempt from the registration requirement.

A Norwegian[3] ship[9] with a maximum length of less than 15 meters can, at the owner's request, be entered in the Ship Register if its overall length is at least 7 meters or if the ship is required to be registered under Act 26 March 1999 no. 15 Relating to the right to participate in fishing and catching (Participant's Act) or if it is to be used exclusively or mainly in trade. When such a ship is entered in the Ship Register, the provisions of this Chapter shall apply.

Registered[10] rights in ships entered in the Ship Register cannot be contested on the grounds that the ship did not fulfil or no longer fulfils the conditions for registration.

Except for cases as mentioned in Section 14 paragraph five, a ship cannot be entered in the Ship Register until it has been delivered by the builder or until it enters service on the builder's own account[11].

For registration or annotation in the Ship Register, a fee shall be paid as determined by the King[8]. The same applies to a mortgage certificate relating to the Ship Register.

Claims arising from registration fees and fees for the provision of extracts of register entries etc. relating to a ship provide grounds for execution.

Where the National Collection Agency is required to collect fees, it may do so by making deductions from salaries or similar benefits in accordance with Section 2-7 of the Creditors Security Act. The National Collection Agency may also collect the fees by establishing an execution lien for the claim, providing that protection for the lien can be obtained by registering it in a registry or by notification to a third party, cf. chapter 5 of the Liens Act, and the execution proceedings can be held at the offices of the National Collection Agency in accordance with Section 7-9 first paragraph of the Enforcement of Claims Act.

[0] Amended by Acts 26 March 1999 no. 15 (in force 1 January 2000 according to Resolution 19 November 1999 no. 1178), 16 February 2007 no. 9 (in force 1 July 2007 according to Resolution 16 February 2007 no. 170, paragraph three sentence three and four are repealed again 1 July 2008), 26 March 2010 no. 10.

[1] Ministry of Trade and Industry according to Resolution 30 July 1992 no. 593.
[2] Act 7 June 1935 no. 2.
[3] Cf. Section 1 and Act 12 June 1987 no. 48.
[4] Cf. Section 507.
[5] Cf. 16 February 2007 no. 9 Section 10.
[6] Cf. General Civil Penal Code Section 419 paragraph one no. 1.
[7] Cf. Act 12 June 1987 no. 48 Section 1.
[8] Ministry of Trade and Industry according to Resolution 6. October 1972 no. 2, 18 December 1987 no. 970 and 20. December 1996 no. 1156.
[9] Cf. Section 33.
[10] Cf. Section 20.
[11] Cf. Section 31.

**Section 12** Entry in the Ship Register, etc.

Entry in the Ship Register takes place upon notice from the owner of the ship to the Registrar. In the case of ships with a duty to register[1], such notice must be sent within 30 days of delivery from the shipyard in the case of a newbuilding, and apart from that within 30 days of it being considered Norwegian.

If the ship is owned by a shipping partnership or other company as mentioned in Section 1 no. 2, notice is given by the managing reder[2].[3] In the case of other companies it is given by the manager or by a member of the board who is authorized to sign on behalf of the company[4].

[0] Amended by Act 8 December 1995 no. 65 (in force 1 January 1996).

[1] Cf. Section 11 paragraph two.
[2] The use of the term "reder" has been explained in the preface.
[3] Cf. Section 103 and 104.
[4] Cf. Act 21 June 1985 no. 78 Chapter III.

**Section 13** Particulars of ships in the register, notices, etc.

The Ship Register shall contain particulars of a ship's name[1], identification signal[2], gross and net tonnage; in case of vessels not subject to a measurement requirement[3] length, breadth and depth; place and year of construction, home port[4], ownership, and the nationality of the owner.

If the ship is owned by a shipping partnership or other company as mentioned in Section 1 no. 2, the register shall contain particulars of the managing reder[5].[6] If the ship is owned by a person, company or enterprise as mentioned in Section 1 paragraph three, the register shall contain particulars on who is operating the ship from Norway[7].

In the event of any change in the particulars referred to in paragraph one, the owner of the ship shall notify[8] the Registrar unless the contrary follows from regulations issued by the Ministry. The same applies if the ship is lost or scrapped. Notice shall be given as soon as possible and not later than 30 days after the change or event. The Registrar may extend the time limit. The provisions of Section 12 paragraph two apply correspondingly. In the event of a sale, notice is given by both the buyer and the seller, but by the seller if, as a result of the sale, the ship can no longer be regarded as Norwegian.

Notice of ownership shall be accompanied by a builder's certificate, a bill of sale from the previous owner, a bill of forced sale, or similar documentation[9]. The King[10] can issue more detailed regulations[11] in this regard and concerning the content and form of such notice and any document that must accompany such notice[12]. If a ship is acquired from abroad, it cannot be registered unless the notice is accompanied by a certificate from the appropriate authority in the foreign country to the effect that the ship is not entered in the ship register or the shipbuilding register of that country[13], or that it will be deleted from such a register upon registration in another country. Such a certificate must also be presented to enable a ship that has not been considered Norwegian because it was registered in a foreign register, cf. Sections 1 and 4, to be entered in the Ship Register.

0 Amended by Acts 8 December 1995 no. 65 (in force 1 January 1996), 21 January 2000 no. 8, 16 February 2007 no. 9 (i force 1 July 2007 according to Resolution 16 February 2007 no. 170).

1 Cf. Section 7.
2 Cf. Section 9.
3 16 February 2007 no. 9 paragraph ten.
4 Cf. Section 8.
5 The use of the term "reder" has been explained in the preface.
6 Cf. Section 103.
7 Cf. Section 1.

[8] Cf. Section 28.
[9] Cf. Section 35, Section 36.
[10] Ministry of Trade and Industry according to Resolution 6 October 1972 no. 3, Resolution 30 July 1992 no. 591 and Resolution 20 December 1996 no. 1156.
[11] Cf. Act 10 February 1967 Chapter VII.
[12] Cf. Section 7 paragraph four.
[13] Cf. Section 14 final paragraph.

**Section 14**[1] Procedure, etc.

The Registrar shall keep a journal containing details of documents presented for registration, and a ship register with a separate leaf for each ship. Registration is carried out by entering an extract from the document in the journal and making a note of the document in the Ship Register.

A document which has been requested registered shall be entered in the journal as soon as possible according to the day and minute when it was received for registration, and shall be deemed to have been entered at that time. A document received after a time of day fixed by the Ministry[2] shall be entered in the journal at the Ship Register's following opening time.

Should the Registrar on receipt of the document find that it cannot be registered, he shall draw attention to the fact. If the document is not withdrawn, it shall be entered in the journal, and in the event be refused registration, cf. Section 16. If it is evident that the document cannot be registered, it can be returned to the person who requested the registration, without any entry in the journal. The person in question shall at the same time be informed of why the document cannot be registered and that it has not been entered in the journal. The person in question shall moreover be informed that the document will be entered in the journal if this is demanded. If such a demand is advanced, the document is entered in the journal the day the demand is received, cf. the paragraph two.

If the conditions for registration are met, the document shall be noted in the Ship Register within two weeks of its entry in the journal.

The document is returned to the person who presented it, or to a person designated by him or her.

If delivery of a ship from a foreign builder or seller to a new owner is expected at a time outside office hours of the Registrar's office, the entry of the ship in the Register and the registration of voluntarily established legal rights may be made prior to the ship's delivery, but the Registrar must retain the documents until he or she receives confirmation that the ship has been delivered[3]. If the ship is not delivered within 1 week from the entry in the journal, the registration is null and void.

[1] Cf. Section 16 and 38.
[2] Ministry of Trade and Industry according to Resolution 6 October 1972 no. 3 and Resolution 20 December 1996 no. 1156.
[3] Cf. Section 11 paragraph five and Section 24.

**Section 15**[1] Requirements regarding documents, attestation of signatures, etc.

A document presented for registration must be written in Norwegian, Danish, Swedish, or English, and must be so legible and clear that no doubt arises as to how it should be noted. The Ministry can issue regulations relating to the form of such documents.

For a bill of sale or mortgage deed which was not issued by a public authority to be noted in the Register, the signature must be attested in accordance with regulations issued by the Ministry[2]. It shall be expressly confirmed that the signature was written or acknowledged in the presence of the person concerned, and shall state whether or not the issuer is over 18 years of age. The same applies to notice of consent as referred to in Section 22 paragraph one. More detailed regulations as to proof of the identity, and the age and authority of the signatory can be issued by the Ministry[2].

A person presenting a document for registration shall also present a copy, which may be a transcript, of it unless regulations issued by the Ministry[2] provide otherwise. The Ministry[3] can issue regulations requiring the copy to be attested and stating who can issue such an attestation. If the document relates to more than one ship, one copy

must be presented in respect of each ship. The copies are filed as the Ministry[2] decides.

[1] Cf. Section 16.
[2] Ministry of Trade and Industry according to Resolution 6 October 1972 no. 3 and Resolution 20 December 1996 no. 1156.

**Section 16**[1] Refusal of registration

The Registrar shall refuse to register a document if it is clear to him that the document is invalid or that the signatory thereto lacks the necessary right of disposal[2], or if any other requirement for noting the document in the Ship Register is not complied with[3]. The decision shall be taken on the basis of the document itself and such other documents and evidence as are available. If the Registrar sees fit, he or she may him- or herself institute inquiries.

Instead of refusing to register a document in such cases as mentioned in paragraph one, the Registrar may fix a time limit for rectification, if he or she has reason to believe that this will be done within a reasonable time. In that event the document shall be provisionally noted in the Ship Register together with an explanation of the circumstances. If the deficiency is not made good within the time limit, registration of the document shall be refused[4].

Should registration of a document be refused, a note to that effect is made in the journal. The person who applied for the registration shall immediately be notified by registered mail of the refusal and the reason for it, of the right to appeal and the time limit for lodging an appeal, and of the rule that legal proceedings in respect of such a refusal cannot be instituted without prior resort to the right of appeal, cf. Section 19. If other persons are directly affected, such notice shall at the same time be given to them.

Notice as mentioned in paragraph three shall also be given in other cases where a person has applied for a step to be taken which has been refused by decision of the Registrar.

The Ministry[5] can issue regulation[6] refusing registration in the ship registers for vessels that are listed by regional public fishery administration

organisations as committing unlawful, unreported or unregulated fishing. Such regulation can also be issued refusing registration of ships that are subject to bans under Section 51 first paragraph a and b in the Wild Marine Resources Administration Act[7].

[0] Amended by Act 6 June 2008 no. 37 (in force 1 January 2009 according to Resolution 12 December 2008 no. 1355).

[1] Cf. Section 14 final paragraph and Section 27 final paragraph.
[2] Cf. Section 22.
[3] Cf. Section 15.
[4] Cf. Section 72 paragraph two.
[5] Ministry of Trade and Industry
[6] Cf. Act 10 February 1967 Section 2 and Chapter VII.
[7] Act 6 June 2008 no. 37.

**Section 17**[1] Certificate

The Registrar shall enter a certificate of registration on every document registered.

If the document shows anything relating to ownership, priority or the like which is inconsistent with that which has previously been registered, this shall be noted in the certificate. If the document is a mortgage deed or a letter of indemnity a note shall also be made of any registered encumbrances[2] which may have a bearing on the rights of the mortgagee[3].

Any person shall be entitled upon request to receive a certificate of the ownership of and encumbrances on a registered ship.

[1] Cf. Section 27.
[2] Cf. Section 20.
[3] Cf. Section 22 and 24.

**Section 18** Errors in registration

If the Registrar becomes aware that an entry in the Ship Register is incorrect or that an error has otherwise been made, the Registrar shall correct the error. If any person, by reason of the error, has been incorrectly informed, the Registrar shall so far as is possible notify such person of the correction by registered mail.

Whoever is of the opinion that the contents of the Ship Register are incorrect and detrimental to his or her rights can demand registration of his or her request for correction, provided he or she can show the likelihood of the contention or furnish such security as may be determined by the Registrar. If he or she is unable to prove the claim within a time limit fixed by the Registrar, the claim shall be deleted from the Register.

**Section 19** Appeals, etc.

Appeals against decisions of the Registrar can be lodged with the Ministry by any person whose appeal is based on a legal interest[1] in the matter. An appeal by any person who has received notice under Section 16 paragraph three or four must reach the Registrar within 3 weeks[2] from the day upon which the notice was sent.

Appeals by others must reach the Registrar within 3 weeks[2] from the day when the appellant learned or ought to have learned of the decision, see however paragraph four. In exceptional circumstances the Registrar may fix a time limit longer than three weeks.

Reinstatement notwithstanding the expiry of the time limit for appealing may be granted in accordance with the rules of Section 31 of the Public Administration Act[3]; see however paragraph four below. The provisions of Sections 31, 33 and 36 of the Public Administration Act[3] also apply.

The provisions of Sections 10 a and 10 b of the Property Rights Registration Act relating to certain limitations of the right to grant appeals shall apply correspondingly.

Any person who has received notice in accordance with the Section 16 paragraphs three or four, cannot institute legal proceedings without having first made use of his right of appeal and having had the appeal decided on by the Ministry[5]. Section 27 b second sentence of the Public Administration Act[3] shall however apply correspondingly.

The appropriate public body can set the time limit for raising legal action to 3 weeks[2] from the time the notice of time limit reaches the concerning part. If the limit is exceeded the Court may still allow legal

action, provided that particular grounds exist for so doing and no circumstances are a hindrance to complying with the complaint, cf this Section's paragraph four.

[0] Amended by Act 17 June 2005 no. 90 (in force 1 January 2008 according to Resolution 26 January 2007 no. 88) as amended by Act 26 January 2007 no. 3.

[1] Cf. Act 10 February 1967 Section 28.
[2] Cf. Section 38 paragraph two.
[3] Act 10 February 1967.
[4] Cf. Act 7 June 1935 no. 2.
[5] Ministry of Trade and Industry according to Resolution 1996 no. 1156.

## II. Registration of Rights

**Section 20** Which establishments of legal rights can be registered

A document can be noted in the Ship Register the purpose of which is to create, modify, assign, pledge, acknowledge or terminate a right in a registered ship[1]. Documents relating to a maritime lien[2] on a ship or the lease or chartering of a ship are exempted.

When a suit brought before a County or City Court or any higher court is a right which by its nature can be registered in accordance with paragraph one, the Court may make a decision in the form of a ruling[3] that the writ of summons or an extract thereof shall be registered. If the action is dismissed or judgment is given against the plaintiff or the interim injunction is lifted, the registration shall be deleted as soon as such decision becomes final.

[0] Amended by act 14 December 2001 no. 98 (in force 1 January 2002 according to Resolution 14 December 2001 no. 1416)

[1] Cf. Section 11.
[2] Cf. Section 45.
[3] Original: "kjennelse".

**Section 21** Registered title

The title of ownership has only a person whom the Ship Register shows to be the owner, or who can show that the title has passed to him upon the death of the owner[1].

For a document to convey a title of ownership for the purposes of the Register, the document must show an unconditional transfer of property, or, if the transfer is conditional, the fulfilment of any condition must either be shown by proof duly registered or be a matter of common knowledge.

The provisions of this Section apply correspondingly in respect of registered title relating to other rights.

[1] Cf. Section 13 final paragraph, Section 35, Section 36 and Section 113.

**Section 22** Registered title as a condition for registration

A document[1] evidencing the voluntary establishment of a right as mentioned in Section 20 paragraph one cannot be noted in the Ship Register unless the issuer has a registered title[2] or the consent of the registered holder of such title[3].

A bill of a forced sale[4] cannot be noted if, at the time when the decision on the forced sale was noted, the registered holder of the title had not been named as defendant[5] in connection with the forced sale or had not been notified of the sale according to Section 11-8 paragraph one of the Enforcement of Claims Act[6]. A bill of a forced sale issued pursuant to a forced sale abroad cannot be noted unless the forced sale is binding on the registered holder of the title according to Norwegian law[7].

A bill of sale in probate cannot be noted if the person whose estate is being distributed had no registered title.

No judgment or arbitration award can be noted unless it is binding under Norwegian law on the registered holder of the title[9].

[1] Cf. Section 15.
[2] Cf. Section 21.
[3] Cf. Section 15 paragraph two.
[4] Cf. Enforcement of Claims Act Sections 11-33.
[5] Cf. Enforcement of Claims Act Sections 11-4 and 11-9 paragraph 3.
[6] Act 26 June 1992 no. 86 (Enforcement of Claims Act).
[7] Cf. Section 76.
[8] Cf. Act 21 February 1930 (in force 1 January 1031) Section 38.
[9] Cf. Dispute Act Section 19-16.

**Section 23**[1] Priority

Registered acquisitions of rights rank in priority before those not registered.

In the event of a conflict between registered acquisitions of rights, priority is given to the acquisition of rights first entered in the journal[2].

Acquisitions of rights entered in the journal at the same time have equal rank. Executions and arrests have nevertheless rank prior to other acquisitions of rights. When several attachments are registered at the same time, the oldest attachment has priority.

[1] Cf. Section 24-27, Section 52, Section 54.
[2] Cf. Section 14.

**Section 24** Exceptions to the rules of priority, etc.

Notwithstanding Section 23, an older right ranks prior to a newer right if the latter is voluntarily acquired and the acquiring party knew or ought to have known about the earlier right at the time when his or her right was entered in the journal.

Statutory rights[1] are not affected by registration unless otherwise provided by statute.

Upon a sale or other transfer of ownership, a right deriving from the previous owner and which appears in the document of title of the new owner, or is entered in the journal no later than at the same time as the document of title, ranks prior to rights deriving from the new owner. The mutual priorities among several rights deriving from the previous owner are determined according to the provisions of Section 23. The same applies to the relative priorities among several rights deriving from the new owner, provided however that a voluntarily established mortgage which is shown to be security for a loan to finance the purchase of the ship, and which was entered in the journal no later than at the same time as the new owner's title document, ranks prior to rights whether acquired voluntarily or in the course of enforcement, irrespective of when they were entered in the journal.

When a ship is entered in the Ship Register, the provisions of paragraph three apply correspondingly, so that acquisitions of rights registered prior to the delivery of the ship in accordance with Section 14 paragraph five shall be deemed to be entered in the journal on the day and at the time when the ship is delivered. Encumbrances transferred from a foreign register according to Section 74 rank prior to all other rights and retain their priorities as between themselves from the original registration in the foreign register[2].

The provisions of Section 23 do not apply to the transfer of mortgages or to the pledging of mortgage deeds[3] governed by the rules applicable to negotiable debt instruments[4].

[1] Cf. Section 51.
[2] Cf. Section 54.
[3] Cf. Act 8 February 1980 no. 2 Section 4-1.
[4] Cf. Act 17 February 1939 no. 1 Chapter 2.

**Section 25** Protection in bankruptcy

With the exception of the cases mentioned in Section 24 paragraphs three, four and five, a voluntarily established right must, in order to be protected against bankruptcy[1], have been entered in the journal no later than the day before the commencement of such bankruptcy proceedings.

If compulsory debt settlement proceedings have been instituted during immediately preceding debt settlement proceedings, cf. the Satisfaction of Claims Act Section[2] 1-4 paragraph six, a right must have been entered in the journal no later than the day before the commencement of the compulsory debt settlement proceedings. However, when the right has been created with the consent of the debt settlement committee[3], the protection of the right against bankruptcy shall not depend upon registration.

For a right established by contract to be upheld in compulsory debt settlement proceedings, the establishment of the right must, except in the cases mentioned in Section 24 paragraphs three, four and five, have been entered in the journal no later than the day prior to the opening of the compulsory debt settlement proceedings[4].

[1] Cf. Act 8 June 1984 no. 58.
[2] Act 8 June 1984 no. 59.
[3] Cf. Act 8 June 1984 no. 58 Section 14 second paragraph, Section 16 fourth paragraph and Act 8 June 1985 no 59 Section 9-2 first paragraph no. 5.
[4] Cf. Act 8 June 1984 no. 58 Section 34 third paragraph, Act 8 June 1984 no. 59 Section 1-4 second paragraph.

**Section 26** Extinguishment of action to void, etc.

No objection that a registered title derives from an invalid document can be raised against any person who has registered a right contractually acquired by him from the registered holder of the title, and who acted in good faith when entry in the journal was made. However, such objection can be raised if the document is forged or falsified or is void by reason of minority[1] or was made under duress, cf. Act Relating to Conclusion of Agreements[2] Section 28[3].

If a registered document of title or other document is invalid and this does not appear from the Ship Register, and the invalidity subsequently ceases, no further registration of the right it establishes is necessary because the right is regarded as registered from the moment the invalidity lapsed.

[1] Cf. Act 22 April 1927 no. 3 Section 1 and 2.
[2] Act 31 May 1918 no. 4.
[3] Cf. Section 37.

**Section 27**[1] Priority in the event of errors in registration, etc.

If a right is incorrectly noted in the Ship Register or is not noted within 2 weeks of its entry in the journal[2], a Court can rule that the right shall yield priority to a voluntarily established right registered at a later date. This is subject to the conditions:

a) that the acquirer of the subsequently registered right was acting in good faith when that right was entered in the journal[3],
b) that if the priority of his right was yielded, the acquirer would suffer unmerited loss by reason of his reliance upon the Ship Register, and

c) that if the priority of the right of the acquirer was yielded, his or her loss would substantially exceed that of the other party, or that it would lead to considerable disorder among rights registered later if the right which was registered, but incorrectly entered, should be allowed priority.

If a right is noted in the Ship Register which by mistake was not first entered in the journal, such noting also has the effect of an entry in the journal.

If a document entered in the journal should subsequently be refused registration[4], it is, where the application of the priority rules is concerned, to be regarded as never having been entered.

[1] Cf. Section 37.
[2] Cf. Sections 20-22.
[3] Cf. Section 14.
[4] Cf. Section 16.

## III. Deletion, Time-barring of Legal Protection

**Section 28**[1] Deletion of a ship

Upon receipt by the Registrar of notice pursuant to Section 13 paragraph two that a ship has been lost or scrapped or is no longer to be regarded as Norwegian[2], the ship shall be deleted from the Register. The same applies if due notice is not given within the time limit according to Section 13 paragraph two, but the Registrar otherwise learns of such facts. Before the ship is deleted, the owner shall in such a case have the opportunity to give a statement. A ship which is not subject to compulsory registration[3] shall, in addition to the cases referred to, be deleted at the request of its owner. Even when a ship is still to be regarded as Norwegian, it can be deleted from the Ship Register if its owner informs the Registrar that the ship will be registered in the register of another country when it has been deleted from the Norwegian Register.

If an encumbrance has been registered on a ship, the ship shall not be deleted without the written consent of the beneficiary of the encumbrance, but a note of the facts which would otherwise have resulted in

deletion shall be made on the ship's sheet in the Register. In such event the encumbrance retains its priority, but no new establishments of rights can be registered.

Upon request, the Registrar shall issue a certificate of deletion in respect of the ship, in which all registered encumbrances are listed in order of priority[4].

[0] Amended by act 8. December 1995 no. 65 (in force 1 January 1996).

[1] Cf. Act 12 June 1987 no. 48 Section 12.
[2] Cf. Section 1, Section 4 and Act 12 June 1987 no. 48 Section 1.
[3] Cf. Section 11 paragraph three.
[4] Cf. Section 37.

**Section 29** Deletion of encumbrances

An encumbrance shall be deleted from the Ship Register when evidence is registered showing that the encumbrance no longer attaches to the ship or that the holder of the right consents to the deletion.

For a mortgage deed that is a negotiable debt instrument[1] to be deleted, the document must be submitted to the Registrar together with a receipt or consent. If it is impossible or unreasonably difficult to obtain a receipt or consent, the Registrar can, when the document is submitted and it appears probable that the encumbrance no longer attaches or does not exist, upon request of the registered holder of title publish a notice to any possible holders of rights to appear within 2 months[2]. If no such holders appear, the encumbrance is deleted.

An encumbrance that no longer attaches due to a forced sale or other sale according to the Enforcement of Claims Act[3] or to a sale according to the Bankruptcy Act[4] § 117a, shall, notwithstanding the provision of paragraph two first sentence, be deleted when a bill of sale is registered which shows that the encumbrance has ceased to attach.[5] The same applies correspondingly when it is established that an encumbrance has ceased to attaches due to a forced sale of the ship abroad, provided that the forced sale under Norwegian rules relating to conflict of laws are binding on the holder of the rights[6].

Notwithstanding the provisions of the second paragraph first sentence, an encumbrance which has ceased to attach after compulsory debt settlement shall be deleted when a decision of manifestation is registered according to the Bankruptcy Act Section 52, cf. Section 53, that confirms that the encumbrance has ceased to attach.

Any encumbrance that is more than 20 years old can be deleted by request as mentioned in paragraph two second sentence when it is probable that it has ceased to have effect.

An encumbrance which clearly has ceased to have effect shall be deleted by the Registrar on his or her own initiative.

In the event of an incorrect deletion, the provisions of Section 27 apply correspondingly.

[0] Amended by Act 3 September 1999 no. 72 (in force 1 January 2000 according to Resolution 3 September 1999 no. 983).

[1] Cf. Section 24 final subSection and Act 17 February 1939 no. 1 Section 11.
[2] Cf. Section 38.
[3] Act 26 June 1992 no. 86 (Enforcement of Claims Act), see its Chapter 11.
[4] Act 8 June 1984 no. 58.
[5] Cf. Act 26 June 1992 no. 86 Section 11-33 and Section 11-51 paragraph four.
[6] Cf. Section 76.

**Section 30**[1] Time-barring of legal protection

If a registered encumbrance is not, according to the terms of the document, valid otherwise than for a fixed time and is not intended to attach permanently to the ship, the effect of its registration shall lapse after twenty years from the registration of the encumbrance, unless it has been registered anew prior to the expiry of this time limit. The effect of registration of a mortgage shall however in no event lapse until the expiry, in accordance with the terms of the document, of at least five years either from the date upon which the whole debt should have been paid or from the earliest date by which the debt could have been called in by the creditor.

In respect of an execution lien, the time limit referred to in paragraph one first sentence is 5 years. In respect of interim injunctions and

arrests the time limit is 2 years. The provision contained in paragraph one second sentence does not apply to liens referred to in this paragraph.

Registration of an endorsement on a previously registered document shall not interrupt the period of limitation unless the endorsement contains an express renewal of the creation of the right. An increase of the principal sum contained in a mortgage deed shall be so regarded. From the date of renewed registration, a new limitation period shall run, of the same length as the original one.

When the effect of registration has ceased, the Registrar shall on his or her own initiative delete the encumbrance. In the event of an incorrect deletion Section 27 shall apply correspondingly.

[1] Cf. Section 38.

## IV. Ships under Construction

**Section 31**[1] Registration

Ships under construction in Norway and building contracts in Norway may upon application be entered into a separate chapter of the Ship Register (the Shipbuilding Register). Such registration also encompasses hulls, major hull sections or main engines built outside the Kingdom, in cases where delivery by the foreign shipyard has taken place. Such request shall be made by the owner in the case of a ship under construction or by the purchaser in the case of a building contract. When a contract is entered in the Register, registration thereof also protects the rights of the purchaser in respect of the ship as from the commencement of its construction. A declaration by a shipyard of a decision to build a ship on its own account is regarded as equivalent to a contract.

Entry in the Shipbuilding Register cannot be effected unless the probability has been shown that the ship will have an overall length of 10 meters or more.[2]

The provisions of Section 11 paragraph four, Section 12 paragraph 2, Section 13, Section 14 paragraphs one to four, and Sections 15 to 27 apply correspondingly as appropriate.

[0] Amended by Act 19 June 2009 nr. 102 (in force 1 July 2009 according to Resolution 19 June 2009 no. 701).

[1] Cf. Section 33 paragraph three and Section 507.
[2] Cf. Section 11.

**Section 32** Deletion, etc.

Ships and building contracts that are entered in the Shipbuilding Register shall be deleted when the ship is delivered by the builder or, if the ship has been built on the builder's own account, when the ship enters service. If a ship is lost during construction, it shall be deleted. The same applies to a building contract which ceases to be binding.

In cases as mentioned in paragraph one, application for deletion shall be made in accordance with the provisions of Section 13, cf. Section 31 paragraph three. This does not, however, apply when the ship in question is delivered or entered into service, provided that the ship meets the criteria for entry in the Norwegian Ship Register and is so entered. The King[1] may issue rules permitting deletion although no application has been made, if the Registrar has by other means learned of circumstances that justify deletion.

If an encumbrance is registered on a ship under construction or on a building contract, and the encumbrance is not transferred to the Norwegian Ship Register, such encumbrance shall not be deleted from the Shipbuilding Register without the written consent of the holder of the right, but a note shall be made on the ship's or the contract's sheet in the Register of the circumstances which should have led to deletion. In such event, the encumbrance retains its priority, but no new right can be registered. If, when completed, the ship fulfils the requirements relating to entry in the Ship Register but its owner does not apply for such entry within the time limit referred to in Section 13 paragraph two, the holder of the right concerned may himself or herself apply to have the ship entered in the Ship Register.

Upon request the Registrar shall issue a certificate of deletion on which all registered encumbrances are listed in order of priority[2].

The rules of Sections 29 and 30 shall, as appropriate, apply correspondingly to encumbrances noted in the Shipbuilding Register.

[1] Ministry of Trade and Industry according to Resolution 6 october 1972 no. 3, Resolution 30 July 1992 no. 591 and Resolution 20. December 1996 no. 1156.
[2] Cf. Section 37.

## V. Miscellaneous Provisions

**Section 33** Constructions which are not regarded as ships

The following constructions can upon the request of their owner be entered in the Ship Register, notwithstanding that they do not fall within the scope of Section 11 paragraphs two and three[1]:

1) floating cranes, floating docks and dredgers, if owned by someone as mentioned in Section 4 paragraph one;
2) such other floating constructions as the King[2] shall decide, if owned by someone as mentioned in Section 4 paragraph one;
3) hovercraft, if Norwegian, cf. Section 6[3].

Concerning the choice of home port, the provisions of Section 8 paragraphs one and two apply correspondingly. Otherwise the provisions of Section 11 paragraphs four and five, Section 12 paragraph two, and Sections 13 to 30 apply correspondingly as appropriate.

In relation to a construction of the kind mentioned in paragraph one and which is under construction or due for construction in this Kingdom the provisions of Section 31 paragraphs one and three and Section 32 apply correspondingly.

[1] Cf. also Section 39 and Section 507.
[2] Ministry of Trade and Industry according to Resolution 6 october 1972 no. 2, 18. December 1987 no. 970 and 20 December 1996 no. 1156.
[3] Cf. Section 45.

**Section 34** [Repealed]

**Section 35** Acquisition of registered title by consolidated proceedings against possible holders of rights

If the owner of a Norwegian ship lacks a registered title[1] and it is impossible or unreasonably difficult for him or her to obtain registered title in any other manner, he or she can acquire registered title by a judgment confirming his or her title to the ship, obtained in consolidated proceedings against possible holders of rights and by registration of such judgment.

The action is brought before the County or City Court of the ship's home port[2]. In the writ of summons the plaintiff must show good grounds for his or her claim to the ship, and that the other conditions for the action have been met. If the Court finds that the conditions have been met, it shall order that an extract of the writ be published in Norsk lysingsblad[3,4], with an announcement calling on any person claiming to have a better right to the ship than the plaintiff to appear in Court within a period, which shall be set at not less than 3 months, and prove his right. The announcement shall draw attention to the provisions of paragraphs four and five. The Court may also effect publication by posting notices or by advertisements in one or more other newspapers in Norway or abroad. The time limit runs from publication in Norsk lysingsblad.

If the Court finds that the conditions for the action have not been met, the case is dismissed by a decision in the form of a ruling[6]. The ruling can be appealed.

If no defendant appears within the time limit, the Court gives judgment without a hearing, confirming that the plaintiff is the owner. Such judgment immediately becomes final[7] and binding on each and every person and shall not be subject to the right of appeal.

Should any person appear before the time limit has expired and claim to have a better right to the ship than the plaintiff, the action continues in accordance with the general provisions of the Dispute

Act[8]. A final judgment in the action is binding on each and every person regardless of who may have appeared in the action.

The provisions of this Section apply correspondingly to such constructions as are referred to in Section 33[9].

[0] Amended by Acts 14 December 2001 no. 98 (in force 1 January 2002 according to Resolution 14 December 2001 no. 1416), 17 June 2005 no. 90 (in force 1 January 2008 according to Resolution 26 January 2007 no. 88) as amended by Act 26 January 2007 no. 3.

[1] Cf. Section 21.
[2] Cf. Section 8.
[3] The official gazette
[4] Cf. Act 11 October 1946 no. 1.
[5] Cf. Section 38.
[6] Original: "kjennelse".
[7] See Dispute Act Chapter 19 V.
[8] Act 17 June 2005 no. 90 (Dispute Act).
[9] Cf. Sections 31, 39 and 507.

**Section 36** Acquisition of registered title by advertisement

Whenever a Norwegian ship with an overall length of less than 15 meters belongs to someone who has no registered title, the person exercising an owner's rights of disposal and declaring in writing that he or she is the owner, can obtain registered title provided that he or she can show prima facie that he or she, together with those from whom he or she has acquired title, have been owners for at least 10 years. If the Registrar finds that these conditions have been met, he or she shall publish an invitation to possible owners to appear within a time limit which shall be set to at least 1 month. If no person appears, the Registrar shall enter the ship in the Ship Register with the owner as registered titleholder or, if the ship is already registered, note that the title of the owner is in order.

[1] Cf. Section 21.
[2] Cf. Section 38.

**Section 37** The State's liability for damages

A person who through no fault of his or her own sustains a loss because of an error in registration shall be entitled to damages from the State when the cause of such loss is that:

a) he or she relied on a registration certificate[1], an encumbrances certificate[2] or a deletion certificate[2];
b) a document was not entered in the journal[3], or was entered there too late;
c) a document as mentioned in Section 26 paragraph one second sentence was registered and the injured party in good faith registered a right in the journal acquired by him or her pursuant to an agreement entered into in reliance upon the validity of the registered document;
d) a right must in accordance with Section 27 yield priority to a subsequently registered right.

[1] Cf. Section 17.
[2] Cf. Section 28 paragraph three and Section 32 paragraph four.
[3] Cf. Section 14.

**Section 38** Regulations. Calculation of time limits

The Ministry[1] can issue more detailed regulations as to how the journal and the Ship Register shall be arranged and kept, and to other procedures connected with registration. The Ministry can also issue any further regulations necessary to enforce and supplement the provisions of this Chapter, how documents must be formulated in order to be registered, and the approval and use of forms for certain types of document.

The provisions of the Act Relating to the Courts of Justice[2] apply to the calculation of time limits. When a time limit is to be reckoned from the registration of a document, it shall run from the day upon which the document was entered in the journal[3].

[1] Ministry of Trade and Industry according to Resolution 6 October 1972 no. 3 and Resolution 20 December 1996 no. 1156.
[2] Act 13 August 1915 no. 5 Chapter 8.
[3] Cf. Chapter 14.

## VI. Installations for the Exploitation of Offshore Resources

**Section 39**[1] Fixed installations

Fixed installations under construction in Norway for use in exploration for or exploitation, storage or transport of subsea natural resources or in support of such activities, and building contracts for such installations, can at the request of the owner be entered in the Shipbuilding Register[2], provided they are to be wholly or partly located in Norwegian territory or the Norwegian part of the continental shelf[3], and that such an entry will not be contrary to the obligations of Norway under international law. Large sections of fixed installations and building contracts for such sections can also be entered in the Register provided they are to be or are being built in Norway under separate building contracts.

Fixed installations for use in exploration for or exploitation, storage or transport of submarine natural resources other than petroleum deposits or in support of such activities can at the owner's request be entered in the Ship Register, provided they are wholly or partly located in Norwegian territory or the Norwegian part of the continental shelf[3], and that such an entry will not be contrary to the obligations of Norway under international law.

The provisions of the present Chapter and in Sections 41 to 44 shall apply correspondingly as appropriate. The mortgaging of such an installation may comprise appurtenances and equipment that can be mortgaged. The mortgaging can also comprise any permits that may have been granted for the exploitation of natural resources pursuant to Act of 21 June, 1963, No. 12 Relating to Scientific Research and Exploration for and Exploitation of Subsea Natural Resources other than Petroleum Resources, in so far as this is compatible with the rules which otherwise apply to such permits.

Sections or building contracts for sections can be separately mortgaged if the section in question is to be built or is being built according to a separate building contract and has been entered in the Register according to the first or second paragraph. Section 43 paragraph one second sentence

does not apply to fixed installations. The mortgage ceases to attach when the section is delivered to the purchaser.

[1] Cf. Section 507 and Act 29 November 1996 no. 72 Chapter 6.
[2] Cf. Section 31.
[3] Cf. Act 21 June 1963 no. 12 Section 1 second sentence.

## Chapter 3. Mortgages on Ships, etc.[1]

[1] Cf. previous Act 28 December 1792, Act 19 December 1794, Act 4 May 1901 no. 2. Cf. current Act 8 February 1980 no. 2, Act 26 June 1992 no. 86 (Enforcement of Claims Act) Chapter 11.

### I. Registered Mortgages, etc.

**Section 41**[1] Registration as a condition for legal protection

A voluntarily established mortgage on a ship[2] can only obtain legal protection by registration of the right in accordance with the provisions of Chapter 2.

Regarded as ships are:

1) a ship which must or can be entered in the Ship Register, cf. Section 1;
2) a construction which can be entered in the Ship Register in accordance with Section 33[3];
3) a ship or construction which is being built, and a building contract[3], provided it can be entered in the Shipbuilding Register, cf. Section 31 and Section 33 paragraph three.

The provisions of paragraphs one and two apply correspondingly to execution liens[4]. If the ship is not entered in the Ship Register or in the Shipbuilding Register, judicial registration of such a lien nevertheless takes the place of registration and the lien is entered on the owner's sheet in the Register of Mortgaged Movable Property[5]. If the ship is subsequently entered in the Ship Register or Shipbuilding Register, registered execution lien is transferred to that register.

[0] Amended by Act 2 August 1996 no. 61 (in force 1 January 1997).

[1] Cf. Act 8 February 1980 no. 2 Section 3-3.
[2] Cf. Section 507.
[3] Cf. Section 257.
[4] Cf. Act 8 February 1980 no. 2 Section 5-3.
[5] Cf. Acts 7 June 1935 no. 2 Section 34, 8 February 1980 no. 2 Section 1-1 and Section 5-6.

**Section 42**[1] Principle of specification

Mortgages on ships, etc., cf. Section 41 paragraph two, cannot obtain legal protection unless the registered document evidencing the right specifies the subject matter of the mortgage and also records the amount of the mortgaged debt or the maximum sum thereby secured. The amount shall be stated either in Norwegian or foreign currency.

[1] Cf. Act 8 February 1980 no. 2 Section 1-4.

**Section 43** Mortgages on ships under construction, etc.

In the absence of agreement to the contrary, a mortgage on a ship under construction or to be constructed in Norway also include the ship's main engines and larger sections of the hull, provided that the engines or sections in question are being built or have been brought within the precincts of the yard of the main builders. If such parts are being built in another builder's yard in Norway, it can be agreed that the mortgage shall also include such parts. The same applies if the hull, major hull sections or the main engine have been built at a foreign yard, provided that delivery from the foreign yard has taken place.

In the absence of agreement to the contrary, the mortgage also includes materials and equipment which are within the precincts of the yard of the main builders, or, as the case may be, within the yard of the builder constructing the main engines or any larger section of the hull, provided always that the materials and the equipment are distinctly identified by marking or other means as intended to be incorporated in the ship or in the main engines or in the section. The mortgage shall cease to attach to any materials or equipment which are sold and removed from the yard, unless the purchaser knew or ought to have

known that the sale was unauthorized by reason of the terms of the mortgage.

The provisions of this Section apply correspondingly to constructions within the scope of Section 33.

[0] Amended by Act 19 June 2009 no. 102 (in force 1 July 2009 according to Resolution 19 June 2009 no. 701).

**Section 44**[1] Maturity

A debt secured by a contractual mortgage on a ship entered in the Ship Register falls due on the date stipulated in the contract, or when:

1) the ship is lost or scrapped;
2) the security of the mortgagee is materially impaired in consequence of damage to the ship;
3) the ship loses its nationality[2];
4) the ship is sold in a forced sale or other sale according to the Act Relating to Enforcement of Claims[3];
5) bankruptcy or public debt settlement proceedings are instituted against the owner of the ship or against the debtor;
6) there is a substantial breach of the obligation to pay interest and instalments and to keep the ship in good order and insured according to the contract.

Claim for redemption pursuant to paragraph one no. 5 does not entitle a right to penalty interest.

The provisions of paragraph one apply correspondingly as appropriate to constructions within the scope of Section 33, and to ships and constructions being built, as well as to building contracts.

[0] Amended by Act 3 September 1999 no. 72 (in force 1 January 2000 according to Resolution 3 September 1999 no. 983).

[1] Cf. Act 31. May 1918 no. 4 Section 36, Act 8 February 1980 no. 2 Section 1-9 and Act 25 June 1999 no. 46 Section 71 paragraph seven.
[2] Cf. Chapter 1 and Act 12 June 1987 no. 48 Section 1 and 12.
[3] Act 26 June 1992 no. 86 (Enforcement of Claims Act).

**Section 45**[1] Appurtenances, etc.

Mortgages and other encumbrances upon any ship which has been or can be entered in the Ship Register, cf. Section 11, shall also attach to each separate part of the ship, and to anything belonging to the ship which is on board or has been temporarily removed[2]. No separate right can be established to such parts or appurtenances[3]. Provisions, fuel and other consumable stores shall be deemed not to be such appurtenances.

The provisions of paragraph one do not apply to any appurtenance belonging to a third party, and which has been hired by the shipowner on a contract which the shipowner can terminate at no more than six months' notice.

In regards to any ship with an overall length not exceeding 10 meters, the provisions of paragraph one do not preclude the establishment by agreement of a seller's lien on any engines, radio equipment or electronic equipment (for navigation or similar use) for the ship.

The provisions of paragraphs one and two apply correspondingly to hovercrafts[4].

The provisions of the present Section do not apply to ships of the kind mentioned in Section 4 paragraph one.

[1] Cf. Section 507 second paragraph no. 4, Act 8 February 1980 no. 2 Section 3-18.
[2] Cf. Act 8 February 1980 no. 2 Section 3-3.
[3] Cf. Act 8 February 1980 no. 2 Section 3-14 to 3-22.
[4] Cf. Section 6, Section 33.

## II. Maritime Liens, etc., on Ships.

**Section 51** Claims secured by maritime liens

Claims against a reder[1] are secured by maritime liens against the ship[2], in so far as they relate to:

1) wages and other sums due to the master and other persons employed on board in respect of their employment on the vessel;
2) port, canal and other waterway dues and pilotage dues[3];
3) damages in respect of loss of life or personal injury occurring in direct connection with the operation of the ship;

4) damages in respect of loss of or damage to property[4], occurring in direct connection with the operation of the ship, provided the claim is not capable of being based on contract;
5) salvage reward[5], compensation for wreck removal[6], and general average contribution[7].

A maritime lien also arises if the claim is against the owner, charterer, manager or any person to whom the reder[2] has delegated his or her functions.

A claim as set out in paragraph one nos. 3 and 4 does not establish a maritime lien if the damage results from the hazardous properties of nuclear fuel or of radioactive products or waste[8].

Claims as set out in paragraph one nos. 3 and 4 do not establish maritime liens if the damage results from pollution occurring while a ship of the type mentioned in Section 4 paragraph one is being used for exploration for or exploitation of offshore resources[9].

[1] The use of the term "reder" has been explained in the preface.
[2] Cf. Section 61 and Section 72.
[3] Cf. Act 8 June 1984 no. 51 Chapter 6, Act 16 June 1989 no. 59 Chapter IV and Act 24 November 2000 no. 82 Section 16, 17 April 2009 no. 19 Section 23 and Section 24.
[4] Act 3 June 1983 no. 40 Section 44.
[5] Cf. Chapter 16.
[6] Cf. Act 13 March 1981 no. 6 Section 5, Section 28 and Section 37 and Chapter 8 and 9, Act 8 June 1984 no. 51 Section 18 paragraph three and Section 20, Act 17 April 2009 no. 19 Section 35.
[7] Cf. Chapter 17.
[8] Cf. Section 152 and Act 12 May 1972 no. 28.
[9] Cf. Section 507 paragraph two no. 3.

**Section 52** Priority

Maritime liens shall take priority over all other encumbrances on a ship[1].

Maritime liens are secured in the order in which they are listed in Section 51, and those with the same number rank equally as between themselves. Maritime liens arising under number 5 shall however take priority over all other maritime liens which have attached to the ship earlier in time, and as between maritime liens arising under Section 51

paragraph one no. 5, priority shall be accorded to those arising most recently.

[1] Cf. Act 26 June 1992 no. 86 (Enforcement of Claims Act) Section 11-6 paragraph two, Section 11-20 and Section 11-44.

**Section 53** Change of ownership, etc.

If a ship changes ownership in any other way than by a forced sale, any maritime lien shall continue to attach to the ship. The same applies if the ship's registration is changed.

If a transfer of ownership, as mentioned in paragraph one, to a foreign transferee entails that a maritime lien which secured a claim for which the transferor had no personal liability ceases to attach to the ship or has lower priority, the transferor is liable for payment of such part of the claim as the lienor did not receive as a result of the change of ownership[1].

[1] Cf. Section 55 and Section 501 paragraph one no. 11.

**Section 54** Right of retention

A person building or repairing a ship may exercise a right to retain the ship to secure a claim in respect of the building or repair, so long as he or she remains in possession of the ship.

The right of retention has lower priority than maritime liens on the ship, but ranks before other claims and other encumbrances on the ship.

[1] Cf. Act 26 June 1992 no. 86 (Enforcement of Claims Act) Section 11-20 and Section 11-44.

**Section 55** Time bar

A maritime lien becomes time-barred one year from the day when the claim in question arose, unless prior to the expiry of the time limit the ship has been arrested and the arrest has led to a forced sale[1]. The ship is regarded as arrested when the warrant of arrest is served on board or the arrest is otherwise made effective on board[2].

The one-year period ceases to run whilst the Lienor is by law prevented from arresting the ship[3]. Otherwise the one-year period is not subject to extension or interruption.

[1] Cf. Chapter 4 and Enforcement of Claims Act Chapter 14.
[2] Cf. Act 26 June 1992 no. 86 (Enforcement of Claims Act) Section 14-12 paragraph one.
[3] Cf. Chapter 4 and Dispute Act Section 33-2 paragraph three.

## III. Maritime Liens on Cargo.

**Section 61**[1] Claims secured by maritime lien

A maritime lien[2] is attached to cargo for the security of:

1) a claim in respect of salvage reward[3] and general average contribution[4];
2) a claim arising in consequence of the fact that the carrier or the master in accordance with his statutory authority has entered into a contract, taken action or incurred expenditure on the account of the cargo-owner, and a cargo-owner's claim for compensation for goods sold for the benefit of other cargo-owners[5];
3) a claim by the carrier arising out of the chartering agreement, in so far as the claim can properly be brought against the person claiming delivery[6].

[1] Cf. Act 8 June 1984 no. 51 Section 25 and Act 17 April 2009 no. 19 Section 56.
[2] Cf. Section 51 and Section 72.
[3] Cf. Chapter 16.
[4] Cf. Chapter 17.
[5] Cf. Section 137, Section 138, Section 262, Section 266 and 267.
[6] Cf. Section 269, Section 292 paragraph three, Section 325, Section 412.

**Section 62** Priority

A maritime lien ranks prior to all other encumbrances on the cargo[1] except statutory liens in respect of public dues[2].

Maritime liens are satisfied in the order in which they are listed in Section 61. Liens under the same number rank equally between themselves. Among liens under numbers Section 61 nos. 1 and 2 however,

priority shall be accorded to those arising most recently provided that they have not arisen out of the same event.

[1] Cf. Act 3 July 1983 no. 40 Section 44.
[2] Cf. Act 21 December 2007 no. 119 Section 4-2 and Act 8 February 1980 no. 2 Section 6-3.

**Section 63**[1] Delivery of cargo, etc.

A maritime lien on cargo ceases when the goods are delivered[2], when they are sold by forced sale, or when they are sold for the cargo-owner's account or according to Section 137 paragraph three.

A person who, without the consent of the creditor or authority under Section 465, delivers goods to which he or she knows or ought to know that a maritime lien attaches, becomes personally liable for the claim, although not for any amount which he or she can prove could not have been satisfied by the lien[3]. If the receiver was not personally liable for the claim[4], the receiver is liable to the same extent provided he or she had knowledge of the claim when the goods were delivered[5].

[1] Cf. Section 441 paragraph five and Section 448.
[2] Cf. Section 270.
[3] Cf. Section 64 and Section 501 paragraph one no. 11.
[4] Cf. Section 441 paragraph five and Section 465.
[5] Cf. Section 267 and Act 2 June 1978 no. 37.

**Section 64** Time bar

A maritime lien on cargo is time-barred if proceedings for its enforcement are not commenced within one year of the date on which the claim arose.

## IV. General Provisions

**Section 71** Assignment, etc.

In the event of assignment or other transfer of a claim secured by mortgage or lien, such mortgage or lien passes simultaneously to the new creditor.

**Section 72** Claims for damages. Insurance

A maritime lien does not comprise claims for damages in respect of loss of or damage to ship or cargo[1]. The same applies to claims for compensation under an insurance contract. The lienor is not regarded as insured under the insurance contract[2].

[1] Cf. Section 272 and Act 3 June 1983 no. 40 Section 44 paragraph two.
[2] Cf. Act 16 June 1989 no. 69 Chapter 7.

**Section 73**[1] Legal proceedings

Legal proceedings for enforcement of a maritime lien can be brought against the master or against the owner of the liened object, as the holder of the lien decides. However, proceedings for the enforcement of a maritime lien on cargo cannot be instituted against the master by the reder[2] or carrier[3].

[1] Cf. Section 137, Dispute Act Section 4-5 paragraph five and Dispute Act Chapter two.
[2] The use of the term "reder" has been explained in the preface.
[3] Cf. Section 61 and further.

**Section 74**[1] Recognition of mortgages on foreign ships, etc.

A mortgage or lien on a foreign ship shall be recognized as valid in this Kingdom, provided

1) that the mortgage or lien was established and registered according to the legislation of the State where the ship is registered,
2) that the register and the documents which according to the legislation of the State of registration must be deposited with the registrar, are publicly accessible, and that extracts from the register and transcripts of the documents can be obtained from the registrar, and
3) that the register or a document as mentioned in no. 2 shows
   a) the name and address of the original mortgagee or lienor, or that the document was issued to its present holder,
   b) the amount secured by the mortgage or lien, and

c) the date and other circumstances which according to the legislation of the country of registration determines priority.

If a ship is acquired and becomes Norwegian property and is entered in the Norwegian Ship Register, any mortgages or liens listed in the foreign certificate of deletion shall be transferred to the ship's sheet in the Ship Register, retaining the priorities between the encumbrances according to the original registration[2]. If an encumbrance does not meet the requirements for being noted in the Ship Register, the Registrar shall give the parties a time limit of at least 60 days in which to rectify the matter. The effects of registration remain valid until the expiry of that time limit[3].

The right of ownership of and mortgages or liens on ships being built or due to be built abroad shall be recognized as valid in this Kingdom if the right in question was registered according to the legislation of the country of building. The provisions of paragraph two apply correspondingly to a ship built abroad on a Norwegian account and subsequently entered in the Norwegian Ship Register.

[1] Cf. Act 26 June 1992 no. 86 (Enforcement of Claims Act) Section 1-5 and Section 1-8, cf. Enforcement of Claims Act Chapter 11.
[2] Cf. Section 24 paragraph four.
[3] Cf. Section 16 paragraph two and Section 38 paragraph two.

**Section 75** Choice of law

The provisions of Section 45, Sections 51 to 55 and Sections 71 to 73 apply in all cases where a mortgage or lien or a right of retention[1] is relied upon in a Norwegian Court.

The following is determined according to the laws of the State where the ship is registered[2]:

1) questions concerning the priority of a registered encumbrance in relation to other registered encumbrances and the effect it may otherwise have in relation to third parties, save as to its priority in relation to maritime liens and rights of retention;

2) questions concerning any statutory encumbrances upon the ship ranking in priority after registered encumbrances.

The provisions of paragraph two apply correspondingly to ships under construction[3]. Priority between a right of retention and other encumbrances upon a ship under construction arising before its launching is determined according to the laws of the State where the ship is being built.

The provisions of the present Section shall apply correspondingly as appropriate to constructions within the scope of Section 33.

[1] Cf. Section 54.
[2] Cf. Section 24 paragraph four.
[3] Cf. Section 31, Section 41.

**Section 76**[1] Forced sale abroad

If a ship is sold by forced sale abroad, all maritime liens, registered mortgages and other encumbrances on the ship cease to attach provided that, at the time of the sale, the ship was in the territory of the State in question and that the sale was performed in accordance with the laws of that State and the provisions of the 1967 International Convention on Maritime Liens and Mortgages.

[1] Cf. Section 22 paragraph two, Section 29 paragraph three.

## Chapter 4. Arrest of Ships[1]

[0] Added by Act 11 June 1993 no. 77 (in force 1 May 1995).

[1] Cf. Act 11 June 1993 no. 77.

**Section 91** Scope of the provisions relating to arrest of ships

The present provisions apply to arrest of ships[1] according to Chapter 32 and 33 of the Dispute Act[2]. The provisions apply correspondingly to interlocutory measures according to Chapter 32 and 33 of the Dispute Act. when the measure consists of detention of a ship.

Sections 92, 93, 94 and 96 do not apply to

a) arrest of ships the registration of which is not mandatory according to Section 11 paragraph two,
b) arrest which does not entail the retention of the ship according to the provisions of Section 95 paragraph two,
c) arrest demanded after a basis for enforcing the claim as mentioned in Section 4-1 paragraph two of the Enforcement of Claims Act[2] has been established
d) arrest for the purpose of provisionally securing claims for taxes and duties and other claims under public law, or to secure or implement other public decisions[3].

To such cases, the provisions of Chapters 32 and 33 of the Dispute Act[2] apply in full.

The provisions of the present Chapter do not apply to arrest that is limited to cargo, freight, fuel or parts of ships[4].

[0] Added by Act 11 June 1993 no. 77 (in force 1 May 1995), amended by Act 17 June 2005 no. 90 (in force 1 January 2008 according to Resolution 26 January 2007 no. 88) as amended by Act 26 January 2007 no. 3, 5 April 2013 no. 11 (in force 1 July 2013 according to Resolution 5 April 2013 no. 341).

[1] Cf. Section 507.
[2] Act 17 June 2005 no. 90 (Dispute Act).
[3] Cf. Act 16 February 2007 no. 9 Chapter 8.
[4] Cf. Section 45.

**Section 92** Maritime claims

A ship can only be arrested to secure a maritime claim.

A maritime claim means a claim based on one or more of the following circumstances:

a) damage caused by a ship in a collision or otherwise[1],
b) loss of life or personal injury caused by a ship or occurring in connection with the operation of a ship[2],
c) salvage and the removal of wrecks,
d) a charter party or other agreement for the use or hire of a ship[3],
e) a charter party or other agreement for the carriage of goods by ship[4],
f) loss of or damage to goods, including luggage, carried by ship[5],

g) general average[6],
h) bottomry[7],
i) towage,
j) pilotage[8],
k) goods or materials delivered anywhere to a ship for use in its operation and maintenance,
l) the building, repair or fitting out of a ship and costs and fees payable for docking,
m) wages and other remuneration due to the master and other employees on board in respect of their service on the ship,
n) a master's disbursements, including disbursements by shippers, charterers or agents on behalf of the ship or its owner,
o) a dispute as to the ownership of a ship,
p) a dispute between co-owners of a ship concerning its ownership, possession or use or the revenues from it[9],
q) any mortgage on or security in a ship, except for a maritime lien[10].

0 Added by Act 11 June 1993 no. 77 (in force 1 May 1995).

1 Cf. Part III and IV.
2 Cf. Chapter 16.
3 Cf. Chapter 14.
4 Cf. Chapter 13 and 14.
5 Cf. Chapter 13 and 15.
6 Cf. Chapter 17.
7 Cf. previous Act 20 July 1893 no. 1 Chapter 6.
8 Cf. Act 16 June 1989 no. 59 Section 24.
9 Cf. Chapter 5.
10 Cf. Chapter 3 and Act 11 June 1993 no. 77 III.

**Section 93** Further detail on which ships can be arrested

Arrests can only be effected against
a) the ship to which the maritime claim relates, or
b) if the owner of the ship to which the maritime claim relates is personally liable for the claim: other ships owned by that person at the time when the claim arose,

c) if someone other than the owner of the ship to which the maritime claim relates is personally liable for the claim: other ships owned by the person personally liable for the claim.

Ships are regarded as having the same owner when all parts or shares are owned by the same person or persons[1].

For claims as mentioned in Section 92 letters o and p, arrest can nevertheless only be effected against the ship to which the claim relates[2].

Arrest can only be effected if the ship can serve as an object for the enforcement of a claim according to the general provisions of the Enforcement of Claims Act[3].

[0] Added by Act 11 June 1993 no. 77 (in force 1 May 1995).

[1] Cf. Chapter 2 and 5.
[2] Cf. Act 11 June 1993 no. 77 III.
[3] Act 26 June 1992 no. 86 (Enforcement of Claims Act), see its section 1-6.

**Section 94** The position if the ship has already been arrested

If a ship has already been arrested in this Kingdom or abroad, subsequent applications for arrest based on the same claim shall be refused[1]. If the Court only learns of the earlier arrest after an application has been granted, it shall at the defendant's request lift the arrest.

Paragraph one applies correspondingly if an earlier application for arrest was denied or if an arrest was lifted because the defendant provided security for the claim.

Paragraphs one and two do not apply if the plaintiff shows that the security provided in the earlier arrest case has lapsed with final effect or there are other good reasons for granting the later application for arrest.

[0] Added by Act 11 June 1993 no. 77 (in force 1 May 1995).

[1] Cf. section 178 and section 196.

**Section 95** Further detail on the implementation of arrests

A decision to arrest a ship can only be taken if the ship is in or is expected to arrive in the jurisdiction, or in the district of the enforcement officer if he or she is to select the object of the arrest. An arrest can

only be effected if the ship is in this Kingdom. The arrest can be effected although the ship is in another jurisdiction than the one where the arrest was granted. First and second sentences notwithstanding, an arrest can be granted and effected if the ship is engaged in activities on the Norwegian continental shelf[1].

A ship arrested according to Section 33-2 paragraph three of the Dispute Act[2] must not leave its berth until a forced sale has been completed or the ship commences operation under the orders of the Court. If an arrested ship is not in this Kingdom when its arrest is granted, the defendant shall, as part of the decision, be ordered to bring it to a designated place. After its arrival, the prohibition mentioned in the first sentence applies. Section 11-10 paragraph two second and third sentences of the Enforcement of Claims Act[2] apply correspondingly. At the request of the plaintiff, and on specific conditions, the Court can nevertheless permit the ship to commence its operations in or outside this Kingdom. An order according to the present Section shall also be served to the master[3]. The second sentence does not prevent a ship engaged in activities on the Norwegian continental shelf from being permitted to continue its activities on the shelf[4].

In respect of ships entered in a Ship Register which are arrested according to Section 33-2 paragraph one of the Dispute Act or detained according to Chapter 34 of the Dispute Act[4], orders can be given as mentioned in paragraph two and other measures can be adopted as provided therein, if the Court finds this necessary in order to secure the arrest.

0 Added by Act 11 June 1993 no. 77 (in force 1 May 1995), amended by Act 17 June 2005 no. 90 (in force 1 January 2008 according to Resolution 26 January 2007 no. 88).

1 Cf. Act 21 June 1963 no. 12 section 1 second sentence.
2 Act 26 June 1992 no. 86 (Enforcement of Claims Act).
3 Cf. section 73.
4 Act 17 June 2005 no. 90 (Dispute Act).

**Section 96** Conditions for the provision of security

If the Court accepts security offered by the defendant, it shall decide that the security shall apply to any judgment concerning the claim

given by a competent Court in this Kingdom or abroad, irrespective of whether or not Norway has entered into any treaty with the State concerned relating to the recognition and enforcement of judgments. The Court shall at the same time, unless it has already done so, set a time limit within which the plaintiff must institute proceedings in respect of the claim. When proceedings are instituted, the time limit is interrupted, regardless of whether the decision of the Court will be binding in this Kingdom[1].

[0] Added by act 11 June 1993 no. 77 (in force 1 May 1995).

[1] Cf. Dispute Act Section 19-16, Enforcement of Claims Act Section 4-1 and Acts 10 June 1977 no. 71, 8 January 1993 no. 21.

**Section 97**

In a suit regarding forced payment or arrest in a ship, it is required that the claimant within one week guarantees for the port fees accrued during the suit. The Enforcement of Claims Act Section 3-6, paragraphs one and two apply correspondingly in relation to what is accepted as security.

The guarantee must at any given time cover the port fees for at least 14 days ahead.

On the Port Authority's request, the suit will be lifted if not sufficient security as mentioned in paragraphs one and two is available. The security can be claimed released once the suit has been definitely concluded and accrued port fees have been paid.

When a public authority is making the claim for arrest or forced payment, the District Court can make exceptions to the rule of guarantee as mentioned in paragraph one, included allowing other forms of security. Employees onboard the ship are exempted from the requirement of security in regards to legal action relating to claims secured with maritime liens in the ship, cf. Section 51.

If the claimant or a guarantor pays the port fee, he or she in that respect subrogates the port authorities' rights for cover following Section 51 paragraph 1 no. 2.

[0] Added by Act 22 December 1999 no. 106 (in force 1 January 2000), amended by Act 30 August 2002 no. 67 (in force 1 January 2003 according to Resolution 30 August 2002 no. 938).

[1] Act 26 June 1992 no. 86 (Enforcement of Claims Act).

**Section 98** Relation to the Enforcement of Claims Act and Dispute Act

In other respects, the provisions of the Enforcement of Claims Act[1] and Dispute Act part seven[2] apply, including the provisions on

- the relation to international law and foreign State-owned ships and other foreign ships[3],
- the liability of the plaintiff for costs and damages and the right of the Court to order the plaintiff to provide security for possible liability for damages[4],
- the conditions for arrest[4],
- the procedural rules concerning the application for arrest[4],
- the legal effects of arrest[4].

[0] Added by Act 11 June 1993 no. 77 (in force 1 May 1995), amended by Acts 22 December 1999 no. 106 (previous Section 97, in force 1 January 2000), 17 June 2005 no. 90 (in force 1 January 2008 according to Resolution 26 January 2007 no.88) as amended by Act 26 January 2007 no. 3.

[1] Act 26 June 1992 no. 86 (Enforcement of Claims Act).
[2] 17 June 2005 no. 90 (Dispute Act).
[3] Cf. Enforcement of Claims Act section 1-5 and section 1-6.
[4] Cf. Dispute Act Chapter 33 and 34.

# Part II. Ship Management

## Chapter 5. Shipping Partnerships[1]

[1] Cf. Acts 18 June 1965 no. 6, 21 June 1985 nr. 83 Section 1-1 paragraph four.

**Section 101**[1] Definition, dispensability

By shipping partnership is meant a firm having for its purpose the business of a reder[2], where the partners have unlimited liability in respect of the firm's obligations, either jointly and severally, or in proportion to their holdings in the firm[3]. Joint ownership of a ship which by agreement of the joint owners is to be employed for their common account in the business of a reder is also considered a shipping partnership.

The provisions of Sections 106 to 108, 110 to 114, Section 115 paragraph one, and Sections 116 to 118 can be dispensed with by agreement between the shipping partners. The other provisions of the present Chapter cannot be dispensed with unless expressly provided.

[1] Cf. Acts 21. June 1985 no. 83 section 1-1 paragraph four, 18 June 1965 no. 4 section 4 to 7.
[2] The use of the term "reder" has been explained in the preface.
[3] Cf. section 102.

**Section 101a** Use of electronic communication

Requirements in this chapter regarding notification, information, warnings or similar to be submitted in writing do not prevent the use of electronic communication if the parties expressly have so accepted.

[0] Added by Act 21 December 2001 no. 117 (in force 1 January 2002 according to Resolution 21 December 2001 no. 1475).

**Section 102** Liability of shipping partners

Unless otherwise agreed, shipping partners shall be jointly and severally liable[1]. An agreement on any other form of liability must be notified to Foretaksregisteret[2,3] in order to be binding on third parties who neither knew nor ought to have known of the agreement.

If the partners are not jointly and severally liable, the name or style of the partnership shall include a description of the agreed type of liability ("with proportional liability", "with divided liability" or any similar expression approved by the Ministry[4])[5].

0 Amended by Act 5 September 2003 no. 91 (in force 1 March 2004 according to Resolution 5 September 2003 no. 1118).

1 Cf. section 101.
2 A register of business enterprises.
3 Cf. Act 21 June 1985 no. 78.
4 Ministry of Trade and Industry according to Resolution 20 December 1996 no. 1156.
5 Cf. Act 27 June 1985 no. 79 Chapter II.

**Section 103** Managing reder[1,2]

Every shipping partnership shall have a managing reder.

As managing reder can be elected either a person who is a Norwegian national[3] resident in Norway or a general partnership where all the partners are Norwegian nationals[3] resident in Norway, or a limited liability company which satisfies the requirements in Section 1 no. 4. Equal to a Norwegian national is a national from a State connected to the EEA-agreement[4].

The Ministry[5] may in special cases grant exemption from the requirement that all the partners in the general partnership must be resident in Norway.

0 Amended by act 21 January 2000 no. 8.

1 The use of the term "reder" has been explained in the preface.
2 Cf. section 3 and Act 12 June 1987 no. 48 section 1 paragraph one no. 3.
3 Cf. Act 10 June 2005 no. 51.
4 Cf. Act 27 November 1992 no. 109.
5 Ministry of Trade and Industry according to Resolution 20 December 1996 no. 1156.

**Section 104** Authority of the managing reder[1]

In relation to third parties, the managing reder has by virtue of his appointment the authority to appoint, dismiss and give instructions to the master[2], to effect insurance cover as customary for a reder, to issue receipts for monies received on the account of the shipping partnership, and to take any other action which the day-to-day management of a ship owning business entails[3]. The managing reder cannot without special authority buy, sell or mortgage a ship or conclude a chartering agreement or a lease of a ship of more than one year's duration.

[1] The use of the term "reder" has been explained in the preface.
[2] Cf. Chapter 6.
[3] Cf. section 12 paragraph two and Act 31 May 1918 no. 4 section 10.

**Section 105**[1] Representation in court

The managing reder[2] can institute proceedings on behalf of the partners with binding effect on all of them. Proceedings against the shipping partnership can, with binding effect upon all the partners, be brought against the managing reder or, if none has been appointed, against any one of the partners.

[1] Cf. Dispute Act Chapter 2
[2] The use of the term "reder" has been explained in the preface.

**Section 106**[1] Advice to partners, etc.

The managing reder[2] shall in an appropriate way keep the partners informed of the business of the partnership. Wherever practical he shall consult them on all matters of importance.

[1] Cf. section 101 paragraph two.
[2] The use of the term "reder" has been explained in the preface.

**Section 107**[1] General meeting

When shipping partners are to make any decision, they are summoned in an appropriate way to a meeting with normally at least one week's notice. As far as possible, the agenda for the meeting shall be

contained in the notice. The notice can be sent to a partner's last known address by registered mail or telegram.

Unless the partners unanimously decide to the contrary, minutes of the meeting shall be taken. The minutes shall be kept in safe custody by the managing reder[2]. Any partner is entitled to see and make transcripts of the minutes.

If a partner is prevented from attending a meeting, he or she can be represented by proxy or state his or her views in writing. The managing reder sees to that the decisions taken at the meeting are communicated by suitable means to those partners who did not attend the meeting in person or by proxy.

If the matter is so urgent that time is not sufficient to convene a meeting with proper notice, a decision can be taken in some other way. The same applies when all the partners are agreed. The provisions of paragraph two apply correspondingly. The partners are informed in a suitable way of decisions taken.

[1] Cf. section 101 paragraph two.
[2] The use of the term "reder" has been explained in the preface.

**Section 108**[1] Voting rules

Decisions are adopted when voted for by a partner or partners owning more than half of the partnership's interest. Half of the interest is sufficient when the vote is supported by the managing reder[2], even if he or she has no holding in the partnership.

When a managing reder is to be elected and no nominee has been supported by partners owning more than half of the partnership's interest, a second vote shall be taken. In this second vote the nominee obtaining the largest number of votes is regarded as elected. If two or more nominees in this vote obtain equal numbers of votes, the choice between them is decided by lot.

Decisions inconsistent with the shipping partnership agreement or the object of the shipping partnership are not valid unless all partners agree.

[1] Cf. section 101 paragraph two.

[2] The use of the term "reder" has been explained in the preface.
[3] Cf. Section 109 paragraph three.

**Section 109** Notice to and dismissal of the managing reder[1]

By decision of partners owning more than half of the partnership's interest, a managing reder appointed for an indefinite term can at any time be dismissed with 3 months' notice. A managing reder appointed for a definite time of more than 4 years can upon a decision as mentioned be dismissed after 4 years' service, with 3 months' notice.

The managing reder can at any time be dismissed by a decision of partners owning more than half of the partnership's interest. If the managing reder owns half or more of the partnership's interest, the Court can on application by a partner, and if it finds good reasons for so doing, dismiss the managing reder by interlocutory order and appoint another. The entitlement or otherwise of the dismissed person to damages for the remaining period of service shall be decided under ordinary contractual rules.

If the shipping partnership agreement contains clauses concerning who is to be the managing reder, any notice to or dismissal of him or her according to paragraph one or paragraph two first sentence shall be made by decision of partners owning more than two-thirds of the partnership's interest, unless the partnership agreement provides for a lesser majority. If the managing reder owns an interest of one third or more, paragraph two second sentence applies correspondingly.

[1] The use of the term "reder" has been explained in the preface.

**Section 110**[1] Obligation to keep accounts

The managing reder[2] shall keep separate accounts relating to his management of the assets of the shipping partnership. The managing reder must present the partners with accounts for each calendar year no later than two months after the end of the year.

When presenting the accounts, the managing reder shall send a copy to each partner. For the purpose of checking their correctness, each partner shall have access to the books of account and vouchers[3].

[0] Amended by Act 17 July 1998 no. 56 (in force 1 January 1999).

[1] Cf. section 101 paragraph two and Act 17 July 1998 no. 56.
[2] The use of the term "reder" has been explained in the preface.
[3] Cf. Act 17 July 1998 no. 56.

**Section 111**[1] Obligation to contribute

To cover the expenses necessary for the ship owning business, each partner is obliged to contribute in proportion to his interest in the partnership. If any partner fails to pay his contribution on demand and the managing reder[2] or any of the partners advances the amount, the partner in default shall repay such advance together with interest according to Section 3 of Act of 17 December, 1976, No. 100 Relating to Interest on Overdue Payments. Any person who makes such an advance has a lien on any profit accruing to the account of the defaulter and may require the managing reder to pay such profit to him as may be necessary to cover his claim[3].

[1] Cf. section 101 paragraph two.
[2] The use of the term "reder" has been explained in the preface.
[3] Cf. Act 8 February 1980 no. 2 Section 6-3.

**Section 112**[1] Profit and loss

Profit and loss in the shipping partnership is divided between the partners in proportion to their shares of the partnership.

Any surplus not needed for the expenses of the partnership shall be distributed to the partners.

[1] Cf. section 101 paragraph two.

**Section 113**[1] Transfer of shares

A partner can transfer his or her share in the shipping partnership, but cannot transfer or mortgage any asset belonging to the partnership without the consent of all his or her co-owners[2].

If a share or a part of a share in the shipping partnership is transferred, the transferor is obliged to inform the managing reder[3] and all co-owners in writing. In any other case where ownership of a share or

part of a share passes to a new owner, the same duty falls upon the transferee.

[1] Cf. section 101 paragraph two.
[2] Cf. Section 119.
[3] The use of the term "reder" has been explained in the preface.

**Section 114**[1] Right of redemption

When a share or a part of a share in the shipping partnership is transferred, the co-owners have a right of redemption, except in the case of a transfer to the partner's spouse[2] or direct heir. The same applies if a share or part of a share is transferred by will or by covenant of succession to anyone other than the testator's spouse[2] or heirs apparent under the law[3].

The amount payable on redemption shall be fixed as the value of the share or part of a share, but in no event less than the purchase price paid or payable by the new owner.

A partner wishing to exercise a right of redemption must give the transferee written notice within 2 weeks of receiving written notice of acquisition by the new owner. Within the same time he must offer the new owner the amount payable on redemption or, if the amount has not yet been fixed, give reasonable security for the probable value of the share or part of a share.

If several co-owners wish to exercise their rights of redemption, their mutual rights are determined in proportion to their shares in the shipping partnership.

[1] Cf. section 101 paragraph two.
[2] Cf. Act 4 July 1991 no. 47 Chapter 3 and Section 95.
[3] Cf. Act 3 March 1972 no. 5.

**Section 115**[1] Liability of the transferor and transferee for partnership obligations

A partner who transfers his share is not thereby released from liability towards his co-owners in respect of partnership liabilities existing at the time of the transfer. The transferee immediately assumes all the

rights and liabilities of a partner in relation to the other partners. He or she is bound as was the transferor by all decisions made and steps taken by the shipping partnership prior to the transfer, and the co-owners may set off against the transferee any claims which they may have against the transferor arising out of the partnership.

In regards to the liabilities of the shipping partnership at the time of transfer, the creditors of the partnership can hold either the transferor or the transferee liable. If a creditor has held the transferee liable, the transferor is free from his liability towards that creditor. For liabilities arising later only the transferee is liable. If notice of the transfer has not been given to Foretaksregisteret[2,3], the transferor is also liable towards a third party who neither knew nor ought to have known of the transfer when he or she acquired a claim against the shipping partnership[4].

[1] Cf. section 101 paragraph two.
[2] A register of business enterprises.
[3] Cf. Act 21 June 1985 no. 78.
[4] Cf. section 13 paragraph two.

**Section 116**[1] Buying out and dissolution

A partner is entitled to claim dissolution of the shipping partnership upon giving 6 months' written notice to his co-owners, unless he is bought out by one or more of the co-owners. If several co-owners wish to buy him or her out, their mutual rights is determined in proportion to their shares in the shipping partnership.

In the following cases, the Court can upon application by a shipping partner grant him or her the right to buy out one or more co-owners, or decide that the shipping partnership shall be dissolved:

1) when one of the ships belonging to the partnership through no fault of the partner and without his or her consent ceases to be Norwegian[2] and no arrangement is reached within 4 months whereby such nationality can be maintained;
2) when bankruptcy or public debt settlement proceedings are commenced in the estate of one of the co-owners, or a co-owner is otherwise unable to meet his obligations[3];

3) when the rights of the partner have been infringed by a substantial breach of the partnership agreement;
4) when equity clearly indicates that the part owner should be bought out or the partnership dissolved[4].

A partner is in any event entitled to buy out the co-owner who has caused a situation as mentioned in paragraph two nos. 1 to 4 to arise. If several partners exercise their entitlement to buy out, their mutual rights are determined in proportion to their shares in the shipping partnership.

The judgment determines the cost of buying out and the time limit within which such buying out or dissolution must be effected.

[1] Cf. section 101 paragraph two and Section 119.
[2] Cf. section 1, section 4 and Act 12 June 1987 no. 48 section 1.
[3] Cf. Act 8 Juni 1984 nr. 58 (Bankruptcy Act) Chapter VI and VIII.
[4] Cf. Act 31 May 1918 no. 4 section 36.

**Section 117**[1] Consolidated proceedings, venue.

All shipping partners must be made parties to any proceedings under Section 116. The proceedings are instituted in the jurisdiction where the shipping partnership has its home venue[2].

[0] Amended by Act 17 June 2005 no. 90 (in force 1 January 2008 according to Resolution 26 January 2007 no. 88) as amended by Act 26 January 2007 no. 3.

[1] Cf. section 101 paragraph two and Dispute Act Chapter 15.
[2] Cf. Dispute Act Chapter 4 II.

**Section 118**[1] Sale of ships upon dissolution

Upon the dissolution of a shipping partnership, its ships shall be sold. Failing agreement on the place of sale, the District Court at the shipping partnership's home venue decides the question[2]. Such decision is made in the form of a ruling[3], which can be appealed.

For a sale in Norway, the rules governing forced sales of ships apply correspondingly as appropriate. A sale can be demanded without a judgment or equivalent grounds for enforcing the dissolution of the shipping partnership, provided no objection has been received or the objection is

obviously untenable. The decision is made by the District Court in the form of a ruling[2], which can be appealed.

[0] Amended by Act 14 December 2001 no. 98 (in force 1 January 2002 according to Resolution 14 December 2001 no. 1416), 30 August 2002 no. 67 (in force 1 January 2003 according to Resolution 30 August 2002 no. 938), 17 June 2005 no. 90 (in force 1 January 2008 according to Resolution 26 January 2007 no. 88) as amended by Act 26 January 2007 no. 3.

[1] Cf. section 101 paragraph two.
[2] Cf. Dispute Act Chapter 4 II.
[3] Original: "kjennelse".

**Section 119**[1] Execution liens, etc.

Unless a shipping partner has obtained the consent of his co-owners to mortgage the ship, cf. Section 113, his or her personal creditors may not levy execution against the assets of the shipping partnership. A personal creditor may however lien whatever the debtor is entitled to claim from the shipping partnership as a share of the profits, and the share he or she can demand to be paid in the event of dissolution or buying out according to Section 116. If a personal creditor has obtained a final execution lien against his debtor's share in the event of dissolution or redemption, the personal creditor can upon not less than one year's notice require the other shipping partners, or one or more of them, to buy out sufficient of such share to cover his or her claim. Section 116 paragraph one second sentence applies correspondingly. If the requirement of the personal creditor is not complied with within the time limit, he or she can demand the dissolution of the shipping partnership.

If a shipping partner becomes bankrupt or opens public debt settlement proceedings, his or her estate has no better right than a creditor demanding execution lien according to paragraph one.

[1] Cf. Act 8 June 1984 no. 59. Chapter 4.

## Chapter 6. The Master[1]

1. Cf. previous Act 16 February 1725 and Act 28 July 1824. Cf. current General Civil Penal Code Chapter 30 and 42 and Act 16 February 2007 no. 9.

**Section 131**[1] Seaworthiness of the ship

The master shall before a voyage begins ensure that the ship is seaworthy, including that it is sufficiently equipped, manned and supplied with provisions and in a proper condition for the reception, carriage and preservation of the cargo. The master shall see that the cargo is properly stowed, that the ship is not overloaded, that its stability is satisfactory and that the hatches are properly closed and battened down[2].

During the voyage the master shall do everything in his or her power to keep the ship in a seaworthy condition.

1. Cf. section 262, Section 327, Section 372, Section 378 paragraph two, section 405, Act 16 February 2007 no. 9 Section 8, Section 19.
2. Cf. Act 16 February 2007 no. 9, Section 19.

**Section 132**[1] Navigation, etc.

The master shall ensure that the navigation and management of the ship accords with good seamanship.

The master shall, as far as possible in advance, acquaint him- or herself with the orders and regulations in force for shipping in the waters where the ship is to trade and at the places where it is to call.

1 Cf. Act 16 February 2007 no. 9, and General Civil Penal Code section 418.

**Section 133**[1] Ship's books

The master is responsible for the keeping of the prescribed ship's books. Entries are made under the master's supervision.

1 Cf. Act 16 February 2007 no. 9 Section 14 paragraph two (c) and Section 33 paragraph two (e).

**Section 134**[1] Loading, discharge, etc.

The master shall ensure that loading and discharge are carried out and the voyage performed with due dispatch.

[1] Cf. Section 262, section 330 and further, section 343 and section 381.

**Section 135**[1] Distress

If the ship is in distress, the master is duty bound to do everything in his or her power to save those on board and to protect the ship and cargo. The master shall if necessary see that the ship's books and papers are brought to safety, and as far as possible arrange for salvage of the ship and cargo.

Unless his or her own life is in considerable danger, the master must not leave the ship as long as there is a reasonable prospect of its being saved[2].

As far as possible without serious risk to the ship or to those on board, the master is duty bound to give all possible and necessary assistance to any person in distress at sea or threatened by danger at sea. Included in distress according to the first sentence is any person who has taken refuge along the coast and cannot be reached by any other rescue service than stated in the international convention of 27 April 1979 on Maritime Search and Rescue. The master must treat persons who have been brought onboard pursuant to first and second sentences with dignity and care, within the frames set by the ship's possibilities and limitations.

No one, including the owner, the charterer, and the company responsible for the ship's operation according to the definition in the SOLAS convention provision IX/1, must in any way, wholly or partially, interfere with the master in making decisions or effectuate efforts that in the master's professional judgement are necessary for the safety of human lives at sea, or for the protection of the marine environment.

[0] Amended by Act 7 April 2006 no. 9 (in force 1 July 2006).

[1] Cf. Chapter 16 and General Civil Penal Code section 313 and section 314.
[2] Cf. section 441 second paragraph.

**Section 136** The absence of the master, etc.

If the master is absent or is unable to perform his or her duties, the senior mate present makes such decisions as cannot be postponed.

If the master leaves the ship he or she is required to inform the senior mate present or, if no mate is present, some other crew member, and give him the necessary orders for dealing with eventualities.

When the ship is not moored in port or at anchor in a safe anchorage, the master must not absent himself from the ship unnecessarily. The same applies under dangerous circumstances.

If the master dies, or is prevented owing to illness or for any other compelling reason from remaining in command of the ship, or if he or she leaves the service, the senior mate assumes command until a new master has been appointed. In such event the reder[1] shall be notified without delay. If the mate is not qualified to command the ship, the Maritime Directorate or the Foreign Office representative concerned shall also be notified as soon as possible.

[0] Amended by Act 16 February 2007 no. 9 (in force 1 July 2007 according to Resolution 16 February 2007 no. 170) .

[1] The use of the term "reder" has been explained in the preface.

**Section 137**[1] The authority of the master

The master, in his capacity as such, has authority to enter into contracts on behalf of the reder[2] relating to the conservation of the ship or the performance of the voyage and to make agreements for the carriage of goods on the voyage, or of passengers if the ship is intended for that purpose. He or she can also act as plaintiff in lawsuits relating to the ship[3]. In lawsuits relating to the ship the master may receive proclamations and communications[4] on behalf of the owner and the reder of the ship, provided that this is not contrary to the obligations of Norway under international law.

The master of a fishing or catching vessel cannot without special authority enter into agreements regarding the ship's supply of equipment exclusively connected with fishing or catching, such as nets, lines, bait,

ice, salt and barrels. Nor can the master, if the ship's gross tonnage does not exceed 300 tonnage units/register tons[5], without special authority purchase fuel for the ship's engines for the reder's account when the ship is within the territory of this Kingdom.

If money is required for any purpose mentioned in paragraph one and the instructions of the reder cannot be awaited, the master shall seek to raise the money in the most convenient way. He or she can then, according to the circumstances, raise loans or pledge or sell goods belonging to the reder and even, in case of necessity, pledge or sell cargo[6]. Even if the transaction was unnecessary, the contract is nevertheless binding if the third party acted in good faith.

0 Amended by Act 22 December 1999 no. 106 (in force 1 January 2000).

1 Cf. Act 31 May 1918 no. 4 section 10.
2 The use of the term "reder" has been explained in the preface.
3 Cf. section 73, section 138 and the Dispute Act Chapter 2.
4 Cf. Act 13 August 1915 Chapter 9.
5 Amended by Act 16 February 2007 no. 9 Section 10.
6 Cf. section 61 no. 2 and Chapter 17.

**Section 138**[1] Care of the cargo, etc.

On behalf of the reder[2] the master shall take care of the cargo and generally protect the interests of the cargo-owner. For this purpose he or she may without special authority enter into agreements and act as plaintiff in accordance with the provisions of Section 266, cf. Section 339.

1. Cf. section 61 no. 2, section 137, section 262, section 267, section 268 and Dispute Act Chapter 2.
2 The use of the term "reder" has been explained in the preface.

**Section 139** Obligations undertaken on behalf of the reder[1] or cargo-owner

The master is not personally liable for obligations which he or she enters into in the capacity of master on behalf of the reder or cargo-owner.

1 The use of the term "reder" has been explained in the preface.

**Section 140**[1] Liability for damages

The master is liable to compensate any loss caused through fault or neglect in his or her service pursuant to the general law of torts, cf. Section 2-3 of Act Relating to Compensation in Certain Circumstances[2].

1. Cf. Dispute act section 4-5 paragraph five.
2. Act 13 June 1969 no. 26.

**Section 141** Duty to render accounts

The master must render accounts whenever the reder[1] so requests.

In the accounts the master shall credit the reder with any special remuneration received from any one with whom he or she has had dealings in the capacity of master[2].

1. The use of the term "reder" has been explained in the preface.
2. Cf. General Civil Penal Code section 405 b and Act 16 June 1972 no. 47 section 6.

**Section 142**[1] Repatriation of seamen, etc.

It is the duty of the master to convey seamen, whose repatriation it is the Consul's responsibility to arrange, to their destination or to a port at which the ship calls on its voyage, but only in such numbers and on such conditions as the King determines. When not inconvenient, the master is bound without payment to carry the funeral urns of, and any personal belongings left by, seamen who when they died were Norwegian nationals[2] or were resident in Norway.

Provided there are reciprocal arrangements, the King[3] may extend these provision to apply also to foreign seamen (their urns and belongings) not covered by paragraph one.

1 Cf. Act 30 May 1975 no. 18 section 8, section 27, section 28 to section 31 and General Civil Penal Code 417 no. 2.
2 Cf. Act 10 June 2005 no. 51.
3 The Maritime Directorate according to Resolution 23 December 1988 no. 1081.

# Chapter 6A. Alcohol Influence, Dutiful Temperance etc.

[0] Chapter added by Act 25 June 2004 no. 52 (in force 1 July 2005 according to Resolution 1 July 2005 no. 787). Cf. Act 26 June 1998 no. 47 Chapter 4.

**Section 143** Alcohol influence etc.

No one must navigate or try to navigate a ship with overall length exceeding 15 metres,

1. with a concentration of alcohol in the blood exceeding 0,2 per mille, or an amount of alcohol in the body which may lead to so large a concentration of alcohol in the blood,
2. with a concentration of alcohol in the exhalation breath exceeding 0,1 milligram per litre air, or
3. under the influence of any other intoxicating or anaesthetic agent than alcohol

Delusion in relation to the size of the alcohol concentration does not exempt for penalty. The prohibition applies equally to those who perform or attempt to perform duties of essential significance to the safety at sea, herein including piloting.

Anyone who is included in the prohibition in paragraph one must not take in alcohol or any other intoxicating or anaesthetic agent in the first six hours after the end of his or her service, when he or she understands or must understand that the performance of his or her service may lead to a police investigation. This prohibition is however not applicable once a specimen of blood or specimen of breath has been taken, or the police has decided not to take such a test.

Anyone who intentionally or negligently violates this provision will become punishable by fine or imprisonment[1] up to 1 year. Violation is regarded as a minor offence.

[0] Added by Act 25 June 2004 no. 52 (in force 1 July 2005 according to Resolution 1 July 2005 no. 787). Is amended by Act 20 May 2005 no. 28 (in force from the date which is stipulated by Act) as amended by Act 19 June 2009 no. 74.

[1] Cf. Act 22 May 1902 no. 10 (General Civil Penal Code) Section 26 a; General Civil Penal Code 2005 Chapter 6 and Chapter 9.

**Section 144** Dutiful temperance

Anyone who navigates

1. a ship with overall length exceeding 15 metres and is used for economic activity, or
2. a small craft included in the prohibition in Act of 26 June 1998 no. 47 Regarding Leisure Crafts and Small Crafts Section 33 paragraph one, and is used in economic activity for passenger transportation,

must in the period of service not consume alcohol or any other intoxicating or anaesthetic agent. The prohibition applies equally to those who perform or attempt to perform duties of essential significance to the safety at sea, herein including piloting.

The prohibition also applies in a period of 8 hours prior to the start of the service period.

Anyone who intentionally or negligently violates this provision will become punishable by fine or imprisonment[1] up to 1 year. Violation is regarded as a minor offence.

[0] Added by Act 25 June 2004 no. 52 (in force 1 July 2005 according to Resolution 1 July 2005 no. 787). Is amended by Act 20 May 2005 no. 28 (in force from the date which is stipulated by Act) as amended by Act 19 June 2009 no. 74.

[1] Cf. Act 22 May 1902 no. 10 (General Civil Penal Code) Section 26 a; General Civil Penal Code 2005 Chapter 6 and Chapter 9.

**Section 145** Breath test, specimen of breath, specimen of blood

The police may require a breath test by a person

1. that it is reasonable to believe has violated the provisions in Sections 143 and 144;
2. who with or without own fault is involved in an accident[1];
3. when it is required as part of the ship traffic control.

If the result of the breath test or other circumstances gives reason to believe that the provisions in Sections 143 or 144 are violated, the police may present the person concerned for a specimen of breath, specimen of blood and clinical medical examination to attempt to establish the influence of alcohol or other intoxicating or anaesthetic agent. Such presenta-

tion will normally take place when a person refuses to cooperate in the carrying out of a breath test.

The specimen of breath is carried out by the police. A specimen of blood can be carried out by a medical practitioner, registered nurse or a bioengineer. A clinical medical examination is carried out when there is suspicion of the influence of other substances than alcohol or when there are other reasonable grounds.

The King may give further regulations regarding examinations as mentioned in this Section.

[0] Added by Act 25 June 2004 no. 52 (in force 1 July 2005 according to Resolution 1 July 2005 no. 787).

[1] Cf. Section 479.

# Part III. Liability

## Chapter 7. General Provisions on Liability

**Section 151**[1] Vicarious liability of the reder[2]

The reder shall be liable to compensate damage caused in the service by the fault or neglect of the master, crew, pilot, tug or others performing work in the service of the ship.

A reder who is liable according to paragraph one may claim compensation for the amount paid from the person who caused the damage[3]. The statutory provisions concerning the right to abate the liability of the tortfeasor in relation to the victim shall however apply correspondingly to the claim of the reder[4].

[1] Cf. Act 13 june 1969 no. 26 section 2-1 and section 2-2, Act 16 June 1989 no. 59 section 24.
[2] The use of the term "reder" has been explained in the preface.
[3] Cf. Act 13 June 1969 no. 26 section 5-3 no. 2.
[4] Cf. section 193 paragraph five and Act 13 June 1969 no. 26 section 2-3.

**Section 152**[1] Nuclear damage

The provisions of the present Code imply no changes in what is or will be provided in special legislation concerning liability for nuclear damage.

[1] Cf. section 51 third paragraph, section 173 no. 3, section 209 and Act 13 May 1972 no. 13.

# Chapter 8. Collisions[1]

[1.] Cf. previous Act 3 June 1874, cf. current section 501 paragraph one no. 3.

**Section 161**[1] Collisions resulting from faults on one or both sides

When damage is caused to ships, goods, or persons as a result of a collision between ships and the fault is all on one side, that side shall cover the damage.

If there is fault on both sides, they shall both cover the damage in proportion to the faults committed on each side[2]. If the circumstances give no grounds for an apportionment in any definite proportion, the damage is apportioned equally.

Each of the sides at fault is only liable for such proportion of the damages which falls upon it. In the event of personal injury, however, they are jointly and severally liable[3].

If any party has paid more than is finally due from it, it has a right of recourse against the other party at fault for the excess. Against such a claim for recourse, the latter can invoke the same right to exemption from or limitation of liability as it would have been entitled to in relation to the injured party by virtue of the law applicable to the relation between it and the injured party, or by virtue of any valid contractual exemption clause. Such a reservation can nevertheless not be invoked in so far as it exempts from or limits the liability beyond what would follow from Chapters 13, 14 and 15 or corresponding provisions under a foreign law which in such event applies in relation to the injured party.

When determining the question of fault, the Court shall especially consider whether or not there was time for deliberation.

[1] Cf. section 507 paragraph one no. 3 and paragraph two.
[2] Cf. Act 13 June 1969 no. 26 section 5-1.
[3] Cf. Act 13 June 1969 no. 26 section 5-3.

**Section 162** Accidental collision

If a collision was accidental or it cannot be established that it was caused by fault on either of the sides, each ship bears its own loss.

**Section 163** Collision without contact

The provisions of the present Code relating to collisions between ships also apply when a ship by its manoeuvres or in similar ways causes damage to another ship or to persons or goods on board although no collision takes place between the ships.

**Section 164**[1] Obligation to render assistance, etc.

If ships collide, it is the duty of each master to render to the other ship and its crew and passengers all assistance that is possible and necessary in order to rescue them from danger arising from the collision, as far as this can be done without serious danger to the ship and those on board. Each master is also obliged to give the other master the name and home port of the ship[2] and its place of departure and destination[3]. A master whose ship collides with a boat is under the same obligations.

[1] Cf. section 135 and General Civil Penal Code section 314 and section 415.
[2] Cf. section 7 and section 8.
[3] Cf. Chapter 18 II.

## Chapter 9. Limitation of Liability and Obligation to Insure

[0] Amended by Acts 7 January 2000 no. 2; 17 June 2005 no. 88 (chapter I repealed by section 170; title of chapter II and chapter II repealed by sections 183-188); 5 April 2013 no. 11 (in force 1 July 2013 according to Resolution 5 April 2013 no. 341).

**Section 171** Persons entitled to limitation of liability

The reder[1], shipowner, charterer or manager can limit his or her liability according to the provisions of this Chapter. The same applies to anyone performing services directly connected with salvage[2], including measures as mentioned in Section 172, paragraph one, no. 4, and Section 172a paragraph one.

If liability is asserted against anyone for whom the reder or other person mentioned in the first paragraph is responsible, that person also has the right to limit his or her liability[3].

An insurer of liability for claims which are subject to limitation has the same right to limitation as the insured party.

[0] Amended by Act 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358)

[1] The use of the term "reder" has been explained in the preface.
[2] Cf. Chapter 16.
[3] Cf. Section 151 and Act 13 June 1969 no. 26 Section 2-1.

**Section 172** Limitation of claims relating to personal injury, property damage, delay etc, pursuant to the rules of the 1976 London Convention on Limitation of Liability on Maritime Claims, as amended by the 1996 Protocol

The right to limitation of liability pursuant to Section 175 applies, regardless of the basis of the liability, to claims in respect of:

1) loss of life or injury to persons (personal injury) or loss of or damage to property (property damage), if the injury or damage arose on board or in direct connection with the operation of the ship or with salvage;
2) damage resulting from delay in the carriage by sea of goods, passengers, or their luggage;
3) other damage if it was caused by infringement of a non-contractual right and arose in direct connection with the operation of the ship or with salvage;
4) measures taken to avert or minimize losses for which liability would be limited, including losses caused by such measures.

If the person liable has a valid counterclaim, and the claim and counterclaim have arisen out of the same event, limitation can only be demanded for that part of the claim which exceeds the counterclaim.

When the ship's tonnage[1] is 300 tons or less, claims of the kind mentioned in Section 172a are also included in the present Section.

[0] Amended by Act 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358)

[1] See Section 175 final paragraph.

**Section 172a** Limitation of claims in connection with clean-up efforts relating to marine accidents etc.

When the ship's tonnage[1] exceeds 300 tons, the right to limitation pursuant to Section 175a, regardless of the basis of the claim, applies to claims on the occasion of:

1) raising, removal, destruction or rendering harmless a ship which is sunk, stranded, abandoned or wrecked, as well as everything that is or has been on board the ship;
2) removal, destruction or rendering harmless the ship's cargo[2];
3) measures taken to avert or minimize losses for which liability would be limited under this Section, including losses caused by such measures.

Section 172 paragraph two applies correspondingly.

[0] Amended by Act 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358).

[1] See Section 175 final paragraph.

[2] Cf. Acts 13 March 1981 no. 6 Section 5, Section 28, Section 37, Section 55 and Section 76, 8 June 1984 no. 51 Section 18 paragraph three and Section 20, 17 April 2009 no. 19 Chapter five.

**Section 173** Claims excepted from limitation

The right to limitation of liability does not apply to

1) claims for salvage reward[1], including special compensation according to Section 449, contributions to general average[2], or remuneration pursuant to a contract relating to measures as mentioned in Section 172, paragraph one, no. 4 or Section 172a, paragraph one;
2) claims for oil pollution damage of the kind mentioned in Sections 191 and 207[3];
3) claims subject to any international convention or national legislation governing or prohibiting limitation of liability for nuclear damage[4];
4) claims in respect of nuclear damage caused by a nuclear ship[5];

5) claims in respect of injury to an employee covered by Section 171 paragraph two, and whose duties are connected with the operation of the ship or with salvage;
6) claims for interest and legal costs.

[0] Amended by Acts 17 Mach 1995 no. 13 (in force 30 May 1996), 2 August 1996 no. 61 (in force 3 December 1997), 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358).

[1] Cf. Chapter 16.
[2] Cf. Chapter 17.
[3] Cf. Sections 206 to 208.
[4] Cf. Section 152 and Act 12 May 1972 no. 28.
[5] Cf. Act 12 May 1972 no. 28 Section 48.

**Section 174** Conduct barring limitation

A liable person cannot limit his or her liability if it is proved that he or she caused the loss deliberately or through gross negligence and with knowledge that such loss would probably result.

**Section 175**[1] Limits of liability for claims comprised by Section 172

For claims comprised by Section 172, the following limits of liability apply:

1) For claims in respect of personal injury caused to the ship's own passengers, the limit of liability is 250,000 SDR[2] multiplied by the number of passengers which the ship is entitled to carry according to her certificate[3].
2) For other claims in respect of personal injury, the limit of liability is 2,000,000 SDR[2]. For ships with tonnage[2] exceeding 2,000 tons, the limit is increased such:
   for every ton from 2,001 to 30,000 tons, by 800 SDR,
   for every ton from 30.,001 to 70,000, by 600 SDR, and
   for every ton exceeding 70,000 tons, by 400 SDR.
3) For all other claims, and for remaining amounts of claims not covered according to no. 2, the limit of liability is 1,000,000 SDR[2]. For ships with tonnage[2] exceeding 2,000 tons, the limit is increased such:

for every ton from 2,001 to 30,000, by 400 SDR,
for every ton from 30,001 to 70,000, by 300 SDR, and
for every ton exceeding 70,000 tons, by 200 SDR.

4) The limits of liability in nos. 1 to 3 apply to the total of all claims arising from one and the same event[4], against the reder[5], shipowner, charterer or manager and anyone for whom any of these are responsible[6].
5) If salvors do not operate from any ship or only operate from the ship which the salvage concerns, the limits of liability shall be calculated according to a tonnage[2] of 1,500 tons. The limits of liability apply to the total of all claims arising from one and the same event against the salvors and anyone for whom they are responsible.
6) By the ship's tonnage is meant gross tonnage according to the rules for tonnage measurement in Annex 1 of the International Convention on Tonnage Measurement of Ships, 1969[7]. By SDR is meant the unit mentioned in Section 505[8].

[0] Amended by Acts 7 January 2000 no. 2; 17 June 2005 no. 88; 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Section 181 and Section 507 paragraph two.
[2] See this Sections final paragraph.
[3] Cf. Act 16 February 2007 no. 9.
[4] Cf. Section 172 paragraph two.
[5] The use of the term "reder" has been explained in the preface.
[6] Cf. Section 171 paragraph two.
[7] Cf. Act 16 February 2007 no. 9 Section 10.
[8] See footnote there.

**Section 175a** Limits of liability for claims comprised by Section 172a

The limit of liability for claims comprised by Section 172a, is 2,000,000 SDR[1]. For ships with tonnage[1] exceeding 1,000 tons, the limit is increased as follows:

1. for every ton from 1,001 to 2,000 tons, by 2,000 SDR, and
2. for every ton from 2,001 to 10,000 tons, by 5,000 SDR, and
3. for every ton exceeding 10,001 tons, by 1,000 SDR. Section 175, nos. 4, 5 and 6 apply correspondingly.

[0] Added by Act 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358), amended by Act 12 June 2009 no. 37 (in force 1 January 2010 according to Resolution 12 June 2009 no. 625).

[1] See Section 175 final paragraph.

**Section 176** Distribution of liability amounts

Each liability amount shall be distributed among the claims to which limitation applies in proportion to the amounts of the proven claims.

If the amount mentioned in Section 175 no. 2 does not fully satisfy the claims to which the amount relates, the remaining is paid on an equal footing with other claims out of the amount mentioned in Section 175 no. 3.

A person who has paid a claim in full or in part before the limitation amount has been distributed succeeds to the creditor's right of cover to the extent of his or her payment.

If a person shows that he or she may later become liable to pay a claim in full or in part, and that he or she will in the event succeed to the creditor's right of recovery, the Court can reserve a sufficient amount to enable the person in question to claim cover according to the provisions of paragraph three.

**Section 177** Limitation fund and limitation actions

If in this Kingdom suit has been brought or arrest or other enforcement proceedings are applied for[1] in connection with a claim which by its nature is subject to limitation, a limitation fund may be constituted at the Court in question.

The fund is regarded as constituted with effect for all persons who can claim the same limit of liability, and to meet only those claims to which the limit applies.

After the fund has been constituted, only the person who constituted it, his or her liability insurer, and persons with claims the payment of which can be demanded from the fund, can bring suit to have decided the questions of liability for each individual claim, the right to limita-

tion of liability, the limitation amount, and distribution of the fund (limitation action). Separate suits concerning these questions cannot be brought in this Kingdom when the fund has been constituted.

More detailed provisions relating to limitation funds and limitation actions are laid down in Chapter 12.

[0] Amended by Acts 7 January 2000 no. 2 (in force 1 July 2000 according to Resolution 7 January 2000 no. 12), 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358).

[1] Cf. Dispute Act Part 7.

**Section 178**[1] Legal effects of the constitution of a limitation fund for claims comprised by Section 175, cf. Section 172

For claims comprised by Section 175, cf. Section 172, the following rules on legal effects of limitation funds apply:

1. A claimant against a limitation fund constituted according to Section 177 or according to corresponding provisions of another Convention State[2] cannot in respect of that claim apply for arrest or other enforcement proceedings[3] in respect of ships or other property belonging to anyone on whose behalf the fund was constituted and who is entitled to limitation of liability.
2. After a limitation fund has been constituted in this Kingdom or in Denmark, Finland or Sweden, arrest or other enforcement proceedings[3] in respect of ships or other property belonging to a person on whose behalf the fund was constituted and who is entitled to limitation of liability cannot be carried out in connection with claims payment of which can be demanded from the fund, but nevertheless cf. Section 180, paragraph three, first sentence. If an enforcement measure already has been carried out, it shall be annulled. Security given to avoid or dismiss enforcement proceedings shall be released.
3. If the fund has been constituted in another Convention State, the Court may refuse an application for arrest or other enforcement proceedings, annul enforcement measures that have been effected, or release security which has been posted. The Court

shall refuse the application, annul measures which have been effected after the constitution of the fund, and release security posted after that time, if the fund has been constituted in

a) the port where the event giving grounds for liability occurred or, if it did not occur in a port, in the ship's first port of call after the event, or
b) the port of disembarkation, in so far as the claim relates to personal injury sustained by anyone on board the ship, or
c) the port of discharge, in so far as the claim relates to damage to the ship's cargo.

4. The provisions of nos. 1 and 3 can be given corresponding application if it is shown that a limitation fund constituted in a State which is not a Convention State can be considered equivalent to a limitation fund as mentioned in Section 177.
5. The provisions of the present Section only apply if the claimant is entitled to bring claims against the fund with the Court who administers it, and provided the fund is actually accessible and freely transferable for the recovery of the claim.
6. The jurisdiction seized by means of arrest or the posting of security[4] is not lost because of the arrest being dismissed or the security released according to the provisions of nos. 2, 3 or 4.

[0] Amended by Acts 7 January 2000 no. 2 (in force 1 July 2000 according to Resolution 7 January 2000 no. 12), 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358).

[1] Cf. Section 94.
[2] Cf. Section 182 paragraph three.
[3] Cf. Dispute Act Part 7.
[4] Cf. Dispute Act Section 4-5 paragraph five.

**Section 178a** The legal effects of a limitation fund being established for claims comprised by Section 175a, cf. Section 172a

If there for a claim comprised by Section 175a, cf. Section 172a, has been established a limitation fund in this Kingdom, Section 178, nos. 1, 2, 5 and 6 apply correspondingly.

The limitation fund is established in accordance with the convention mentioned in Section 182 paragraph three if there in Denmark, Finland or Sweden, or any other Convention State where a port as mentioned in Section 178 no. 3 letter a is located, and claims as mentioned in Section 172a can be claimable in the fund, Section 178 nos. 2 and 3 apply correspondingly for such claims, provided that there in this Kingdom has been established a supplementary fund for the cover of such claims which corresponds to the limitation amounts pursuant to Section 175a, with the deduction of that part of the established limitation fund which must be assumed to be used to cover such claims.

[0] Added by Act 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358).

**Section 179** Costs the liable person has had in relation to measures mentioned in Section 172a

Claims regarding reasonable expenses occurred in connection with measures mentioned in Section 172a, which someone with the right to limitation pursuant to Section 175a has carried out in order to prevent or reduce damage, is equal to other claims in regards to the apportionment of the limitation amount.

[0] Added by Act 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358).

**Section 180** Limitation of liability without constituting a limitation fund

Limitation of liability can be invoked although no limitation fund has been constituted.

In actions concerning claims which are subject to limitation, the Court shall in applying the provisions of the present Chapter only consider those claims which are brought before it. If a liable party argues that other claims subject to limitation to the same amount should also be taken into account, a reservation concerning limitation of liability in consequence of such claims shall be made in the judgment.

A judgment without a reservation according to paragraph two can be enforced when it is final. If the judgment does contain such a reservation, it can nevertheless be enforced unless a limitation fund is constituted and the Court finds cause to deny the application for enforcement pursuant to Section 178.

The parties can leave the calculation and distribution of the limitation amount to an average adjuster[1]. Disputes as to the correctness of an average adjuster's decisions can be brought before the Courts.

[1] Cf. Section 467.

**Section 181** Warships, drilling vessels, etc.

The limits of liability for warships and other ships engaged in non-commercial State activities, cf. Section 175 nos. 2 and 3 and Section 175a, shall in no case be calculated according to a tonnage[1] lower than 5,000 tons. The right to limitation of liability does not extend to claims relating to damage or loss due to the particular characteristics or use of warships. The same applies correspondingly to damage or loss caused by other ships being used in non-commercial State activities. The provisions of this paragraph do not apply to ships mainly used in ice-breaking or salvage.

With regard to ships built or equipped to drill for subsea natural resources, the limits of liability according to Section 175 nos. 2 and 3 shall regardless of the size of the vessel be 36 million SDR and the limits of liability according to Section 175a 60 million SDR for claims arising from damage or loss caused while the vessel is used in drilling operations[2].

[0] Amended by Acts 7 January 2000 no. 2 (in force 1 July 2000 according to Resolution 7 January 2000 no. 12), 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358).

[1] See Section 175 final paragraph.
[2] Cf. 507 paragraph two no. 2.

**Section 182 a** Obligation to insure, certificate of insurance

The reder of a Norwegian ship of 300 gross tonnage or more is obliged to have in place insurance or other security to cover such liability as may be limited pursuant to the International Convention of 19 November 1976 concerning the limitation of maritime claims, as amended by the Protocol of 2 May 1996. The insurance shall cover this liability up to the limitation amounts established under the convention.

The insurer or the provider of security shall issue a certificate confirming the existence of such insurance or security as is referred to in the first paragraph. This certificate shall be kept on board the ship at all times. The ship may not sail under a Norwegian flag in the absence of a valid certificate.

The first paragraph and the first and second sentences of the second paragraph shall apply correspondingly to a foreign ship that arrives at or departs from a place of loading or discharge in Norway or in the Norwegian sector of the continental shelf or that is performing assignments in Norwegian territorial waters.

The rules in the first to third paragraphs apply also to ships that are owned or used by the Norwegian state or any other state, with the exception of warships or ships used for non-commercial public service

The Ministry may promulgate regulations setting forth more detailed rules concerning insurance and other security, including the criteria that the insurance or security must satisfy in order gain approval; requirements regarding certificates; and the obligation to produce certificates.

[0] Added by Act 5 April 2013 no. 11 (in force 1 July 2013 according to Resolution 5 April 2013 no. 341). Cf. the EEA-Agreement enclosure XIII no. 56 w (Direcive 2009/20)

[1] The use of the term "reder" has been explained in the preface

**Section 182 b** Expulsions from ports and denials of access to ports

A foreign ship that does not possess a certificate as specified in Section 182 a may be expelled from a Norwegian harbour. In the event

of the expulsion of a foreign ship, the relevant authority shall report the expulsion in accordance with Directive 2009/20/EC.

A foreign ship that has been expelled from a harbour in an EEA state due to lack of a certificate in accordance with Directive 2009/20/EC may not access any Norwegian harbour until the ship is in possession of a valid certificate. Ships as specified in the first sentence that lack a valid certificate may be expelled.

[0] Added by Act 5 April 2013 no. 11 (in force 1 July 2013 according to Resolution 5 April 2013 no. 341). Cf. Annex XIII to the EEA-Agreement, no. 56 w (Directive 2009/20)

**Section 182 c** Penalties for failure to comply with the obligation to insure and with obligations relating to certificates of insurance

The rules set forth in Section 199 shall apply correspondingly where a Norwegian ship does not have the mandatory insurance or other security or does not have on board the mandatory certificate evidencing the existence of insurance or security as required under Section 182 a.

[0] Added by Act 5 April 2013 no. 11 (in force 1 July 2013 according to Resolution 5 April 2013 no. 341). Cf. Annex XIII to the EEA-Agreement, no. 56 w (Directive 2009/20)

## Chapter 10. Liability for Damage from Oil Pollution[1]

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 26 of 15 May 1998 which annulled Parts II and III of this Chapter containing sections 210-230), Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 in accordance with Resolution no. 1577 of 21 December 2007). Cf. the International Convention on Civil Liability for Bunker Oil Pollution Damage 2001.

[1] Cf. Acts 16 February 2007 no. 9 Chapter 5, 13 March 1981 no. 6, 29. November 1996 no. 72 Chapter 7 and 8.

## I. Liability and compensation pursuant to the International Convention on Civil Liability for Bunker Oil Pollution Damage 2001 (Bunkers Convention)

[0] Heading inserted by Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 pursuant to Resolution no. 1577 of 21 December 2007).

**Section 183** Strict liability of the shipowner for pollution damage caused by bunker oil, definitions

The shipowner shall be liable regardless of fault for pollution damage caused by bunker oil. Section 191, 5th paragraph, 2nd and 3rd sentences shall apply correspondingly.

In Sections 183 to 190, "pollution damage caused by bunker oil" means:

a) damage or loss that arises outside the ship by contamination resulting from the escape or discharge of bunker oil from the ship. Damage resulting from impairment of the environment shall cover in addition to loss of profit only the costs of reasonable measures of reinstatement actually undertaken or to be undertaken.

b) expenses, damage or loss resulting from reasonable measures undertaken following an incident that causes or entails an imminent and significant danger of damage of the nature referred to in subsection (a), and that are intended to prevent or limit such damage.

In Sections 183 to 190, "ship" means any seaborne vessel or other seaborne construction.

"Bunker oil" means all oils containing hydrocarbons, including lubricating oil, used for the operation or propulsion of the ship, and all residues of such oil.

In Sections 183 to 190, "shipowner" means the owner, including the registered owner, the "reder"2, the bareboat charterer, the manager or others responsible for central functions relevant to the operation of the ship.

In Sections 183 to 190, "registered owner" means the person listed in the ship register as the owner3, or if the ship is not registered, the person owning the ship.

If the ship is owned by a State, Section 191, 5th paragraph, 2nd sentence shall apply correspondingly.

"Bunkers Convention" means the International Convention on Civil Liability for Bunker Oil Pollution Damage 2001.

In Sections 183 to 190, "Convention State" means a State that is a party to the Bunkers Convention.

Sections 183 to 190 do not apply to pollution damage that is covered by Section 191, 2nd paragraph.

[0] Inserted by Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 pursuant to Resolution 21 December 2007 no. 1577), amended by Act 12 June 2009 no. 37.

[1] Cf. Act 13 March 1981 no. 6 section 6 and Chapter 8.
[2] The use of the term "reder" is explained in the preface to this translation

**Section 184** Exceptions from liability

The provisions of Section 192 regarding exceptions from liability and mitigation of liability shall apply correspondingly to liability arising under Sections 183 to 190.

[0] Inserted by Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 pursuantto Resolution no. 1577 of 21 December 2007).

**Section 185** Limitation of liability and channelling of liability

Claims against the shipowner for compensation for pollution damage caused by bunker oil may be brought only under the provisions of Sections 183 to 190. The rules on the channelling of liability etc. in Section 193, 2nd and 3rd paragraphs, shall apply correspondingly to liability arising under Sections 183 to 190. The rule that liability cannot be asserted, cf. Section 193, shall nevertheless not apply to persons covered by the definition of "shipowner" in Section 183, 5th paragraph.

The provisions of chapter 9 apply to the limitation of the shipowner's liability.

[0] Added by Act 21 no. 128 of December 2007 (entered into force 21 on November 2008 pursuant to Resolution no. 1577 of 21 December 2007).

**Section 186**[1] Compulsory insurance. Certificate

The registered owner[2] of a Norwegian ship having a gross tonnage greater than 1000 tons, calculated in accordance with the tonnage measurement regulations contained in Appendix I of the International Convention on Tonnage Measurements of Ships, 1969, shall be obliged to maintain approved insurance or other financial security to cover an amount equal to the limit of liability calculated in accordance with the London Convention on Limitation of Liability for Maritime Claims, 1976, as amended by the Amendment Protocol of 1996, cf. the limitations of liability set forth in Section 175. A certificate shall be issued attesting that such insurance or other financial security is in force. In the absence of a valid certificate, the ship must not sail under the Norwegian flag[3].

The stipulation in the 1st paragraph, 1st sentence of this section shall apply correspondingly to a foreign ship having a gross tonnage greater than 1000 tons, calling at or sailing from ports or other loading or discharging locations in Norway or on the Norwegian sector of the continental shelf[4]. If a ship is registered in a Convention State, it shall carry a certificate issued in accordance with the Convention showing that there is in force insurance or other financial security. The 2nd sentence of this paragraph shall apply correspondingly to a ship registered in a non-Convention State[5].

The provisions of Section 197, 3rd paragraph shall apply correspondingly to a ship owned by the Norwegian State or by another State.

The Ministry shall issue regulations[6] concerning insurance and the provision of financial security. These regulations shall cover the conditions that must be satisfied by the insurance or other security in order to gain approval; the rules applicable to certificates and their form, contents, issuance and validity, including the fact that an institution or organisation may issue a certificate; and the usage and registration of electronic certificates.

[0] Inserted by Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 in accordance with Resolution no. 1577 of 21 December 2007).

[1] Cf. Section 187 and Act 16 June 1989 no. 69 Section 7-7.
[2] Cf. 183 paragraph six.
[3] Cf. Section 5 and Section 187.
[4] Cf. Act 21 June 1963 no. 12 Section 1 second sentence.
[5] Cf. Section 183 final paragraph.
[6] Cf. Act 10 February 1967 Section 2 and Chapter VII.

**Section 187** Sanctions for failure to comply with insurance obligations

The rules in section 199 applies accordingly when a ship does not have mandatory insurance or other financial security or the required certificate, cf. the rules in section 186.

[0] Inserted by Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 in accordance with Resolution no. 1577 of 21 December 2007).

**Section 188[1]** Claims against the insurer

Any claim for compensation for pollution damage[2] caused by bunker oil may be brought directly against the person or persons who have provided in accordance with Section 186 the compulsory insurance or financial security in respect of the liability of the shipowner under Section 183 (the insurer). The insurer may invoke limitation of liability as a defence, even if the shipowner is not entitled to limitation of liability.

In the case of claims against the insurer as mentioned in the 1st paragraph of this section, the insurer may also invoke as a defence such exceptions from liability as might have been invoked by the shipowner. On the other hand, the insurer shall not be entitled to invoke as against the claimants any defences that the insurer might have been entitled to invoke in proceedings brought against the insurer by the shipowner[3]. Nevertheless, the insurer may invoke the defence that the damage was caused by the wilful misconduct of the registered owner himself[4].

Where claims for compensation as mentioned in the 1st paragraph of this section are covered by the rules on limitation of liability set forth in Section 172 (a), cf. Section 175 (a), the part of the claim that exceeds the amount covered by the compulsory insurance pursuant to Section

186, cf. Section 175 (a), may be brought directly against the person or persons who have provided insurance cover or furnished financial security in respect of the excess liability. The provisions of the 1st paragraph, second sentence and the 2nd paragraph of this section shall apply correspondingly to such claims.

[0] Inserted by Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 in accordance with Resolution no. 1577 of 21 December 2007).

[1] Cf. Act 16 June 1989 no. 69 Chapter 7.
[2] Cf. Section 183 paragraph two.
[3] Cf. Section 184.
[4] Cf. Section 174.

**Section 189** Competence of Norwegian courts, recognition and enforcement of judgments

The provisions of Section 203, 1st and 2nd paragraphs, concerning the competence of Norwegian courts shall apply correspondingly to actions against the shipowner or the shipowner's insurer concerning liability for pollution damage caused by bunker oil.

A final judgment against the shipowner or the shipowner's insurer has legal effect in the Kingdom of Norway and may be enforced here once it becomes enforceable1, provided that the judgment has been delivered in a Convention State2 by a court that is competent to hear the case pursuant to article 9 of the Bunkers Convention[3].

[0] Inserted by Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 in accordance with Resolution no. 1577 of 21 December 2007).

[1] Cf. Enforcement of Claims Act Section 4-17 and Dispute Act Chapter 19.
[2] Cf. Section 183 final paragraph.
[3] Cf. Section 183 paragraph eight.

**Section 190** Scope of application of Sections 183 to 189

The provisions of Sections 183 to 189 on liability for pollution damage caused by bunker oil shall apply to:

a) such damage arising in this Kingdom or in the Norwegian economic zone[1]

b) such damage arising in another Convention State[2] or in the economic zone of such a State, and
c) expenditure on measures, wherever taken, to prevent or limit such damage[3].

The provisions of Section 206, 2nd paragraph, shall apply correspondingly where pollution damage is caused by bunker oil.

The provisions of Sections 183 to 189 shall not apply to a warship or other ship[5] owned or used by a foreign State which, at the time of the[4] escape or discharge of bunker oil from the ship, is being used exclusively on government non-commercial service. Nevertheless, Sections 183 to 185 shall apply where damage has occurred in this Kingdom or in the economic zone of Norway, or where measures have been taken to prevent or limit such damage.

The provisions of Sections 183 to 189 shall not apply to the extent that they would conflict with Norway's convention obligations towards a State that is not party to the Bunkers Convention[6].

[0] Inserted by Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 in accordance with Resolution no. 1577 of 21 December 2007).

[1] Cf. Act no. 91 of 17 December 1976.
[2] Cf. Section 183 final paragraph.
[3] Cf. Section 183 paragraph two.
[4] Cf. Section 183 paragraph four.
[5] Cf. Section 183 paragraph three.
[6] Cf. Section 183 paragraph eight.

## II. Liability and compensation pursuant to the 1992 Civil Liability Convention and the 1992 Fund Convention etc.

[0] Heading amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 according to Resolution no. 1577 of 21 December 2007). Cf. the Protocol of 27 November 1992 to the Civil Liability Convention, the Protocol of 27 November 1992 to the Fund Convention and the Protocol of 16 May 2003 to the Fund Convention.

**Section 191**[1] Strict liability of the shipowner, etc.

Regardless of fault, the owner of a ship shall be liable for oil pollution damage. If such pollution damage results from a series of occur-

rences having the same origin, liability shall rest on the person or persons who owned the ship at the time of the first occurrence. If the pollution damage arises from an occurrence involving two or more ships, each of which is transporting oil, each owner shall be liable, but in such a manner that all the owners involved are jointly and severally liable for damage that cannot reasonably be traced to a specific ship.

In Sections 191 to 209, "oil pollution damage" means[2]:

a) damage or loss caused outside the ship by contamination resulting from the escape or discharge of oil from the ship[3]. Damage resulting from impairment of the environment shall cover in addition to loss of profit only the costs of reasonable measures of reinstatement actually undertaken or to be undertaken.

b) Expenses, damage or loss resulting from reasonable measures following an incident that causes or entails an imminent and significant danger of damage of the nature referred to in subsection (a), and that are intended to prevent or limit such damage[4].

In the absence of provision to the contrary, cf. Section 208, 1st paragraph, in Sections 191 to 209, "ship" means any seaborne vessel or other seaborne construction that is designed or adapted to carry oil in bulk. However, a ship that is capable of carrying oil and other cargoes shall in this context be regarded as a ship only when it is in fact carrying oil in bulk as cargo and during any voyage following such carriage, unless it is proved that no residues of such carriage of oil in bulk remain on board.

In the absence of provision to the contrary, cf. Section 208, 4th paragraph, in Sections 191 to 209, "oil" means any persistent hydrocarbon mineral oil such as crude oil, fuel oil, heavy diesel oil and lubricating oil[5].

"Owner" means, in the case of a registered ship, the person registered as owner in the Ship Register[6] or, if the ship is not registered, the person who owns the ship. If a ship is owned by a State, but operated by a company which in that State is registered as the ship's operator, that company shall be regarded as the owner of the ship.

In the present Chapter, the 1992 Civil Liability Convention means the International Convention of 27 November 1992 on Civil Liability for Oil Pollution Damage.

In the present Chapter, the 1992 Fund Convention means the International Convention of 27 November 1992, on the Establishment of an International Fund for Compensation for Oil Pollution Damage.

In the present Chapter, the 2003 Supplementary Fund Protocol means the Protocol of 16 May 2003 to the 1992 Fund Convention.

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 10 of 27 February 2004 (entered into force on 3 March 2005 pursuant to Resolution no. 1714 of 17 December 2004), Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 pursuant to esolution no. 1577 of 21 December 2007).

[1] Cf. Section 206 to 208.
[2] Cf. Act 13 March 1981 no. 6 Section 6 and Chapter 8.
[3] Cf. Section 209 paragraph two and Act 29 November 1996 no. 72 Section 7-1 paragraph two.
[4] Cf. Section 195 paragraph three.
[5] Cf. Section 202 and Act 29 November 1996 no. 72 Section 1-6 letter a and hapter 7.
[6] Cf. Section 13.

**Section 192** Exemptions from liability

The owner shall be excepted from liability if it is proved that the damage:

a) was caused by an act of war or similar action in an armed conflict, civil war or insurrection, or by a natural phenomenon of an exceptional, inevitable and irresistible character,

b) was wholly caused by an act or omission done with intent to cause damage by a third party, or

c) was wholly caused by the negligence or other wrongful act of a public authority in connection with the maintenance of lights or other navigational aids.

If the owner proves that the injured party deliberately or negligently contributed to the damage, the owner's liability may be mitigated in accordance with the general Norwegian rules on damages.

[0] Amended by Act no.13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 128 of 21 December 2007 (entered into force 21 November 2008 entered into force on 21 November 2008 pursuant to Resolution no. 1577 of 21 December 2007)

[1] Cf. Act 13 June 1969 no. 26 Section 5-1.

**Section 193** Channelling of liability, etc.

Claims for compensation for oil pollution damage may be brought only against the owner of a ship according to the provisions of this Chapter.

No claim for compensation for oil pollution damage[1] may be made against:

a) the members of the crew, anyone employed by the owner or anyone else for whom the owner is responsible,
b) the pilot or any other person performing services for the ship[2],
c) the reder[3] or manager, provided that they do not own the ship, or any charterer, sender[4], shipper[4], owner or receiver of the cargo,
d) any person engaged in salvage operations with the consent of the owner of the ship or on the instructions of a public authority[5],
e) any person taking any such measures to prevent or limit damage[5] or loss as are mentioned in Section 191, or
f) any person employed by such persons as are mentioned in letters (b), (c), (d) and (e) above, or other persons for whom such persons as are mentioned in letters (b), (c), (d) and (e) above are responsible.

unless the person concerned caused the damage intentionally or through gross negligence and with the knowledge that such damage would probably result.

The right of recourse for pollution damage[1] may not be invoked against any person coming within the scope of letters (a), (b), (d), (e) or (f) of the 2nd paragraph of this Section unless such person caused the damage intentionally or through gross negligence and with knowledge that such damage would probably result. In all other circumstances the ordinary legal principles governing the right of recourse shall apply[6].

[0] Amended by Act no.13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 128 of 21 December 2007 (entered into force 21 November 2008 entered into force on 21 November 2008 pursuant to Resolution no. 1577 of 21 December 2007)

[1] Cf. Section 191 paragraph two.
[2] Cf. Section 151.
[3] The use of the term "reder" has been explained in the preface.
[4] Cf. Section 251 and Section 321.
[5] Cf. Section 138, Section 162, Section 441 paragraph two and Act 13 no. 6 of March 1981Section 5, Section 7 and Section 46.
[6] Cf. Section 201, Section 151 paragraph two and Act no. 26 of 13 June 1969 Section 2-3, Section 5-2 and Section 5-3 no. 2

**Section 194** Limitation of liability

The liability of the owner under Section 191 in relation to a ship with a tonnage not exceeding 5,000 tons shall not exceed 4,510,000 SDR. In relation to a ship with a tonnage exceeding 5,000 tons, the liability amount shall increase by an additional 631 SDR for each ton of its tonnage exceeding 5,000 tons. Nevertheless the liability amount may in no circumstances exceed 89,770,000 SDR.

The limits of liability shall apply to all liability for pollution arising in relation to the same occurrence or series of occurrences[1] having the same origin. No limits of liability shall apply to the owner's liability for interest on damages and legal costs.

The right to limitation of liability does not apply if it is proved that the owner himself caused the pollution damage either intentionally or through gross negligence and with the knowledge that such damage would probably result.

"SDR" means the unit of account mentioned in Section 505[2]. A ship's "tonnage" means its gross tonnage calculated in accordance with the tonnage measurement regulations contained in Annex I of the International Convention on Tonnage Measurement of Ships, 1969.

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 8 of 5 April 2002 (entered into force on 1 November 2003 pursuant to Resolution 25 no. 1168 of October 2002).

[1] Cf. Section 191 paragraph six.
[2] See footnote there.

**Section 195**[1] Limitation fund and limitation proceedings

An owner[2] wishing to limit his liability in accordance with Section 194 shall constitute a limitation fund at the court where a claim for compensation under Section 191 has been or may be brought[3]. Once the fund has been constituted, the owner or an injured party may bring a limitation action to determine liability and bring about the distribution of the liability amount.

The fund shall be distributed among all claims arising out of the same occurrence or series of occurrences with the same origin in proportion to the amounts of the established claims[4]. Section 176, 3rd and 4th paragraphs shall apply correspondingly.

Claims relating to reasonable expenses incurred voluntarily by the owner as a result of measures undertaken following an occurrence to prevent or limit pollution damage shall rank equally with other claims against the fund[5].

More detailed provisions relating to limitation funds and limitation proceedings are set forth in Chapter 12.

The constitution by the owner of a limitation fund in a foreign Convention State6 under the 1992 Civil Liability Convention[6] will have the same effect as regards the owner's right to limitation of liability as if the fund were constituted at a Norwegian court.

0 Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996).

1 Cf. Section 206 to 208 and Section 173 no. 2.
2 Cf. Section 191 paragraph five.
3 Cf. Section 203.
4 Cf. Section 191 paragraph six.
5 Cf. Section 191 paragraph two.
6 Cf. Section 191 paragraph seven.

**Section 196** Release from arrest, etc.

Where an owner is entitled to limit his liability under Section 194 and has constituted a fund in accordance with Section 195, no person having a claim against the fund may seek to exercise any right against the ships or other assets of the owner. Where a ship or other assets

belonging to the owner have been arrested in respect of such a claim, or where the owner has furnished security to avoid arrest, the arrest shall in such circumstances be lifted or the security released[1].

The provision of paragraph one shall apply correspondingly where the owner has constituted a limitation fund under the 1992 Civil Liability Convention[2] in a foreign Convention State, provided that the claimant has access to the court or other authority administering the fund and the fund is actually available to the claimant.

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996).

[1] Cf. Section 94.
[2] Cf. Section 191 paragraph seven.

**Section 197[1]** Compulsory insurance, certificates

The owner[2] of a Norwegian ship carrying more than 2,000 tons[3] of oil in bulk as cargo shall be obliged[4] to maintain approved insurance or other financial security to cover the liability prescribed in Section 191 up to the limits prescribed in Section 194. A certificate shall be issued attesting that such insurance or financial security is in force. In the absence of a valid certificate, the ship must not sail under the Norwegian flag[5].

The provisions of the 1st paragraph, 1st sentence of this Section shall apply correspondingly to foreign ships calling at or sailing from ports or other loading or discharging locations in Norway or on the Norwegian sector of the continental shelf[6]. Any ship that is registered in a State that is a party to the 1992 Civil Liability Convention[7] shall carry a certificate issued pursuant to the Convention showing that such insurance or other financial security is in force. The 2nd sentence of this paragraph shall also apply to ships not registered in a State that is a party to the 1992 Liability Convention.

Subject to the exceptions resulting from Section 206, 3rd paragraph, the provisions of the 1st and 2nd paragraphs of this Section shall also apply to ships owned by the Norwegian State or by another State, but such that a ship may, instead of the insurance, financial security and certificate required under the 1st and 2nd paragraphs of this Section,

possess a certificate issued by the competent authority of the State confirming that the ship is owned by the State and that the ship's liability is covered up to the limitation amount.

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 pursuant to Resolution no. 1577 of 21 December 2007).

[1] Cf. Section 198, Section 199 and Act 16 June 1989 no. 69 Section 7-7.
[2] Cf. Section 191 paragraph five.
[3] Cf. Section 191 paragraph four.
[4] Cf. Section 199.
[5] Cf. Section 5 and Section 199.
[6] See Act 21 June 1963 no. 12 Section 1 second sentence.
[7] Cf. Section 191 paragraph seven.

**Section 198** Regulations

The ministry[1] shall issue more detailed regulations[2] concerning insurance and the furnishing of financial security, including the conditions that must be satisfied by the insurance or financial security in order to gain approval, and concerning certificates and their form, contents, issuance and validity.

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 pursuant to Resolution no. 1577 of 21 December 2007).

[1] Ministry of Justice pursuant to Resolution 22 October 1982 no. 1520.
[2] Cf. Act 10 February 1967 Section 2 and Chapter VII.

**Section 199[1]** Sanctions for failure to comply with insurance obligations, etc.

Where a ship does not have the compulsory insurance or other financial security or the compulsory certificate, cf. Sections 197 and 198, the Maritime Directorate may deny the ship access to or outward clearance from a port or other loading or discharging location in Norway or on the Norwegian sector of the continental shelf, or may order the ship to be discharged or moved.

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996).

[1] Cf. General Civil Penal Code Section 419 no. 3.

**Section 200**[1] Claims against the insurer

Claims for compensation for pollution damage can be brought A ny claims for compensation for pollution damage[2] may be brought directly against the person or persons who have provided insurance or furnished financial security in respect of the owner's liability (the insurer). The insurer may invoke as a defence limitation of liability as prescribed in Section 194 even though the owner is not entitled to limitation of liability. The insurer may also invoke as a defence such exceptions from liability as might have been invoked by the owner[3]. On the other hand, the insurer shall not be entitled to invoke as against the claimants any defences that the insurer may be entitled to invoke in proceedings brought against the insurer by the shipowner, with the exception of the defence that the damage was caused by the wilful misconduct of the owner himself[4].

The insurer may constitute a limitation fund in accordance with Section 195 with the same effect as if the fund had been established by the owner. Such a fund may be constituted even though the owner is not entitled to limitation of liability4, but in such circumstances the constitution of the fund will not limit the claims of the creditors against the owner.

0 Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996).

1 Cf. Act 16 June 1989 no. 69 Chapter 7.
2 Cf. Section 191 paragraph two.
3 Cf. Section 192.
4 Cf. Section 194 paragraph three.

**Section 201**[1] The International Oil Pollution Compensation Fund, 1992 and the International Oil Pollution Compensation Supplementary Fund, 2003

In addition to the compensation an injured party may obtain under Sections 191 to 196 and Section 200, the injured party is entitled to compensation under the provisions of the 1992 Fund Convention[2] and the 2003 Supplementary Fund Protocol[3]. The 1992 Fund Convention and the 2003 Supplementary Fund Protocol have statutory force.

Section 193, 1st paragraph and Section 200 shall apply correspondingly to any recourse claims brought by the Funds against the owner of the ship and his insurer. All other recourse actions brought by the Funds shall be governed by ordinary legal rules.

[0] Amended by Acts no. 13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 10 of 27 February 2004 (entered into force on 3 March 2005 pursuant to Resolution no. 1714 of 17 December 2004 ), Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 pursuant to Resolution no. 1577 of 21 December 2007).

[1] Cf. Section 202 and Section 503.
[2] Cf. Section 191 paragraph eight.
[3] Cf. Section 191 paragraph nine.

**Section 202** Dues to the International Compensation Fund (1992) and The Supplementary Fund Convention (2003)

Any person in Norwegian territory who has received in one calendar year more than 150,000 tons of crude oil and/or heavy fuel oils and/or heavy distillates as defined in the 1992 Fund Convention,[1] Article 1, 3rd paragraph[2], shall pay such contributions to the International Oil Pollution Compensation Fund, 1992 as the official bodies of the Fund have validly determined, and shall furnish security for any such contributions as may come to be determined. The Ministry[3] shall determine whether a person who shares a close commonality of interest with another receiver in this Kingdom is liable to pay contributions under the 1992 Fund Convention,1, Article 10, 2nd paragraph. The quantity of oil[2] mentioned in the first sentence of this Section includes oil[4] transported by sea in or to Norway together with oil[2] reaching Norway by other means, but that has been transported previously by sea to a State that is not a party to the 1992 Fund Convention1 and transported from that State to Norway without having been reloaded at a terminal in another State that is a party to the 1992 Fund Convention[1].

Any person in Norwegian territory who has received in one calendar year more than 150,000 tons of crude oil and/or heavy fuel oil and/or heavy distillates as defined in the 2003 Supplementary Fund Protocol, Article 1, 7th paragraph, cf. the 1992 Fund Convention, Article 1, 3rd paragraph, must pay such dues to the International Supplementary

Fund (2003) as the official bodies of the Fund have validly determined, and shall furnish security for any such contributions as may come to be determined. The 1st, 2nd and 3rd paragraphs of this Section shall apply correspondingly, albeit such that the reference to the 1992 Fund Convention shall be read as a reference to the 2003 Supplementary Fund Protocol.

A ny person in Norwegian territory who receives oil[2] as mentioned in the 1st and 2nd paragraphs of this Section shall supply information concerning the quantity received in accordance with regulations[4] prescribed by the Ministry. Subject to the limitations resulting from statutory duties, all persons shall keep confidential any information that comes to their knowledge pursuant to this Section, both to the extent that the information concerns technical installations and procedures and also in so far as it concerns operational or commercial matters regarding which secrecy is of competitive importance for the person to whom the information relates[5].

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 10 of 27 February 2004 (entered into force on 3 March 2005 pursuant to Resolution no. 1714 of 17 December 2004).

[1] Cf. Section 191 paragraph eight.
[2] Cf. Section 191 paragraph four.
[3] Ministry of Trade and Industry pursuant to Resolution 20 December 1996 no. 1156.
[4] Cf. Act 10 February 1967 Section 2 and Chapter VII.
[5] Cf. Act 10 February 1967 section 13.

**Section 203** Competence of Norwegian courts

Actions against the owner of a ship or his insurer[1] concerning liability for pollution damage[2] come under the jurisdiction of the Norwegian courts if the pollution damage arose in this Kingdom or in the Norwegian economic zone[3] or if measures were taken to prevent or limit such pollution damage[2].

A court that is competent according to the first paragraph of this Section may adjudicate all claims concerning the same occurrence or series of occurrences having the same origin[4]. This also applies to claims relating to pollution damage[2] outside this Kingdom.

Actions concerning the distribution of a limitation fund as mentioned in Section 195 may only be brought in this Kingdom if the fund has been constituted at a Norwegian court. Any such action shall be brought at the court where the limitation fund is established.

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 pursuant to Resolution no. 1577 of 21 December 2007).

[1] Cf. Section 200.
[2] Cf. Section 191 paragraph two.
[3] Cf. Act 17 December 1976 no. 91.
[4] Cf. Section 191 paragraph four, Section 194 paragraph one, Section195 paragraph two and Section 503 paragraph one.

**Section 204** Actions, etc., concerning the International Oil Pollution Compensation Fund, 1992 and the International Oil Pollution Compensation Supplementary Fund, 2003

Claims for compensation under the 1992 Fund Convention[1] and the 2003 Supplementary Fund Protocol[2] may only be brought before a Norwegian court in the circumstances mentioned in Section 203, 1st paragraph, and then only if no action against either the owner of the ship or his insurer[3] relating to the same damage has previously been brought in a State that is a party to either the 1992 Fund Convention or the 2003 Supplementary Fund Protocol respectively.

If an action under Section 203, 1st paragraph has been brought against the owner of a ship or his insurer, an action against the International Oil Pollution Compensation Fund, 1992 or the International Oil Pollution Compensation Supplementary Fund, 2003 in respect of the same damage may only be brought before the same court. Actions against the Funds moreover may only be brought before the court where an action under Section 203, 1st paragraph could have been brought.

The International Oil Pollution Compensation Fund, 1992 and the International Oil Pollution Compensation Supplementary Fund, 2003 may intervene as a party in any action against the owner of the ship or his insurer concerning compensation under the present Chapter and

shall in the event of such intervention be bound by the judgment of the court[4].

Where an action for compensation has been brought against the owner or his insurer, every party to the case may notify by letter the International Oil Pollution Compensation Fund, 1992 and the International Oil Pollution Compensation Supplementary Fund, 2003 of the case. The court shall arrange for the letter to be sent by registered mail to the Directors of the Funds. If the Fund in question has received such notice in sufficient time to enable it effectively to safeguard its interests, it shall be bound by a final judgment in the case[5].

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 10 of 27 February 2004 (entered into force on 3 March 2005 pursuant to Resolution no. 1714 of 17 December 2004).

[1] Cf. Section 191 paragraph eight.
[2] Cf. Section 191 paragraph nine.
[3] Cf. Section 200.
[4] Cf. Dispute Act Section 15-7.
[5] Cf. Section 503.

**Section 205** Recognition and enforcement of a foreign judgment

A final judgment against the owner of a ship or his insurer shall have binding effect in this Kingdom and may be enforced once it becomes formally enforceable, provided the judgment was pronounced in a State that is a party to the 1992 Civil Liability Convention1 and by a court that is competent to decide the case under Article IX of the 1992 Civil Liability Convention[1].

The same shall apply with the necessary modifications to any judgment against the International Oil Pollution Compensation Fund, 1992 pronounced in a State that is a party to the 1992 Fund Convention1 or in which the Fund has its seat, provided the court is competent under the 1992 Fund Convention,[1] Article 7 (1) or (3).

The same shall apply with the necessary modifications to any judgment against the International Oil Pollution Compensation Supplementary Fund (2003) pronounced in a State that has acceded to the 2003 Supplementary Fund Protocol[2] or in which the Fund has its seat,

provided the court is competent under the 2003 Supplementary Fund Protocol, Article 7.

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 10 of 27 February 2004 (entered into force on 3 March 2005 pursuant to Resolution no. 1714 of 17 December 2004).

[1] Cf. Section 191 paragraph seven and eight.
[2] Cf. Section 191 paragraph nine

**Section 206** Scope of application of the provisions of the 1992 Liability Convention

The provisions of Sections 191 to 196 and Section 200 relating to liability for pollution damage[1] shall apply to:

a) pollution damage arising in this Kingdom or in the Norwegian economic zone[2],
b) pollution damage1 arising in another State that is a party to the 1992 Civil Liability Convention[3] or in the economic zone of such a State, and
c) expenditure on measures, wherever taken, to prevent or limit such pollution damage[1].

If a State mentioned in letter (b) above has not established an economic zone, the same provisions shall apply in an area determined by that State in accordance with international law and extending not more than 200 nautical miles from the baselines from which its territorial sea is measured.

The provisions of Sections 191 to 205 shall not apply to a warship or other ship[4] owned or used by a State which at the time of the escape or discharge of oil is being used exclusively on government non-commercial service, cf. however Section 207.

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996).

[1] Cf. section 191 paragraph two.
[2] Cf. Act 17 December 1976 no. 91.
[3] Cf. section 91 paragraph seven.
[4] Cf. section 191 paragraph three.

**Section 207** Liability for oil pollution damage not covered by the convention

If a ship causes pollution damage1 as mentioned in Section 191 on that part of the Norwegian continental shelf[2] that lies beyond the Norwegian economic zone[3] or, in so far as Norwegian rules on damages apply, elsewhere on the high seas, or if measures are taken to prevent or limit such damage, the provisions of Sections 191 and 192 shall apply correspondingly. In respect of such ships as are mentioned in Section 206, 3rd paragraph, the same provisions shall apply also to damage in this Kingdom or in the Norwegian economic zone[3].

Liability under the first paragraph of this Section is limited in accordance with the provisions of Section 194, 1st paragraph. If limitation of liability is asserted, the following rules shall apply:

a) the provisions of Chapter 9 shall apply in so far as they are appropriate,
b) such claims as are mentioned in Section 195, 3rd paragraph shall rank equally with other claims when the liability amount is distributed,
c) if a limitation fund is established in this Kingdom, the amount of the fund shall be equivalent to the full liability amount and the provisions of Chapter 12 shall apply correspondingly, and
d) if a limitation fund has been established that under Section 178 would prevent arrest or other enforcement proceedings in this Kingdom, also Section 193, 2nd and 3rd paragraphs shall apply correspondingly.

If a Norwegian court[4] finds a party liable where a ship has caused pollution damage in a non-Convention State[5] or on the high seas, or where measures have been taken to prevent or limit such damage, the liability amount shall be limited to 4,510,000 SDR[6] in respect of ships having tonnage not exceeding 5,000 tons[7]. In respect of ships having tonnage exceeding 5,000 tons, the liability amount shall be increased by 631 SDR6 for each ton of its tonnage exceeding 5,000 tons[7]. Nevertheless the liability amount may in no circumstances exceed 89,770,000 SDR6.

In other respects, the provisions of the second paragraph of this Section and of Section 194, 4th paragraph shall apply correspondingly.

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 61 of 2 August 1996 (entered into force on 1 January 1997), Act no. 10 of 27 February 2004.

[1] Cf. section 191 paragraph two.
[2] Cf. section 209 and Act 21 June 1963 no. 12 section 1 second sentence.
[3] Cf. Act 17 December 1976 no. 91.
[4] Cf. section 203.
[5] Cf. section 191 paragraph seven.
[6] Cf. section 505 and footnote in that section.
[7] Cf. Act 16 February 2007 no. 9.

**Section 208** Liability for oil pollution damage subject to global limitation

If in this Kingdom or in the Norwegian part of the continental shelf[1] pollution damage is caused by an escape or discharge of oil from a ship, drilling rig or similar seaborne construction other than those mentioned in Section 191, 3rd paragraph and where the pollution damage is not covered by Sections 183 through 190, the provisions of Sections 191 and 192 shall apply correspondingly. The same applies where measures have been taken to prevent or limit such damage[2].

The provisions of the first paragraph of this Section shall apply also to pollution damage on the high seas outside the Norwegian sector of the continental shelf in so far as Norwegian rules on damages apply.

Liability under the first and second paragraphs of this Section is subject to limitation under the provisions of Chapter 9, cf. also Section 507.

The provisions of the first, second and third paragraphs shall apply correspondingly to persistent oil other than of the type mentioned in Section 191, 4th paragraph, to non-persistent oil and to mixtures containing oil, regardless of whether the ship or installation comes within the scope of the definition in Section 191 paragraph three.

[0] Amended by Act no. 13 of 17 March 1995 (entered into force on 30 May 1996), Act no. 128 of 21 December 2007 (entered into force on 21 November 2008 pursuant to Resolution no. 1577 of 21 December 2007).

[1] Cf. Act 21 June 1963 no. 12 section 1 second sentence.
[2] Cf. section 191 paragraph two.

**Section 209[1]** Limitations due to other statutes and conventions

The provisions of Sections 191 to 208[2] shall not cause any reduction in the liability of a licensee or an operator under the provisions of Chapter 7 of the Petroleum Act[3] for claims relating to pollution damage resulting from the outflow or escape of petroleum.

If the licensee or the operator is liable for the damage under Chapter 7 of the Petroleum Act, claims pursuant to Sections 207 and 209 may only be invoked subject to the limitations ensuing from the provisions of Sections 7-4 and 7-5 of the Petroleum Act.

The provisions of Sections 191 through 208 shall not apply in so far as they may conflict with Norway's convention obligations towards States that are not party to the 1992 Civil Liability Convention[4].

[0] Amended by Act 17 no. 13 of March 1995 (entered into force on 30 May 1996), Act no. 46 of 26 June 1998.

[1] Cf. section 152.
[2] Cf. section 503.
[3] Act 29 November 1996 no. 72.
[4] Cf. section 191 paragraph seven.

## Chapter 11. (chapter not in use)

## Chapter 12. Limitation Funds and Limitation Proceedings

**Section 231** Scope

The provisions of the present Chapter apply to limitation funds constituted according to Section 177 (global funds), Section 195 (oil damage funds according to the 1992 Liability Convention) and subse-

quent actions for limitation. Funds constituted according to Section 207 are also to be regarded as global funds.

The provisions of the Dispute Act[1] apply correspondingly unless the contrary follows from the present Chapter.

[0] Amended by Acts 17 March 1995 no. 13 (in force 30 May 1996), 15 May 1998 no. 26, 7 January 2000 no. 2 (in force 1 July 2000 according to Resolution 7 January 2000 no. 12), 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358), Act 17 June 2005 no. 90 (in force 1 January 2008 according to Resolution 26 January 2007 no. 88) as amended by Act 26 January 2007 no. 3.

[1] Act 17 June 2005 no. 90 (Dispute Act).

**Section 232** Amounts of funds

The global fund shall correspond to

a) the total of the amounts which according to Section 175 or Section 175a are the limits of the liability for the claims for which limitation of liability is being invoked and which arose from one and the same event, and

b) interest on the amounts mentioned under letter a for the time from the event to the constitution of the fund, calculated at the rate laid down according to Section 3 of Act of 17 December, 1976, No. 100 Relating to Interest on Overdue Payments.

A fund constituted according to Section 175a shall equal the full amount of liability there, unless the fund is constituted as a supplementary fund according to Section 178a paragraph two.

A fund constituted according to Section 207 equals the full liability amount according to Section 207 paragraph two or three.

An oil damage fund according to the 1992 Liability Convention[1] equals the amount of the liability according to Section 194.

[0] Amended by Acts 17 March 1995 no. 13 (in force 30 May 1996), 15 May 1998 no. 26, 7 January 2000 no. 2 (in force 1 July 2000 according to Resolution 7 January 2000 no. 12), 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358).

[1] Cf. section 191 paragraph seven.

**Section 233** Application to constitute a fund

The person applying for the constitution of a limitation fund shall pay the amount of the fund to the Court or give such security for the amount as the Court finds satisfactory.

The application shall explain the reasons for constituting the fund, the information on the ship which is necessary to calculate the amount of the fund[1], and as far as possible information on all those believed likely to present claims against the fund.

[1] Cf. Section 232.

**Section 234** Constitution of a fund

A decision to constitute a fund is made in the form of a ruling[1] which provisionally fixes the amount of the fund and decides whether the proposed security is acceptable.

Unless there are special reasons for the contrary, the Court shall in its ruling also require payment of or the giving of security for an additional amount fixed at the discretion of the Court to meet the costs of constituting the fund and of an action for limitation, and the liability for interest payments. When a global fund is constituted, this only applies to interest for the period after the constitution of the fund.

If it appears from the ruling that the necessary payment has been made or security given, the fund shall be regarded as constituted on the day when the ruling was handed down. Otherwise the fund shall be regarded as constituted on the day when payment was made or security given.

The ruling can be appealed[2].

[0] Act 17 June 2005 no. 90 (in force 1 January 2008 according to Resolution 26 January 2007 no. 88) as amended by Act 26 January 2007 no. 3.

[1] Original: "kjennelse".

[2] Cf. Act 17 June 2005 no. 90.

**Section 235** Announcement

The Court shall immediately announce that a limitation fund has been constituted. In the announcement, all creditors intending to claim recovery from the fund shall be advised to submit their claims to the Court within a certain time limit of at least 2 months[1]. Attention shall at the same time be drawn to the provisions of Section 177, paragraph three, second sentence and Sections 238 and 245.

The announcement shall be published in Norsk lysingsblad[2,3] and, at the discretion of the Court, also in other ways. According to the circumstances, the announcement shall also be published in other States.

The person constituting the fund and all known creditors shall be notified by registered mail.

[0] Amended by Act 7 January 2000 no. 2 (in force 1 July 2000 according to Resolution 7 January 2000 no. 12), 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358).

[1] Cf. Act 13 August 1915 no. 5 Chapter 8.
[2] Cf. Act 11 October 1946 no. 1.
[3] The official gazette.

**Section 236** Fund administrator

If practical reasons so indicate, the Court may appoint an advocate or other expert to administer the fund. The Court determines the remuneration of the administrator.

**Section 237** Submission of claims

A person submitting a claim shall give the Court the necessary information concerning the claim, including the basis for and the amount of the claim, and whether it is or has been subject to separate legal action.

**Section 238** Lapse of claims

Satisfaction of a claim of which the Court has not been notified before the distribution of the fund is adjudicated by the Court of first

instance can only be demanded according to the provisions of Section 244 paragraph two.

**Section 239** Payment and release of the fund

The fund cannot be released unless the time limit[1] for the submission of claims has expired and consent has been given by the person constituting the fund and by all creditors who have submitted claims against the fund.

[1] Cf. 235.

**Section 240** Limitation proceedings

Limitation proceedings are instituted by a writ of summons to the Court at which the fund is constituted. Proceedings can be instituted by a person as mentioned in Section 177, paragraph three, first sentence, or Section 195, paragraph one, second sentence. All those with claims against the fund shall be served with a joint writ of summons. All on whose behalf the fund was constituted can be made parties to the procedure.

[0] Amended by Act 17 March 1995 no. 13 (in force 30 May 1996), 15 May 1998 no. 26, 7 January 2000 no. 2 (in force 1 July 2000 according to Resolution 7 January 2000 no. 12), 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358).

**Section 241** Fund meeting

The Court summons the person who constituted the fund, the person who instituted the limitation proceedings, and the creditors who have submitted claims (the parties) to a fund meeting. The fund meeting shall deal with the questions of the right to limitation of liability, the amount of the liability, and the claims submitted.

Before the meeting the administrator or, if no administrator has been appointed, the Court shall prepare and distribute to the parties recommendations concerning the questions to be dealt with.

If at the end of the fund meeting no objections have been made to the recommendations with such changes as may have been made at the fund

meeting, the Court shall base the distribution of the fund on the recommendation. If it finds it necessary, the Court can postpone the treatment of the recommendation to a later fund meeting.

If an objection remains at the end of the fund meeting, the Court shall set a time limit within which the person maintaining the objection shall request that the question be decided by the Court. If the time limit is overrun, the objection is regarded as withdrawn.

**Section 242** Settlement of disputes

If a request has been presented for a question to be decided by the Court, the Court decides whom to regard as plaintiff and defendant. The dispute is settled after such further preparation as the Court finds necessary. The Court may decide that the dispute shall be heard according to the rules on ordinary civil trials.

Disputes concerning the right of limitation of liability, the amount of the liability or individual claims can be subject to separate proceedings and adjudication. Each part judgment is in that case subject to separate appeal.

The Court shall give the person who constituted the fund and anyone having submitted a claim notice of disputes that are initiated and judgments given.

**Section 243** Provisional payment

After the expiry of the time limit for submitting claims, the Court may decide to make provisional payments in partial settlement of the claims which have been proved.

**Section 244** Distribution of the fund

When all disputes have been settled, the Court will by judgment distribute the fund according to the provisions of Sections 176 or 195.

The Court may retain an amount of money to cover claims that have not been submitted before the distribution of the fund was adjudicated by the Court of first instance. That amount of money is distributed

when all claims submitted are decided on and the Court believes that no further claims will be submitted.

The fund shall be distributed even if the person who constituted it is not entitled to limitation of liability[1]. The Court can on request give judgment ordering enforcement in respect of such part of a claim as is not covered by the fund.

[0] Amended by Act 17 March 1995 no. 13 (in force 30 May 1996), 15 May 1998 no. 26, 7 January 2000 no. 2 (in force 1 July 2000 according to Resolution 7 January 2000 no. 12), 17 June 2005 no. 88 (in force 1 November 2006 according to Resolution 2 December 2005 no. 1358).

[1] Cf. section 174, section 194 paragraph three.

**Section 245** Effect of final judgments

A final judgment[1] on the right of limitation of liability, the amount of the liability, the claims submitted and the distribution of the fund is binding on all those entitled to claim recovery from the fund, regardless of whether they have submitted claims in the case. The case can only be re-opened in respect of the right to limitation of liability[2].

[0] 17 June 2005 no. 90 (in force 1 January 2008 according to Resolution 26 January 2007 no. 88) as amended by Act 26 January 2007 no. 3.

[1] Cf. Dispute Act Chapter 19 V.
[2] Cf. Section 244 paragraph four and Dispute Act Chapter 31.

# Part IV. Contracts of Carriage[1]

[1] Cf. Acts 16 April 1937, 16 June 1967 no. 3, 7 July 1967 no. 1, 7 June 1968 no. 4, 6 June 1980 no. 18, 8. June 1984 no. 55, 12 June 1987 no. 48 Section 4, 4 December 1992 no. 121 and 27 June 2003 no. 58.

## Chapter 13. Carriage of General Cargo[1]

[1] Cf. previous Act 4 February 1938 no. 3.

### I. Introductory Provisions

**Section 251** Definitions

In this Chapter the following words have the following meanings:
*carrier,* the person who enters into a contract with a sender for the carriage of general cargo by sea;
*sub-carrier,* the person who, pursuant to an assignment by the carrier, performs the carriage or part of it;
*sender,* the person who enters into a contract with a carrier for the carriage of general cargo by sea;
*shipper,* the person who delivers the goods for carriage[1];
*transport document,* a bill of lading[2] or other document[3] issued as evidence of the contract of carriage;
*the Convention,* the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading, 1924, as amended by the Protocols of 1968 and 1979 (the Hague-Visby Rules);
*Convention State,* a State bound by the Convention.

[1] Cf. Section 321.
[2] Cf. Section 292.
[3] Cf. Section 308.

**Section 252** Scope of application

The provisions of this Chapter apply to contracts of carriage by sea[1] in domestic trade in Norway and in trade between Norway, Denmark, Finland and Sweden.[2] In respect of contracts of carriage by sea in

domestic trade in Denmark, Finland and Sweden, the law of the State where the carriage is performed applies.

In other trades the provisions apply to contracts of carriage by sea between two different States, if:

1) the agreed port of loading is in a Convention State,[3]
2) the agreed port of discharge is in Norway, Denmark, Finland or Sweden,
3) several ports of discharge have been agreed and the actual port of discharge is one of these and is situated in Norway, Denmark, Finland or Sweden,
4) the transport document[3] is issued in a Convention State, or
5) the transport document[3] states that the Convention or the law of a Convention State based thereon shall apply.

If neither the agreed place of loading nor the agreed or actual place of delivery is in Norway, Denmark, Finland or Sweden, the parties may nevertheless agree[4] that the contract of carriage by sea shall be subject to the law of a Convention State.[3]

[1] Cf. Acts 20 December 1974 no. 68 Section 4, 15 June 1984 no. 74 and 75 and 11 June 1993 no. 101 Chapter X.
[2] Cf. Chapter 14 and 15.
[3] Cf. Section 251.
[4] Cf. Section 254 paragraph three.

**Section 253** Charter party trade, etc.

The provisions of this Chapter do not apply to charter parties for the chartering of a whole ship or part of a ship.[1] If a bill of lading is issued pursuant to a charter party, the provisions of this Chapter nevertheless apply to the bill of lading if it governs the legal relationship between the carrier and the holder of the bill of lading.[3]

Under a contract for the carriage by ship of cargo on several voyages within a specified period of time, the provisions of this Chapter apply to each voyage.[4] If the voyage is performed according to a charter party, paragraph one nevertheless applies.

[1] Cf. Chapter 14.
[2] Cf. Section 292.

[3] Cf. Section 292 paragraph three and Section 325.
[4] Cf. Section 362 and Section 367.

**Section 254**[1] Contractual provisions

A provision of a contract of carriage or transport document[2] is invalid in so far as it departs from the provisions of this Chapter or from Section 501 paragraph one no. 7 and paragraph two first sentence. The invalidity of such a provision does not affect the validity of the other provisions of the contract or document. Any provision granting the carrier[2] the benefit of insurance for the goods, or any similar provision, is invalid.

Paragraph one does not apply to the provisions of Sections 255, 258 to 261 and 264 to 273 or preclude the inclusion in the contract of carriage of provisions relating to general average.[3] The carrier may also increase his responsibilities or obligations under this Chapter.[4]

If a contract of carriage is subject to the Convention[2] or the law of a Convention State[2] based thereon, the transport document[2] shall state this, and state that provisions varying those rules to the detriment of the sender,[2] shipper[2] or receiver are invalid.[5]

If, due to the peculiar character or state of the goods or the particular circumstances or conditions under which the carriage is to be performed, it is reasonable to decrease the obligations of the carrier or to increase his rights according to this Chapter, an agreement to that effect is valid.[6]

[1] Cf. Section 285.
[2] Cf. Section 251.
[3] Cf. Chapter 17 and Section 289.
[4] Cf. Section 286 paragraph two.
[5] Cf. Section 252 paragraph three.
[6] Cf. Section 277.

## II. Delivery of Goods

**Section 255**[1] The shipper's delivery of the goods

The goods shall be delivered at the place and within the period of time as indicated by the carrier.[2] It shall be delivered in such a way and in such a condition that it can be conveniently and safely brought on board, stowed, carried and discharged.

[1] Cf. Section 254.
[2] Cf. Section 251.

**Section 256**[1] Examination of packing

The carrier[2] shall to a reasonable extent examine whether the goods are packed in such a way as not to suffer damage or cause damage to any person or property. If the goods have been delivered in a container or similar transport device, the carrier is not, however, bound to examine such device internally unless there is reason to suspect that it has not been sufficiently well packed.

The carrier[2] shall inform the sender[2] of any deficiencies the carrier has noticed.[3] The carrier is not bound to carry the goods unless the carrier cannot by reasonable means make them fit for carriage.

[1] Cf. Sections 281 and 298.
[2] Cf. Section 251.
[3] Cf. Section 275 paragraph three.

**Section 257**[1] Dangerous goods

Dangerous goods shall be marked as dangerous in a suitable manner.[2] The sender shall in due time notify the carrier[3] and the sub-carrier[3] to whom the goods are delivered of the dangerous nature of the goods and indicate the necessary safety measures.

If the sender[3] otherwise is aware that the goods are of such a nature that their carriage may involve danger or significant inconvenience to persons, ship or cargo, the sender shall also give notice of this fact.[4]

[1] Cf. Section 291.
[2] Cf. Section 296 paragraph one no. 1 and Act 9 June 1903 no. 7 Sections 69 to 79.

[3] Cf. Section 251.
[4] Cf. Act 22 April 1932 no. 1.

**Section 258**[1] Goods requiring special care

If the goods need to be handled with special care, the sender shall in due time give notice thereof, and state the measures which may be required.[2] If necessary, the goods shall be marked in a suitable manner.

[1] Cf. Section 254.
[2] Cf. Section 277 paragraph two.

**Section 259**[1] Receipt for goods received

The shipper[2] is entitled to demand receipts for the reception of goods as and when they are delivered.

Provisions relating to the issuing of bills of lading and other transport documents[2] are contained in Sections 292 to 309.

[1] Cf. Sections 254 and 294.
[2] Cf. Section 251.

**Section 260**[1] Freight

Unless otherwise agreed, the freight payable is the current freight at the time of delivery. Payment of freight can be demanded upon reception of the goods.

For goods that are not intact at the end of the carriage, freight cannot be claimed unless the goods have been lost due to the nature of the goods, insufficient packing, or fault or neglect on the part of the sender,[2] or the carrier[2] has sold the goods for the account of the owner or has discharged them, rendered them innocuous or destroyed them according to Section 291.

Freight paid in advance shall be repaid if, according to paragraph two, the carrier[2] was not entitled to freight.

[1] Cf. Section 254.
[2] Cf. Section 251.

**Section 261**[1] Breach of contract and renunciation by the sender[2]

If the sender[2] renounces the contract before the carriage has commenced, the carrier[2] is entitled to damages for loss of freight and other losses.

If the goods are not delivered on time, the carrier is entitled to cancel the contract if the delay amounts to a substantial breach of contract. If the carrier wishes to cancel the contract, the carrier must give notice without undue delay after the sender has inquired, but no later than when the goods are received for carriage. If the carrier does not do so, the right of cancellation is lost. If the contract is cancelled, the carrier is entitled to damages for loss of freight and other losses.

If the sender[2] or the receiver requests interruption of the carriage and delivery of the goods elsewhere than at their destination,[3] the carrier[2] is entitled to damages for loss of freight and other losses. Interruption of the carriage cannot be requested if it would cause significant loss or inconvenience to the carrier or other senders.

The provisions of Section 352 paragraphs two to four apply correspondingly.

[1] Cf. Section 254.
[2] Cf. Section 251.
[3] Cf. Section 302 paragraph two.

## III. The Carriage

**Section 262**[1] The duty of the carrier[2] to protect the interests of the cargo owner

The carrier[2] shall perform the carriage with due care and despatch, take care of the goods and in other respects protect the interests[3] of the owner from the reception and to the delivery of the goods.[4]

The carrier[2] shall ensure that the ship used for the carriage is seaworthy, including that it is properly manned and equipped and that the holds, refrigerated and cold-storage storerooms and other parts of the ship where goods are stored are in a proper condition for receiving, carrying and preserving the goods.[5]

If goods have been lost, damaged or delayed, the carrier[2] shall notify the person indicated by the sender[2] at the earliest opportunity. If such notice cannot be given, the cargo owner or, if he is unknown, the sender shall be notified. The same applies if the carriage cannot be completed as intended.[6]

[1] Cf. Section 138.
[2] Cf. Section 251.
[3] Cf. Section 275 paragraph two.
[4] Cf. Section 274.
[5] Cf. Sections 131 and 276 paragraph two.
[6] Cf. Sections 303 and 346.

**Section 263** Deck cargo

Goods can be carried on deck only if this is in accordance with the contract of carriage, custom of the trade or other usage in the trade in question or is required by statutory rules or regulations based on statutory rules.[1]

If, according to the contract, the goods may or shall be carried on deck, this shall be stated in the transport document.[2] If this has not been done, the carrier has the burden of proving that carriage on deck was agreed. The carrier[2] cannot invoke such an agreement against a third party who has acquired the bill of lading in good faith.[3]

Special rules on liability for deck cargo are contained in Section 284.

[1] Cf. Act 9 June 1903 no. 7 Section 72 paragraph one.
[2] Cf. Section 251.
[3] Cf. Sections 284, 292 paragraph three, 300 and 325.

**Section 264**[1] Breach of contract by the carrier[2]

The sender[2] is entitled to cancel the contract of carriage due to delay or other breach of contract on the part of the carrier[2] if the breach of contract is substantial. From the time that the goods have been delivered, the sender is not entitled to cancel the contract if redelivery of the goods would involve significant loss or inconvenience to other senders.

If the sender[2] wishes to cancel the contract, the sender must give notice hereof without undue delay from the time that it must be assumed

that the sender has knowledge of the breach of contract. If the sender does not do so, the right of cancellation is lost.

[1] Cf. Section 254.
[2] Cf. Section 251.

**Section 265**[1] Interruption of the carriage and distance freight

If a ship carrying or intended to carry the goods is lost or damaged beyond repair, this does not relieve the carrier[2] of the obligation to complete the carriage.

If hindrances arise which prevent the ship from reaching the port of discharge and discharging the goods, or if this cannot be done without unreasonable delay, the carrier[2] may instead choose another suitable port of discharge.

Regarding cancellation of the contract of carriage due to war risk, etc., the provisions of Sections 358 and 360 apply.

If a part of the carriage has been performed when the contract is cancelled or ceases, or when for any other reason the goods are discharged in a port other than the agreed port of discharge, the carrier[2] is entitled to distance freight according to the provisions of Section 341.

[1] Cf. Section 254.
[2] Cf. Section 251.

**Section 266**[1] Measures adopted on behalf of the cargo owner

If it becomes necessary to adopt special measures in order to safeguard or carry the goods or otherwise to protect the interests of the cargo owner, the carrier[2] shall obtain instructions from the cargo owner.

If time or other circumstances do not permit the obtaining of instructions, or if such instructions are not received in due time, the carrier[2] is authorized to take the necessary steps on the behalf of the cargo owner and represent the cargo owner in matters concerning the goods. Even though such measures were not necessary, they are binding on the cargo owner if the third party acted in good faith.

Notice of the steps taken shall be given according to the provisions of Section 262 paragraph three.

[1] Cf. Sections 138 and 254.
[2] Cf. Section 251.

**Section 267**[1] Liability of the cargo owner for measures adopted by the carrier[2]

The cargo owner is liable for measures adopted and expenses incurred by the carrier[2] for the sake of the goods. However, if the carrier acted without instructions, the cargo owner is not liable for a higher amount than the value at the outset of the carriage of the goods to which the measure or the expense related.

[1] Cf. Section 61 no. 2 and Section 254.
[2] Cf. Section 251.

## IV. Delivery of the Goods

**Section 268**[1] The carrier's[2] delivery of the goods

At the port of destination, the receiver shall receive the goods at the place and within the period of time indicated by the carrier.[2] The goods shall be delivered in such a manner that they can be conveniently and safely received.

A person who appears to be entitled to receive the goods may inspect them before reception.[3]

[1] Cf. Section 254.
[2] Cf. Section 251.
[3] Cf. Section 302.

**Section 269**[1] Duty of the receiver to pay freight, etc.

If the goods are delivered against a bill of lading,[2] the receiver becomes liable on receiving the goods for freight and other claims due to the carrier[3] pursuant to the bill of lading.[4]

If the goods were delivered otherwise than against a bill of lading,[2] the receiver is only liable to pay freight and other claims according to

the contract of carriage if the receiver had notice of the claims at the time of delivery or was aware or ought to have been aware that the carrier[3] had not received payment.

[1] Cf. Section 61 no. 3 and Section 254.
[2] Cf. Section 292.
[3] Cf. Section 245.
[4] Cf. Sections 299 and 325.

**Section 270**[1] Right of retention

If the carrier has claims according to Section 269 or other claims secured by a maritime lien on the goods pursuant to Section 61, the carrier is not obliged to deliver the goods before the receiver has either paid the claims or given security for them.[2] When the goods have been delivered, the carrier[3] can claim payment out of the security[4] unless the receiver prevents this by arrest[5] or interim injunction.[6]

[1] Cf. Section 254.
[2] Cf. Sections 448 and 465.
[3] Cf. Section 251.
[4] Cf. Section 272.
[5] Cf. Chapter 4 and the Enforcement of Claims Act Chapter 14.
[6] Cf. Enforcement of Claims Act Chapter 16.

**Section 271**[1] Warehousing of goods

If the goods are not collected within the period indicated by the carrier[2] or otherwise within a reasonable time, they may be warehoused in safe custody at the expense of the receiver.[3]

Notice that the goods have been warehoused shall be given according to the rules of Section 262 paragraph three. A reasonable time limit shall be set, after which the goods may be sold or otherwise disposed of according to Section 272.

[1] Cf. Section 254.
[2] Cf. Section 251.
[3] Cf. Section 274 paragraph three and Section 303.

**Section 272**[1] The carrier's right of disposal of goods which are not collected

On the expiry of the time limit given in the notice according to Section 271 paragraph two, the carrier[2] can sell warehoused goods to the extent necessary to cover the costs of the sale and claims mentioned in Section 270. The carrier shall exercise care in the conduct of the sale.

If the goods cannot be sold or it is evident that the costs of sale will not be covered by the proceeds, the carrier[2] may dispose of the goods in some other reasonable way.

[1] Cf. Section 254.
[2] Cf. Section 251.

**Section 273**[1] The sender's liability for freight, etc.

If the goods are delivered to the receiver without payment of such claims against the sender[2] as the receiver should have paid, the sender remains liable, unless the delivery entails losses for the sender and the carrier must have realized this.

The carrier[2] is not obliged to sell warehoused goods[3] to cover such claims against the sender[2] as the receiver should have paid. If a sale nevertheless takes place without satisfaction of the claims, the sender remains liable for the deficit.

[1] Cf. Section 254.
[2] Cf. Section 251.
[3] Cf. Section 272.

## V. The Carrier's Liability for Damages[1]

[1] Cf. Section 501 paragraph one no. 7 and paragraph two.

**Section 274** Period of responsibility

The carrier[1] is responsible for the goods while they are in his or her custody at the port of loading, during the carriage, and at the port of discharge.[2]

The carrier[1] is considered to have the goods in his or her custody according to paragraph one from the moment when the carrier receives

the goods from the shipper or from any authority or other third party to whom the goods have to be delivered according to law or regulations applicable at the port of loading.

The carrier[1] is no longer considered to have custody of the goods according to paragraph one:

1) when the carrier has delivered the goods to the receiver,
2) if the receiver does not receive the goods from the carrier, when it has been warehoused[3] on the account of the receiver in accordance with the contract or with the law or usage at the port of discharge, or
3) when the carrier has delivered the goods to any authority or other third party to whom the goods must be delivered according to law or regulations applicable at the port of discharge.

[1] Cf. Section 251.
[2] Cf. Section 262.
[3] Cf. Section 271.

**Section 275** Liability for cargo damage

The carrier[1] is liable for losses resulting from the goods being lost of or damaged while in his or her custody on board or ashore, unless the carrier shows that the loss was not due to his or her personal fault or neglect or that of anyone for whom he or she is responsible.[2]

The carrier[1] is not liable for losses resulting from measures to rescue persons or reasonable measures to salvage ships or other property at sea.[3]

When fault or neglect on the part of the carrier1 combines with another cause to produce losses, the carrier is only liable to the extent that the loss is attributable to such fault or neglect.[4] It is for the carrier to prove to what extent the loss was not caused by fault or neglect on his or her part.

[1] Cf. Section 251.
[2] Cf. Section 285 and Section 291 paragraph three.
[3] Cf. Chapter 16.
[4] Cf. Sections 255 to 258, Section 284 and Act 13 June 1969 no. 26 Section 5-1.

**Section 276** Loss due to nautical fault and fire

The carrier[1] is not liable if the carrier can show that the loss resulted from:

1) fault or neglect in the navigation or management of the ship, on the part of the master, crew, pilot or tug or others performing work in the service of the ship,[2] or
2) fire, unless caused by the fault or neglect of the carrier[1] personally.

The carrier[1] is nevertheless liable for losses in consequence of unseaworthiness[3] which is caused by the carrier personally or a person for whom the carrier is responsible failing to take proper care to make the ship seaworthy at the commencement of the voyage. The burden of proving that proper care was taken rests on the carrier.

The present Section does not apply to contracts for carriage by sea in domestic trade in Norway.

[0] Amended by Act 2 August 1996 no. 61 (in force 1 January 1997).

[1] Cf. Section 251.
[2] Cf. Section 151.
[3] Cf. Sections 131 and 262 paragraph two.

**Section 277**[1] Liability for live animals

The carrier[2] is not liable for loss of or injury to live animals arising from the particular risks inherent in such carriage.

If the carrier[2] shows that he or she has followed the particular instructions given,[3] and that the loss or injury could be attributed to such risks, the carrier is not liable unless it is shown that the loss or injury was wholly or partly caused by the fault or neglect of the carrier personally or of someone for whom the carrier is responsible.

[1] Cf. Section 254 paragraph four.
[2] Cf. Section 251.
[3] Cf. Section 257.

**Section 278** Liability for delay

The carrier[1] is liable according to the provisions of Sections 275 to 277 for losses resulting from delay in delivery of the goods.

Delayed delivery occurs when the goods are not delivered in the port of discharge pursuant to the contract of carriage within the agreed time or, if no time limit for delivery was agreed, within the period of carriage which it is reasonable under the circumstances to require of a diligent carrier.[1]

If the goods have not been delivered within 60 days from the day when they should have been delivered according to paragraph two, damages can be claimed as for loss of the goods according to Section 275.

[1] Cf. Section 251.

**Section 279** Calculation of damages for property damage

Damages for loss of or damage to the goods are calculated on the basis of the value of goods of the same kind at the place and time when the goods were or should have been delivered according to the contract of carriage.

The value of the goods is determined on the basis of the exchange price or, in the absence thereof, the market price. If there is neither an exchange price nor a market price, the value shall be determined according to the current value of goods of the same kind and quality.

**Section 280** Limits of liability

The carrier's[1] liability shall not exceed 667 SDR for each package or other unit of the goods or 2 SDR for each kilogram of the gross weight of the goods lost, damaged or delayed. The limit of liability which results in the highest liability shall be applied. By SDR is meant the unit mentioned in Section 505.[2]

In contracts for carriage by sea in domestic trade in Norway, the liability of the carrier is limited to 17 SDR for each kilogram of the gross weight of the goods lost or damaged. The liability for delay shall not exceed the full freight according to the contract of carriage.

[0] Amended by Act 2 August 1996 no. 61 (in force 1 January 1997).

[1] Cf. Section 251.
[2] Cf. the footnote of Section 505.

**Section 281**[1] The limit of liability for goods loaded as a unit

If a container, pallet or other transport device was used to consolidate the goods, each package or other unit listed in the transport document as having been loaded in the device shall be regarded as one package or unit for the purposes of Section 280. Otherwise goods in the transport device shall be regarded as one unit. If the transport device itself has been lost or damaged, it shall be regarded as a separate unit unless it was owned or otherwise provided by the carrier.[2]

[1] Cf. Sections 256 and 298.
[2] Cf. Section 251.

**Section 282** Liability not based on the contract of carriage

The provisions relating to the carrier's[1] defences and the limits of the carrier's liability apply even if the claim against the carrier is not based on the contract of carriage.

The provisions relating to the carrier's[1] defences and the limits of the carrier's liability apply correspondingly if the claim is brought against anyone for whom the carrier is responsible, and that person shows that he or she acted in the performance of his or her duties in the service or to fulfil the assignment.

The total liability which can be imposed on the carrier and the persons for whom the carrier is responsible shall not exceed the limits of liability according to Section 280.

[1] Cf. Section 251.

**Section 283**[1] Loss of the right to limitation of liability

A liable person cannot limit his or her liability if it is shown that the he or she personally caused the loss wilfully or through gross negligence and with knowledge that such loss would probably arise.

[1] Cf. Section 284 paragraph two and Section 300.

**Section 284** Liability for deck cargo

If goods are carried on deck in breach of Section 263, the carrier[1] is liable, irrespective of the provisions of Sections 275 to 278, for losses which are exclusively the consequence of the carriage on deck. Concerning the extent of the liability, Sections 280 and 283 apply.

If goods have been carried on deck contrary to an express agreement for carriage under deck, there is no right to limitation of liability according to this Chapter.[2]

[1] Cf. Section 251.
[2] Cf. Section 283.

**Section 285** The carrier's liability for a sub-carrier[1]

If the carriage is performed wholly or in part by a sub-carrier,[1] the carrier remains liable according to the provisions of this Chapter as if the carrier had performed the entire carriage him- or herself.

If it has been expressly agreed that a certain part of the carriage shall be performed by a named sub-carrier,[1] the carrier[1] may make a reservation exempting him- or herself from liability for any loss caused by an event occurring while the goods are in the custody of the sub-carrier.[2] The burden of proving that the loss was caused by such an event rests on the carrier.

A reservation according to paragraph two can nevertheless not be invoked if an action against the sub-carrier[2] cannot be brought before a Court competent according to Section 310.

[1] Cf. Section 251.
[2] Cf. Section 254.

**Section 286**[1] Liability of the sub-carrier[2]

A sub-carrier[2] is liable for such part of the carriage as he or she performs, pursuant to the same rules as the carrier.[2] The provisions of Sections 282 and 283 apply correspondingly.

If the carrier[2] has undertaken obligations beyond what follows from the present Chapter or waived rights according to this Chapter,[3] the

sub-carrier[2] is only bound by this when he or she has given written consent.

[1] Cf. Sections 347 and 383.
[2] Cf. Section 251.
[3] Cf. Section 501.

**Section 287** Joint liability

If both the carrier[1] and sub-carrier[1] are liable, they are jointly and severally liable.[2]

The total liability which can be imposed on the carrier[1] and sub-carrier[1] and persons for whom they are responsible shall not exceed the limits of liability according to Section 280, unless the contrary follows from Section 283.

The provisions of the present Chapter do not preclude recourse agreements between the carrier and the sub-carrier.[1]

[1] Cf. Section 251.
[2] Cf. Act 13. June 1969 no. 26 Section 5-3.

**Section 288**[1] Notice of damage or loss

If the goods have been delivered and the receiver has not notified the carrier[2] in writing of any loss or damage which the receiver had or ought to have discovered, and of the nature of the loss or damage in question, all the goods is, where nothing to the contrary is proved, regarded to have been delivered in the condition described in the transport document.[2] If the loss or damage was not apparent at the time of delivery, the same applies if written notice is not given at the latest three days after the delivery.

Written notice is not required in respect of loss or damage which is ascertained in a joint inspection of the goods.[3]

The carrier[2] is not liable for losses in consequence of delayed delivery unless written notice is given within 60 days after the goods were delivered to the receiver.

Notice can be given to the sub-carrier[2] who delivered the goods, or to the carrier.[2]

[1] Cf. Section 299 and 309 paragraph two.
[2] Cf. Section 251.
[3] Cf. Chapter 18 III.

**Section 289**[1] General average contribution, etc.

The provisions of Sections 274 to 288 relating to the carrier's liability[2] for loss of or damage to goods apply correspondingly to the right of the receiver to refuse to pay a general average contribution and to the obligation of the carrier to reimburse the receiver for any general average contribution or any salvage reward which the latter may have paid.

[1] Cf. Section 254 paragraph two and Chapter 16 and 17.
[2] Cf. Section 251.

## VI. The Liability of the Sender

**Section 290** General rule on liability

The sender[1] is not liable for losses caused to the carrier[2] or sub-carrier,[1] including damage to the ship, which have arisen without any fault or neglect on the part of the sender personally or of anyone for whom the sender is responsible. Nor is anyone for whom the sender is responsible[2] liable for losses arising without any fault or neglect of him or her personally or that of anyone for whom he or she is responsible.

[1] Cf. Section 251.
[2] Cf. Section 255 paragraph two and Sections 257 and 258.

**Section 291** Dangerous goods

If the sender[1] has delivered dangerous goods to the carrier[1] or a sub-carrier[1] without informing him or her of the dangerous properties of the goods and the necessary precautions in accordance with Section 257, and if the person receiving the goods is not otherwise aware of their dangerous properties, the sender is liable to the carrier and to any sub-carrier for costs and other losses in consequence of the carriage of such goods. The carrier or sub-carrier may, according to the circumstances,

discharge the goods, render them innocuous, or destroy them with no obligation to pay damages.

A person who has received the goods into his or her custody while knowing its dangerous properties cannot invoke the provisions of paragraph one.

The carrier[1] may, according to the circumstances, discharge, render innocuous or destroy goods which prove to be a danger to persons or property, with no obligation to pay damages.[2]

[1] Cf. Section 251.
[2] Cf. Section 275.

## VII. Bills of Lading and other Transport Documents

**Section 292** Bills of lading

By a bill of lading (konnossement)[4] is meant a document

1) which evidences a contract of carriage by sea and that the carrier[1] has received or loaded the goods, and
2) which is designated by the term bill of lading or contains a clause to the effect that the carrier undertakes to deliver the goods in exchange for the return of the document only.

A bill of lading may be made out to a named person, to a named person or order, or to bearer. A bill of lading made out to a named person is regarded as an order bill of lading unless it contains a reservation in such terms as "not to order"[5] or similar.[2]

A bill of lading governs the conditions for carriage and delivery of the goods in the relation between the carrier[1] and a holder of the bill of lading other than the sender.[1] Provisions in the contract of carriage which are not included in the bill of lading cannot be invoked against such a holder unless the bill of lading includes a reference to them.[3]

[1] Cf. Section 251.
[2] Cf. Act 17 February 1939 no. 1 Section 11 paragraph two no. 2.
[3] Cf. Section 310 paragraph three and Section 325.
[4] In the original text the English term "bill of lading" is included as well as the Norwegian term "konnossement".
[5] The term used in the original text is "ikke til ordre".

**Section 293** Through bills of lading

By a through bill of lading is meant a bill of lading which states that the carriage of the goods is to be performed by more than one carrier.[1]

A person issuing a through bill of lading shall see to that a separate bill of lading issued for part of the carriage states that the goods are being carried according to a through bill of lading.

[1] Cf. Section 251.

**Section 294**[1] The shipper's right to a bill of lading

When the carrier[2] has received the goods, the carrier shall at the request of the shipper[2] issue a received for shipment bill of lading.

When the goods have been loaded, the shipper[2] can demand a shipped bill of lading. If a received for shipment bill of lading was issued, it shall be returned when the shipped bill of lading is issued. A received for shipment bill of lading with an annotation of the name of the ship or ships onto which the goods have been loaded and the date of loading serves as a shipped bill of lading.

The shipper[2] is entitled to request separate bills of lading for parts of the goods if this entails no significant inconvenience.

[1] Cf. Sections 259, 338 and 382.
[2] Cf. Section 251.

**Section 295** Master's bill of lading

A bill of lading signed by the master of the ship carrying the goods is regarded as having been signed on behalf of the carrier.[1]

[1] Cf. Section 251.

**Section 296** Contents of the bill of lading

A bill of lading shall contain statements on:[1]

1) the nature of the goods, including their dangerous properties,[2] the necessary identification marks, the number of packages or

pieces and the weight or otherwise expressed quantity of the goods, all as stated by the shipper;[3]

2) the apparent condition of the goods and packing;[4]
3) the carrier's name and principal place of business;[3]
4) the name of the shipper;[3]
5) the receiver, if named by the shipper;[3]
6) the loading port according to the contract of carriage and the date on which the carrier[3] received the goods there;
7) the port of discharge according to the contract of carriage and any agreement concerning the time of the delivery of the goods there;
8) the number of originals, if the bill of lading was issued in more than one original;
9) the place where the bill of lading was issued;
10) the amount of the freight, if it is to be paid by the receiver, or a statement that freight will be paid by the receiver, and the other conditions for the carriage and delivery of the goods;[5]
11) that the carriage is subject to the Convention, cf. Section 254 paragraph three;
12) that the goods, as the case may be, shall or may be carried on deck;[6]
13) any increased limitation of liability on which the parties may have agreed.[7]

A shipped bill of lading shall also state the name and nationality of the ship, the place of loading, and the date when the loading was completed.

The bill of lading shall be signed by the carrier or a person acting on behalf of the carrier.[8] The signature may be produced by mechanical or electronic means.

[1] Cf. Section 254 paragraph three.
[2] Cf. Section 257.
[3] Cf. Section 251.
[4] Cf. Section 299 paragraph one second sentence.
[5] Cf. Sections 269 and 299 paragraph two.
[6] Cf. Section 263.
[7] Cf. Section 254 paragraph two.
[8] Cf. Sections 251 and 295.

**Section 297** Absence of particulars in a bill of lading

A document which fulfils the requirements in Section 292 paragraph one is a bill of lading even if some of the information mentioned in Section 296 is missing.

**Section 298**[1] Carrier's duty of inspection

The carrier[2] shall to a reasonable extent check the accuracy of the information on the goods entered in the bill of lading according to Section 296 paragraph one no. 1. If the carrier has reasonable grounds for doubting the accuracy of the information or has not had a reasonable opportunity to check its correctness, the carrier shall make a reservation to that effect in the bill of lading.[3]

1 Cf. Sections 256 and 281.
2 Cf. Section 251.
3 Cf. Section 299 paragraph three.

**Section 299**[1] The evidentiary effect of a bill of lading

A bill of lading is evidence that the carrier[2] has received the goods or, if a shipped bill of lading has been issued, that the carrier has loaded the goods as stated in the bill of lading in so far as no reservation has been made as mentioned in Section 298 or nothing to the contrary is shown. If the bill of lading lacks a statement of the apparent condition of the goods and packing, it shall, unless the contrary is shown, be assumed that the goods were in good apparent condition.[3]

A bill of lading which does not indicate the amount of freight or otherwise shows that freight will be paid by the receiver, cf. Section 296 paragraph two no. 10, is evidence that the receiver is not to pay freight unless the contrary is shown. The same applies correspondingly if the amount payable for demurrage[4] is not stated in the bill of lading.[5]

If a third party in good faith has acquired a bill of lading in reliance on the accuracy of the statements in it, evidence to the contrary according to paragraphs one and two is not admissible. If the carrier[2] knew or ought to have understood that a statement concerning the goods was

incorrect, the carrier cannot invoke a reservation as mentioned in Section 298, unless the reservation expressly states that the information is incorrect.

[1] Cf. Sections 263 and 288.
[2] Cf. Section 251.
[3] Cf. Section 296 paragraph one no. 2.
[4] Cf. Section 334.
[5] Cf. Sections 335 and 370.

**Section 300**[1] Liability for misleading information in bills of lading

If a third party incurs a loss by acquiring a bill of lading in reliance on the accuracy of the information it contains, the carrier[2] is liable if the carrier understood or ought to have understood that the bill of lading was misleading for a third party. No right of limitation of liability under this Chapter[3] applies.[4]

If the goods do not correspond to the statements in the bill of lading, the receiver can demand that the carrier[2] state whether the shipper has undertaken to indemnify the carrier in respect of incorrect or incomplete information (letter of indemnity).[5] If so, the carrier is obliged to acquaint the receiver with the contents of the undertaking.[6]

[1] Cf. Sections 263 and 501 paragraph one no. 7.
[2] Cf. Section 251.
[3] Cf. Section 172.
[4] Cf. Section 280.
[5] Cf. Section 301.
[6] Cf. the Dispute Act Section 250.

**Section 301** Guarantee by the shipper[1]

The shipper[1] is responsible to the carrier for the accuracy of the statements relating to the goods entered in the bill of lading at the request of the shipper.

If the shipper[1] has undertaken to indemnify the carrier for losses arising from the issuing of a bill of lading containing incorrect information or containing no reservation,[2] the shipper is nevertheless not liable if the issuing was intended to mislead an acquirer of the bill of

lading.[3] Nor is the shipper in such a case liable according to paragraph one.

[1] Cf. Section 251.
[2] Cf. Section 300 paragraph two.
[3] Cf. NL 5-1-2.

**Section 302**[1] Apparent authority of the holder

The person who presents a bill of lading and, through its wording or, in the case of an order bill,[2] through a continuous chain of endorsements or through an endorsement in blank, appears as the rightful holder, is prima facie regarded as entitled to take delivery of the goods.[3]

If a bill of lading has been issued in more than one original,[4] it is sufficient for delivery at the place of destination[5] that the receiver demonstrates authority by presenting one original. If the goods are delivered in another place, the other originals must also be returned, or security must be provided for claims that any holders of the other originals may bring against the carrier.

[1] Cf. Sections 268 and 382.
[2] Cf. Section 292 paragraph two.
[3] Cf. Act 17 February 1939 no. 1 Section 13.
[4] Cf. Section 296 paragraph one no. 8.
[5] Cf. Section 296 paragraph one no. 7.

**Section 303** Several holders of bills of lading

If several persons claim delivery, each demonstrating authority through separate originals of the bill of lading,[1] the carrier[2] shall warehouse the goods in safe custody for the account of the rightful receiver.[3] This shall immediately be made known to the claimants.[4]

[1] Cf. Section 296 paragraph one no. 8.
[2] Cf. Section 251.
[3] Cf. Section 271.
[4] Cf. Section 262 paragraph three.

**Section 304** Delivery against a bill of lading

The receiver can only demand delivery if he or she deposits the bill of lading and issues receipts as and when the goods are delivered.

When all the goods have been delivered, the bill of lading, duly receipted, shall be returned to the carrier.[1]

[1] Cf. Section 251.

**Section 305** Delivery when a bill of lading has been lost

A request to have a lost bill of lading declared null and void is made to a District Court at the place where the goods are to be delivered. In other respects the provisions of Act 18 December 1959 no. 1 Relating to the Declaration of Nullification of Debt Instruments apply.

When the Court has decided to proceed with such a case, delivery of the goods can be demanded against security for claims which the holder of the lost bill of lading may bring against the carrier.[1]

[0] Amended by Act 14 December 2001 no. 98 (in force 1 January 2002, according to Resolution 14. December 2001 no. 1416).

[1] Cf. Section 251.

**Section 306** Acquisition of a bill of lading in good faith

If a person appearing as the rightful holder, cf. Section 302 paragraph one, transfers originals[1] of an order or bearer bill of lading[2] to several persons, the first person to receive an original in good faith is entitled to the goods. If the goods were delivered at the place of destination[3] to the holder of another original, the latter is not obliged to surrender what he or she has already taken delivery of in good faith.[4]

A person who in good faith has acquired an order or bearer bill of lading[2] is not obliged to surrender it to the person who lost it.[5]

[1] Cf. Section 296 paragraph one no. 8.
[2] Cf. Section 292 paragraph two.
[3] Cf. Section 296 paragraph one no. 7 and Section 302 paragraph two.
[4] Cf. Act 2 June 1978 no. 37.
[5] Cf. Act 17 February 1939 no. 1 Section 14.

**Section 307** Right of stoppage

The right of a seller in the event of breach of contract to prevent delivery of the goods to the buyer or the estate of the buyer or to demand their return, applies even though the bill of lading has been passed on to the buyer.[1]

The right of stoppage cannot be asserted against a third party who has acquired an order or bearer bill of lading in good faith.[2]

[1] Cf. Act 13 May 1988 no. 27 Section 61 paragraph two, Act 30 June 1916 no. 1 Section 37 and the Creditors Recovery Act Sections 7-2 and 7-9.
[2] Cf. Section 292 paragraph two.

**Section 308** Sea waybill

By sea waybill (sjøfraktbrev)[2] is meant a document which:

1) evidences a contract of carriage by sea and that the carrier has received the goods, and
2) contains an undertaking by the carrier[1] to deliver the goods to the receiver named in the document.

Even after a sea waybill has been issued, the sender can decide to have the goods delivered to someone other than the consignee named in the document. This does not apply if the sender has waived this right as against the carrier or if the consignee has already asserted his or her right.

A bill of lading can be demanded according to Section 294 unless the sender has waived his or her right to name a different receiver.

[1] Cf. Section 251.
[2] In the original text the English term "sea waybill" is included as well as the Norwegian term "sjøfraktbrev".

**Section 309** Contents and evidentiary effect of a sea waybill

A sea waybill shall contain statements on the goods received for carriage, the sender,[1] the receiver and the carrier,[1] the conditions of carriage,[2] and the freight and other charges payable by the receiver.[3] Section 296 paragraph three and Section 298 apply correspondingly.

Unless otherwise shown, the sea waybill shall be evidence of the contract of carriage and that the goods have been received as described in the document.[4]

[1] Cf. Section 251.
[2] Cf. Section 254 paragraph three.
[3] Cf. Section 269.
[4] Cf. Sections 288 and 299.

## VIII. Disputes

**Section 310**[1] Jurisdiction and arbitration clauses

Any agreement in advance which limits the right of the plaintiff to have a legal dispute relating to the carriage of general cargo according to the present Chapter settled by legal proceedings, is invalid in so far as it limits the right of the plaintiff at his own discretion to bring an action before the Court at the place where:

a) the defendant's principal place of business is situated, or place of residence if the defendant has no principal place of business;
b) the contract of carriage was concluded, provided the defendant has a place of business or an agent there through whom the contract was concluded:
c) the place of receipt for carriage according to the contract of carriage is situated; or
d) the agreed or actual place of delivery according to the contract of carriage is situated.

The provisions in paragraph one do not prevent an action from being brought before the Court of the place designated in the contract of carriage with a view to legal proceedings. After a dispute has arisen, the parties may agree on how to settle it.

If a bill of lading[2] is issued pursuant to a charter party which contains a provision concerning the settlement of disputes by legal proceedings or arbitration, but the bill of lading does not expressly state that the provision is binding on the holder of the bill of lading, the

carrier[3] cannot invoke the provision against a holder of the bill of lading who has acquired it in good faith.[4]

In this Kingdom an action concerning a contract for the carriage of general cargo in trade between two States can in any case be brought at the place or at one of the places to which the case has such a nexus as mentioned in paragraph one or at another place in this Kingdom agreed on by the parties.

The provisions of paragraphs one and four do not apply if neither the agreed place of delivery nor the agreed or actual place of delivery pursuant to Section 252 paragraph three is located in Norway, Denmark, Finland or Sweden, or if the Lugano Convention of 2007 provides otherwise.

The provisions of this Section do not preclude that decisions on provisional or protective measures[5] are made in this Kingdom.

[1] Cf. the Dispute Act Chapter 2 and Act 8 January 1993 no. 21.
[2] Cf. Section 292.
[3] Cf. Section 251
[4] Cf. Section 292 paragraph three and Section 325.
[5] Cf. the Enforcement of Claims Act 1992 Part 3.

**Section 311** Arbitration[1]

Notwithstanding the provisions of Section 310, the parties may agree in writing that disputes shall be settled by arbitration. It is regarded as part of the arbitration agreement that arbitration proceedings can be instituted at the discretion of the plaintiff in one of the States where a place as mentioned in Section 310 paragraph one is located, and that the arbitration tribunal shall apply the provisions of the present Chapter.

Section 310 paragraphs two, three and six apply correspondingly.

The provisions of paragraph one do not apply if neither the agreed place of receipt for carriage nor the agreed or actual place of delivery according to Section 252 paragraph three is in Norway, Denmark, Finland or Sweden.

[1] Cf. the Dispute Act Chapter 32.

# Chapter 14. Chartering of Ships

## I. General Provisions

**Section 321** Scope of application. Definitions

The provisions relating to chartering apply to the chartering of the whole or a part of a ship. The provisions relating to voyage chartering[1] also apply to consecutive voyages unless otherwise stated.[2]

For the purposes of the present Chapter, the following words have the following meanings:
*carrier,* the person who, through a contract, charters out a ship to another (the charterer);
*shipper,* the person who delivers the goods for loading;[3]
*voyage chartering,* chartering where the remuneration is to be calculated per voyage;
*consecutive voyages,* a certain number of voyages to be performed after one another according to a chartering agreement in respect of a specific ship;[4]
*time chartering,* chartering where the remuneration is to be calculated per unit of time;
*part chartering,* chartering under a charter party for less than an entire ship or less than a full cargo.

The provisions of the present Chapter apply to contracts for the chartering of ships in domestic trade in Norway and in trade between Norway, Denmark, Finland and Sweden. For domestic trade in Denmark, Finland and Sweden, the law of the State where the carriage is performed apply.

In respect of chartering in trade not covered by paragraph three, the provisions of the present Chapter apply when Norwegian law is applicable.

[1] Cf. Chapter 14 II.
[2] Cf. Section 253 paragraph two.
[3] Cf. Section 251.
[4] Cf. Section 362.

**Section 322** Freedom of contract

The provisions of the present Chapter do not apply in so far as anything to the contrary follows from the contract, practice established between the parties, or custom of the trade or other usage which must be considered binding upon the parties.

In connection with voyage chartering[1] in domestic trade in Norway and in trade between Norway, Denmark, Finland and Sweden, the provisions of Section 347 cannot be dispensed with by agreement to the detriment of a shipper, voyage charterer or receiver. The same applies to the provisions of Section 501 paragraph one no. 7 and paragraph two first sentence. Concerning restrictions on the freedom of contract in domestic trade in Denmark, Finland and Sweden, the law of the State in which the carriage is performed shall apply.

In connection with chartering as mentioned in Section 252 paragraphs one and two, the provisions of Section 338 relating to the issuing of a bill of lading[2] cannot be dispensed with to the detriment of a shipper.[1]

Nor can the provisions of the present Chapter be dispensed with by agreement when this follows from Section 325, cf. Section 347 paragraph two and Section 383 paragraph two.

[1] Cf. Section 321.
[2] Cf. Section 292.

**Section 323**[1] Chartering of a specific ship. Full cargo

If the chartering agreement is for a specific ship, the carrier[2] cannot perform it with another ship. If the contract gives the carrier the right to use another ship than the one agreed and otherwise to use other ships, the carrier can only offer a ship which is as suitable as the agreed ship. The right may be exercised several times.

If the contract is for an entire ship or a full cargo, the carrier may not carry goods for anyone other than the charterer.[2] This applies even if the ship has to sail in ballast to commence a new voyage.

[1] Cf. Sections 350 and 393.
[2] Cf. Section 321.

**Section 324** Assignment of a chartering agreement

If the charterer[1] assigns his right according to a chartering agreement to someone else or subcharters the ship, the charterer remains responsible for the performance of the contract.

The carrier[1] may not assign the chartering agreement without the consent of the charterer.[1] If the charterer has consented, the liability of the carrier under the contract ceases.

[1] Cf. Section 321.

**Section 325**[1] Tramp bill of lading

If the carrier[2] issues a bill of lading[3] for goods carried on the ship, the bill of lading shall govern the conditions for the carriage and delivery of the goods as between the carrier and a third party holder of the bill of lading. Provisions of the chartering agreement which are not included in the bill of lading cannot be invoked against a third party unless the bill of lading includes a reference to them.[4]

The provisions relating to bills of lading[3] in Sections 295 to 307 also apply to a bill of lading as mentioned in paragraph one. When it follows from Section 253 that the provisions of Chapter 13 apply to the bill of lading, the liabilities and rights of the carrier in relation to third parties are governed by the provisions of Sections 274 to 290, cf. Section 254.[5]

[1] Cf. Section 322.
[2] Cf. Section 321.
[3] Cf. Section 292.
[4] Cf. Section 263 paragraph two, Section 292 paragraph three and Section 310 paragraph three.
[5] Cf. Section 338 paragraph two, Section 381 paragraph three and Section 382 paragraph one.

## II. Voyage Chartering[1]

[1] Cf. Section 321.

## Introductory Provisions

**Section 326** Freight

If the freight does not follow from the contract, the freight payable is that which was current at the time of the conclusion of the contract.

If other or more goods have been loaded than agreed, freight is paid for them at the rate current at the time of loading, but not less than the agreed freight.

**Section 327**[1] Seaworthiness

The carrier[2] shall ensure that the ship is seaworthy, including that it is properly manned and equipped and that the holds, refrigerated and cold-storage storerooms and other parts of the ship in which goods are loaded are in a proper condition for the reception, carriage and preservation of the goods.

[1] Cf. Section 131.
[2] Cf. Section 321.

**Section 328** Voyage charterer's[1] choice of loading and discharging ports

If the chartering agreement gives the voyage charterer[1] the right to choose the loading or discharging port, the ship shall go to the port nominated by the charterer provided there is free access and the ship can lie safely afloat and without hindrance enter or depart with the cargo on board. The nomination of the port of discharge is made at the latest on the completion of the loading.

If the voyage charterer has ordered the ship to an unsafe port, the voyage charterer[1] is liable for any damage caused to the ship thereby, unless the damage is not caused by the personal fault or neglect of the voyage charterer or that of anyone for whom the voyage charterer is responsible.

In respect of consecutive voyages,[1] any right to choose which voyages the ship shall perform must be exercised so that the total lengths of

laden voyages and ballast voyages are essentially equal. Otherwise the voyage charterer is liable to pay damages for loss of freight.

The voyage charterer[1] may not change his or her choice of port or voyage.

[1] Cf. Section 321.

**Section 329** Place of loading

If no specific place of loading has been agreed, the ship is berthed at the loading place nominated by the voyage charterer,[1] provided there is free access and the ship can lie safely afloat and without hindrance depart with the cargo on board.

If a place of loading has not been nominated in time, the ship may be berthed at any customary loading place. If this is not possible, the voyage carrier[1] shall choose a berth where loading can reasonably take place.

Whether a particular loading place has been agreed or not, the voyage charterer[1] can demand to have the ship shifted from one loading berth to another at his or her own expense.[2]

[1] Cf. Section 321.
[2] Cf. Section 333 paragraph two.

Loading time

**Section 330** The loading time

The voyage carrier[1] is obliged to let the ship lie for loading for a given loading time which includes lay time and time on demurrage. When the chartering is on liner terms (linjefartsvilkår),[3] no time on demurrage is included in the loading time.[2]

[1] Cf. Section 321.
[2] Cf. Section 355.
[3] In the original text the English term "liner terms" is included as well as the Norwegian term "linjefartsvilkår".

Section 331 Length of lay time The lay time is the time which, at the time of the conclusion of the chartering agreement, the loading can

reasonably be expected to take. When the lay time is calculated, the nature and size of the ship and cargo, the loading gear on board and in the port, and other similar circumstances shall be taken into consideration.

The lay time is calculated under the clauses[1]

1) *fac* (fast as can), on the basis of loading being performed as fast as the ship can receive the cargo with undamaged loading gear;
2) *faccop* (fast as can custom of the port), on the basis of loading being performed as fast as the normal loading methods of the port permit; or
3) *liner terms* (linjefartsvilkår),[2] on the basis of loading being performed as fast as normal for loading in the port in liner trade, plus any time lost due to congestion.

If a total loading and discharge time has been agreed, the lay time does not expire until the total time has expired.

The lay time is calculated in working days and working hours. As a working day is counted weekdays on which the number of hours worked is the normal number for weekdays in that port, and as working hour each hour which can be used for loading on a weekday. For days on which fewer hours are worked than on working days, the number of hours shall be reckoned which are normally used for loading.

[1] The names of the clauses are written in English in the original text.
[2] In the original text the Norwegian term "linjefartsvilkår" is included as well as the English term "liner terms".

**Section 332** Commencement of lay time

The lay time does not begin to run until the ship is at its loading berth,[1] ready to receive cargo, and the voyage carrier[2] has given notice to that effect.

Notice can be given in advance, but not before the ship has reached the loading port. If it subsequently should appear that the ship was not ready to receive cargo, the time lost due to necessary preparations is not counted as lay time.

Notice is given to the shipper[2] or, if he or she cannot be found, to the voyage charterer.[2] If neither the shipper nor the voyage charterer can be found, notice is regarded as given when sent in an appropriate manner.

The time is calculated either from the time when work in the port normally begins in the morning, or from the end of the mid-day break. Notice must have been given in the former case no later than one hour before the end of office hours on the previous working day, and in the latter case by ten o'clock in the morning of the same day.

[1] Cf. Section 329.
[2] Cf. Section 321.

**Section 333** Hindrances

If the ship cannot be berthed at the loading place[1] owing to a hindrance on the part of the voyage charterer,[2] notice of readiness can nevertheless be given with the effect that the lay time commences to run. The same applies in the event of congestion and also in the event of other hindrances which the voyage carrier[2] could not reasonably have taken into account at the time when the contract was concluded.

The lay time does not include time lost owing to a hindrance on the part of the voyage carrier.[2] The same applies to time lost because the ship, owing to circumstances which the voyage carrier could reasonably have taken into account at the time when the contract was concluded, has been berthed in a loading place which is not customary. On the other hand, time lost in shifting the ship is included.[3]

[1] Cf. Section 329.
[2] Cf. Section 321.
[3] Cf. Section 329 paragraph three.

**Section 334**[1] Time on demurrage

Time on demurrage is the time after the expiry of the lay time which the ship has to remain berthed in order to be loaded, unless the length of the time on demurrage has been specified in the contract.

Demurrage is calculated in running days and hours from the expiry of the lay time. Section 333 paragraph two applies correspondingly.

[1] Cf. Section 355.

**Section 335**[1] Compensation for time on demurrage

The voyage carrier[2] is entitled to special compensation for the time on demurrage. The amount is determined with regard to the freight and the increase or reduction in the voyage costs of the carrier which follows from the ship being at rest.

Payment is due on demand.

If the compensation is not paid or security provided, the voyage carrier[2] is entitled to make a note of the claim in the bill of lading.[3] If the voyage carrier does not do so, he or she may set a reasonable time limit for payment. If the amount is not paid within the time limit, the voyage carrier[2] is entitled to cancel the chartering agreement and claim damages under ordinary contractual rules for losses resulting from the termination of the voyage.

[1] Cf. Sections 356 and 370.
[2] Cf. Section 321.
[3] Cf. Sections 292 and 299 paragraph two.

## Loading

**Section 336** Loading and stowage

If nothing else follows from any custom of the port, the voyage charterer[1] shall deliver the goods at the ship's side and the voyage carrier[1] shall take it on board. Under the clauses

1) *fio* (free in and out), the voyage charterer shall provide for the loading;
2) *h* (linjefartsvilkår),[3] the voyage carrier shall provide for the loading.

The voyage carrier[1] provides ceiling and other necessities for stowage, and carries out the stowage.

With respect to deck cargo, Section 263 applies correspondingly.

If, because of circumstances which the voyage carrier[1] could reasonably have taken into account at the time when the contract was con-

cluded, the ship is placed in a berth which is not customary,[2] the voyage carrier is liable for the increased expenses in consequence thereof.

[1] Cf. Section 321.
[2] Cf. Section 329.
[3] In the original text the Norwegian term "linjefartsvilkår" is included as well as the English term "liner terms".

**Section 337** Delivery of the goods

The goods shall be delivered and loaded with due dispatch. They shall be delivered in such a manner and condition that they can easily and safely be taken on board, stowed, carried and discharged.

The provisions of Sections 256 to 259 apply correspondingly.

**Section 338**[1] Shipped bill of lading[2]

When the goods have been loaded, the voyage carrier[3] or the master[4] or the person otherwise authorized by the voyage carrier shall, at the request of the shipper, issue a shipped bill of lading,[2] provided the necessary documents and information have been made available.

The shipper[3] is entitled to request separate bills of lading[2] for various parts of the goods unless this entails a significant inconvenience.

If a bill of lading[2] is issued containing other terms than those stated in the chartering agreement, and this increases the voyage liability of the carrier,[5] the voyage charterer[3] shall hold the voyage carrier[3] harmless.

[1] Cf. Sections 294 and 322 paragraph three.
[2] Cf. Section 292.
[3] Cf. Section 321.
[4] Cf. Section 295.
[5] Cf. Sections 321 and 325.

## The Voyage

**Section 339** The voyage carrier's[1] duty of care

The voyage shall be performed with due dispatch and otherwise with due care. The provisions of Sections 262, 266 and 267 apply correspondingly.

[1] Cf. Section 321.

**Section 340** Deviation. Substitute port

Deviation is only permitted for the purpose of rescuing persons or salvaging[1] ships or cargo or on other reasonable grounds.

If hindrances arise which prevents the ship from reaching its port of discharge and discharging the cargo, or from doing so without unreasonable delay, the voyage carrier[2] may instead choose another reasonable port of discharge.

[1] Cf. Chapter 16.
[2] Cf. Section 321.

**Section 341**[1] Distance freight

If part of the voyage has been performed when the chartering agreement is cancelled or ceases or when for some other reason the goods are discharged in a port other than the agreed port of discharge, the voyage carrier[2] is entitled to distance freight. Section 344 shall apply correspondingly.

Distance freight is the agreed freight less an amount calculated on the basis of the proportion of the remaining distance to the length of the agreed voyage. Consideration is also made to the duration and the special costs of such voyages. Distance freight cannot exceed the value of the goods.

Either party can demand to have the distance freight calculated by an average adjuster.[3] A dispute as to the correctness of the decision of the average adjuster can be brought before the Courts of law.

[1] Cf. Section 265.

[2] Cf. Section 321.
[3] Cf. Section 467.

**Section 342** Dangerous goods

If dangerous goods have been loaded and the voyage carrier[1] was not aware of their dangerous properties,[2] the voyage carrier may, according to the circumstances, discharge the goods, render them innocuous or destroy them with no obligation to pay damages. The same applies even if the voyage carrier was aware of the dangerous properties of the goods, if danger to any person or property subsequently arises which makes it unjustifiable to keep the goods on board.

[1] Cf. Section 321.
[2] Cf. Section 257.

Discharge and Delivery of the Goods, etc.

**Section 343** Discharge

With regard to the discharge berth, discharge time and the discharge of the goods, the provisions of Sections 329 to 337 apply correspondingly. What is stated there concerning the voyage charterer[1] shall apply to the receiver of the goods.

The person who demonstrates authority as receiver[2] is entitled to inspect the goods before taking reception of them.[3]

If there are more than one receiver for goods carried under the same chartering agreement, they may not nominate a discharge berth or demand that the ship be shifted unless they all agree.[4]

Increased costs resulting from damage to the goods or the need to dispose of them because of damage shall be paid by the voyage charterer[1] if the damage is due to the nature of the goods or to the fault or neglect on the part of the voyage charterer. Under fio (free in and out) terms, the voyage charterer carries the costs unless the voyage carrier[1] is liable for the damage according to the provisions of Section 347.

[1] Cf. Section 321.
[2] Cf. Section 302.
[3] Cf. Section 268.

[4] Cf. Section 329.

**Section 344** Freight for goods no longer in existence

Freight cannot be claimed in respect of goods which no longer exist at the end of the voyage, unless the loss is a consequence of the nature of the goods itself, insufficient packing or fault or neglect on the part of the voyage charterer,[1] or if the voyage carrier[l] has sold them for the account of the owner or has discharged them, rendered them innocuous or destroyed them pursuant to Section 342.

Freight paid in advance shall be repaid if the voyage carrier[d] according to paragraph one is not entitled to freight.

[1] Cf. Section 321.

**Section 345** The receiver's and the voyage charterer's liability[l] for freight. Right of retention

By taking delivery of the goods, the receiver becomes liable for freight and other claims according to the provisions of Section 269.

The voyage carrier[l] may in any event demand payment from the voyage charterer according to the provisions of Section 273.

The voyage carrier[l] has a right of retention according to the provisions of Section 270.

[1] Cf. Section 321.

**Section 346** Warehousing of the goods

If the receiver fails to satisfy the conditions for delivery of the goods, or delays the discharge so that it cannot be completed by the agreed time or otherwise without unreasonable delay, the voyage carrier[l] has the right to discharge the goods and warehouse them in safe custody on the account of the receiver. The receiver shall be notified of the warehousing.

If the receiver refuses to take delivery of the goods or is not known or cannot be found, the voyage carrier[l] shall notify the voyage charterer[l] as quickly as possible. If the receiver does not appear soon enough to permit

completion of discharge in time, the voyage carrier shall discharge and warehouse the goods. The receiver and the voyage charterer shall be notified of the warehousing.

A notification according to paragraphs one and two shall state a reasonable time limit after the expiry of which the voyage carrier[1] may sell or otherwise dispose of warehoused goods. Section 272 applies to the sale of or other measures adopted in respect of the goods.

[1] Cf. Section 321.

**Section 347**[1] Cargo damage. Delayed delivery

The voyage carrier[2] is liable according to the provisions of Sections 274 to 285 and 287 to 289 for losses resulting from goods being lost, damaged or delayed while in the custody of the voyage carrier.[3] The provisions relating to domestic trade in Norway in Section 276 paragraph three and 280 paragraph two do not apply. The provisions of Section 286 apply correspondingly.

A receiver who is not the voyage charterer[2] is entitled to damages according to paragraph one.[4] If the receiver holds a bill of lading[5] issued by the voyage carrier,[6] the receiver can also invoke the provisions of Section 325.

[0] Amended by Act 2 August 1996 no. 61 (in force 1 January 1997).

[1] Cf. Section 322 paragraph two.
[2] Cf. Section 321.
[3] Cf. Section 351.
[4] Cf. Section 286.
[5] Cf. Section 292.
[6] Cf. Section 295.

## Breach of Contract and Hindrances on the Part of the Voyage Carrier[1]

[1] Cf. Section 321.

**Section 348** Cancellation time

If a ship is to be ready to load[1] by a certain time (the cancellation time), the voyage charterer[2] is entitled to cancel the chartering agreement if the ship is not ready to load or notice of readiness to load has not been given before that time.

If the voyage carrier[2] gives notice that the ship will arrive after the cancellation time, and states when it will be ready for loading, the voyage charterer[2] must cancel the contract without undue delay. If the contract is not cancelled, the stated time will be the new cancellation time.

[1] Cf. Section 332.
[2] Cf. Section 321.

**Section 349** Delay and other breach of contract

The voyage charterer[1] is entitled to cancel the chartering agreement because of delay or other breach of contract on the part of the voyage carrier[1] provided that the breach of contract is substantial.

Once loading has been carried out, the voyage charterer[1] is not entitled to cancel the contract in so far as discharging the goods would entail significant loss or inconvenience to other charterers. In the case of consecutive voyages,[1] the voyage charterer is not entitled to cancel in respect of a single voyage unless its performance is insignificant for the voyage carrier[1] in relation to the remaining voyages.

If the voyage charterer[1] wishes to cancel the contract, he or she must give notice thereof without undue delay after he or she must be assumed to have learned of the breach of contract. If the voyage charterer fails to do this, the right of cancellation is lost.

[1] Cf. Section 321.

**Section 350**[1] Loss of the ship

If the chartering agreement is for a named ship and it is lost or damaged beyond repair,[2] the voyage carrier[x] is not obliged to perform the voyage. In such cases, the voyage carrier is not entitled to perform

the voyage with another ship, even if the contract permits him or her to use another ship than the contracted one.

[1] Cf. Section 323.
[2] Cf. Section 10.
[3] Cf. Section 321.

**Section 351** The voyage carrier's liability for damages

If, as a result of delay or other breach of contract on the part of the voyage carrier, losses occur which are not covered by Section 347, Sections 275 and 276 apply correspondingly. The provision relating to domestic trade in Norway in Section 276 paragraph three does not apply.

[0] Amended by Act 2 August 1996 no. 61 (in force 1 January 1997).

## Breach of Contract and Hindrances on the Part of the Voyage Charterer[1]

[1] Cf. Section 321.

**Section 352** Renunciation prior to loading

If the voyage charterer[1] renounces the chartering agreement before loading has commenced, or has failed on the completion of loading to deliver all the goods covered by the contract, the voyage carrier[1] is entitled to damages for loss of freight and other damage. In the case of consecutive voyages,[1] renunciation in respect of a single voyage is allowed only if its performance is insignificant for the voyage carrier in relation to the remaining voyages.

The amount of damages is fixed taking into consideration whether the carrier failed without due cause to bring other goods.

Damages cannot be claimed if delivery or carriage of the goods or its importation into its destination must be considered precluded because of circumstances which the voyage charterer[1] ought not to have taken into account at the time when the contract was concluded, such as export or import bans or other measures adopted by public authorities, accidental destruction of all goods of the kind covered by the contract,

or similar circumstances. The same applies if the contract relates to specific goods which are accidentally destroyed.

If the voyage charterer[1] wishes to invoke a circumstance as mentioned in paragraph three, he or she must give notice of this without undue delay. If the voyage charterer fails to do so, the voyage charterer is obliged to compensate the losses caused thereby.

[1] Cf. Section 321.

**Section 353** Right of cancellation

If the voyage charterer[1] can renounce the chartering agreement without incurring liability for damages, cf. Section 352 paragraph three, the voyage carrier is entitled to cancel the contract provided the voyage charterer[1] gives notice thereof without undue delay.

If the voyage charterer[1] does not deliver all the goods covered by the contract, the voyage carrier[1] may set a reasonable time limit within which the voyage charterer shall pay damages or provide security. If this is not done within the time limit, the voyage carrier is entitled to cancel the contract. The voyage carrier is moreover entitled to damages according to Section 352 unless the voyage charterer is not liable for not having delivered the missing goods.

[1] Cf. Section 321.

**Section 354** Renunciation after loading

After loading has been performed, the voyage charterer[1] cannot demand that the goods be discharged or the voyage interrupted if that would entail significant loss or inconvenience to the voyage carrier or other charterers. The provisions of Sections 352 and 353 apply correspondingly.

[1] Cf. Section 321.

**Section 355**[1] Delays in loading

If the time on demurrage has been agreed and on the expiry of the loading time the voyage charterer[2] has not delivered the goods or only

delivered part of them, the provisions of Sections 352 and 353 apply correspondingly. The same applies when the contract contains a liner terms clause and the lay time has expired.[3]

If the time on demurrage has not been agreed, but loading is so delayed as to cause the voyage carrier[2] significant loss or inconvenience even though demurrage is paid, the voyage carrier is entitled to cancel the contract or, if some goods have already been delivered, declare the loading completed. In such a case, the provisions of Sections 352 and 353 apply correspondingly.

[1] Cf. Section 334.
[2] Cf. Section 321.
[3] Cf. Section 330.

**Section 356** Other delays

If the ship is delayed after loading or during the voyage as a consequence of circumstances on the part of the voyage charterer,[1] the voyage carrier[1] is entitled to damages unless the delay is not due to the fault or neglect of the voyage charterer or anyone for whom the voyage charterer is responsible. The same applies correspondingly if the ship is delayed during discharge because it is impossible for the voyage carrier to warehouse the goods in accordance with Section 346.

If, in the case of consecutive voyages,[1] freight, demurrage[2] or other claims according to the chartering agreement are not paid when due, the voyage carrier[1] may set a reasonable time limit for payment. If the claim is not paid by the time limit, the voyage carrier is entitled to suspend the performance or cancel the contract. The voyage carrier is entitled to damages under ordinary contractual rules for losses sustained because of the suspension or, if the contract is cancelled, because the remaining voyages cease.

[1] Cf. Section 321.
[2] Cf. Section 335.

**Section 357**[1] Damage caused by the goods

If the goods have caused losses to the voyage carrier[2] or damage to the ship, the voyage charterer[2] is obliged to pay damages if the damage is caused by the personal fault or neglect of the voyage charterer or that of anyone for whom the voyage charterer is responsible. The same applies in the event of damage to other goods on board the ship.[3]

[1] Cf. Section 257.
[2] Cf. Section 321.
[3] Cf. Section 282.

## Termination of Chartering Agreements

**Section 358**[1] War risk

If, after the conclusion of a chartering agreement, it appears that the voyage will entail danger to the ship, persons on board or the cargo because of war, blockade, insurrection, civil commotion or piracy or other armed violence, or that such a risk is significantly increased, both the voyage carrier[2] and the voyage charterer[2] is entitled to cancel the contract without liability for damages, even if the voyage has commenced. The party intending to cancel must give notice of this without undue delay. Failing this, that party is liable to damages for the losses caused thereby.

If the risk can be averted by leaving behind or discharging part of the goods, the contract can only be cancelled in respect of that part. Provided it does not cause significant loss or inconvenience to other charterers,[2] the voyage carrier[2] may nevertheless cancel the entire contract if damages is not paid or security provided at his or her request for loss of freight and other losses.

[1] Cf. Section 265.
[2] Cf. Section 321.

**Section 359** Consecutive voyages[1]

In the case of consecutive voyages,[1] cancellation according to Section 358 in respect of a single voyage is allowed only if its performance is insignificant in relation to the remaining voyages.

If the chartering agreement entitles the voyage charterer[1] to choose which voyages the ship is to perform, cancellation according to Section 358 can only take place if the danger has a significant bearing on the fulfilment of the contract.

[1] Cf. Section 321.

**Section 360**[1] Costs of delay

If, after loading has commenced, the ship is delayed because of danger as mentioned in Section 358, either in the loading port or in another port on the voyage, the costs of the delay are regarded as general average costs and apportioned among the ship, the freight and the cargo according to the rules governing general average.[2] If the chartering agreement is cancelled, however, this shall not apply to costs accruing after that time.

[1] Cf. Section 265.
[2] Cf. Chapter 17.

**Section 361** Expiration of the contract period for consecutive voyages[1]

If the ship has been chartered for as many voyages as it can perform within a stated period, and if, prior to the expiration of that period, the voyage charterer[1] has been notified that the ship is ready to take on cargo, the voyage shall be performed even if this entails performance entirely or partly after the expiration of the contract period.

If it is evident that the ship cannot reach the port of loading and be ready for loading prior to the expiration of the contract period, the voyage carrier[1] is not obliged to send the ship to the port of loading.

If the voyage carrier[1] gives notice that the ship may reach the loading port too late and requests instructions, the voyage charterer[1] can decide either that the voyage shall be performed under the chartering agree-

ment, or that the contract shall expire. The contract expires if the voyage charterer fails to order the completion of the voyage without undue delay after receiving the notification.

[1] Cf. Section 321.

## III. Quantity Contracts

**Section 362** Scope of application

The provisions relating to quantity contracts apply to carriage by ship of a definite quantity of goods divided into several voyages within a given period.

If it has been agreed that the voyages are to be performed consecutively by a specific ship, the provisions does, however, not apply.[1]

[1] Cf. Section 321.

**Section 363** Right to choose quantities

If the contract allows latitude as to the total quantity of goods to be carried, the charterer[1] has the right to choose.

If the contract allows latitude as to the quantity to be carried on each voyage, the carrier[1] has the right to choose.

[1] Cf. Section 321.

**Section 364** Shipment schedules

The charterer[1] shall draw up shipment schedules for periods of reasonable length in relation to the period to which the contract applies, and inform the carrier of the schedule in good time.

The charterer[1] shall see that the quantity covered by the contract is reasonably divided over the contract period. The size of the ship to be used shall be taken into consideration.

[1] Cf. Section 321.

**Section 365** Notice of shipment

The charterer[1] shall give reasonable advance notice of shipments. The notice shall state when, at the latest, the goods will be ready for shipment.

[1] Cf. Section 321.

**Section 366** Nomination of ships

When notice of a shipment has been given, the carrier[1] is obliged to provide a ship suitable for the timely performance of the voyage. The carrier shall give the charterer[1] reasonable notice of which ship is to perform the voyage, and of its cargo capacity and expected time of arrival at the loading port.

The carrier[1] is not obliged to provide a ship for goods which are not ready for loading by the expiration of the contract period, unless the delay is caused by circumstances beyond the control of the charterer[1] and is not significant.

[1] Cf. Section 321.

**Section 367** Performance of voyages

When the carrier[1] has given notice according to Section 366, the provisions relating to voyage chartering[2] or carriage of general cargo[3] apply to the carriage to be performed.[4]

If the carrier[1] no longer has an obligation to perform a single voyage because of circumstances for which the carrier is responsible, the charterer[1] is entitled to demand carriage of the goods or of a corresponding quantity of new goods.

If the termination of the voyage gives grounds for assuming that subsequent voyages will not be performed without significant delay, the charterer[1] is entitled to cancel the contract for the remaining period.

[1] Cf. Section 321.
[2] Cf. Chapter 14 II.
[3] Cf. Chapter 13.
[4] Cf. Section 253.

**Section 368** Delayed notice of shipments and of the schedule of shipments

If the charterer[1] fails to give timely notice of a shipment, the carrier[1] may set a reasonable additional time limit. If the time limit is exceeded, the carrier is entitled to either give notice of a ship according to Section 366 and in accordance with the current shipment schedule, or cancel the contract for the voyage in question.

If the delay gives reason to expect significant delays in notices of subsequent shipments, the carrier[1] is entitled to cancel the contract for the remaining period.

The carrier[1] is entitled to damages unless the delay was due to circumstances as mentioned in Section 352 paragraph three.

If the charterer[1] fails to give the carrier[1] timely notice of the shipment schedule, the carrier may set a reasonable additional time limit. If the time limit is exceeded, the carrier is entitled to cancel the contract for the remaining part. Paragraph three applies correspondingly.

[1] Cf. Section 321.

**Section 369** Delayed nomination of a ship

If the carrier[1] fails to give timely notice of the ship, the charterer[1] may set a reasonable new time limit. If the time limit is exceeded, the charterer is entitled to cancel the contract for the voyage in question.

If the delay gives reason to expect significant delays in notices of ships for subsequent shipments, the charterer[1] is entitled to cancel the contract for the remaining period.

The charterer[1] is entitled to damages unless the delay was due to a hindrance beyond the control of the carrier[1] which the carrier could not reasonably be expected to have taken into account at the time when the contract was concluded, or the consequences of which he or she could not reasonably have prevented or overcome.

[1] Cf. Section 321.

**Section 370** Overdue payment of freight, etc.

If freight, demurrage[1] or other claims according to the contract are not paid when due, the carrier[2] may set a reasonable time limit for payment. If the claim has not been met by the expiration of the time limit, the carrier is entitled to suspend the performance of the contract or, if the delay constitutes a substantial breach of contract, cancel the contract.

The carrier[2] is entitled to damages according to ordinary contractual rules for losses following from the suspension of the performance or, if the contract is cancelled, from the termination of the remaining voyages.

On completing a voyage under the contract, the carrier[2] has a right of retention of cargo for the amounts outstanding according to the contract. In relation to a third party who holds a bill of lading issued by the carrier, this only applies if the claim has been entered on the bill of lading, cf. Section 325.

[1] Cf. Section 335.
[2] Cf. Section 321.

**Section 371** War risk

If, during the contract period, war breaks out or warlike conditions or a significant increase in the risk of war arise, and this has a significant bearing on the performance of the contract, both the voyage carrier[1] and the voyage charterer[1] are entitled to cancel the contract without liability for damages.

The party intending to cancel the contract must give notice of this without undue delay. Failing this, that party shall be liable to damages for the losses caused thereby.

[1] Cf. Section 321.

## IV. Time Chartering[1]

[1] Cf. Section 321.

### Delivery of the Ship

**Section 372**[1] Condition and equipment of the ship

The time carrier[2] shall place the ship at the time charterer's disposal at the agreed place and time.

The time carrier[2] shall, when delivering the ship, ensure that its condition, mandatory certificates, manning, provisions and other equipment satisfy the requirements of ordinary trade in the trading area stipulated in the chartering agreement.

The ship shall moreover carry enough fuel to enable it to reach the nearest convenient bunkering port. The time charterer[2] shall take over the bunker fuel and pay for it at the price current at that port.

[1] Cf. Section 131.
[2] Cf. Section 321.

**Section 373** Survey

On delivery of the ship, both the time carrier[1] and the time charterer[1] may request a normal survey of the ship, its equipment, and its fuel supply.

Each of the parties shall pay half the costs, including time lost in connection with the survey.

Unless the contrary is shown, the survey report is evidence of the condition of the ship and its equipment and fuel supply.

[1] Cf. Section 321.

**Section 374** Delivery of the ship at sea

If the parties have agreed that the ship is to be delivered at sea, the time carrier[1] shall notify the time charterer[1] of the delivery, stating the position of the ship and the time of the delivery.

Survey as mentioned in Section 373 shall be carried out at the first port of call of the ship after delivery. If defects are shown, freight shall not be paid for the time lost in making the defects good.[2] If the chartering agreement is cancelled by the time charterer[1] according to Section 376, the time carrier[1] loses his claim for hire from the time of delivery.

[1] Cf. Section 321.
[2] Cf. Section 392.

**Section 375** Cancellation Time. Delayed delivery

If, according to the chartering agreement, a ship is to be ready for loading by a certain time (the cancellation time), the time charterer[1] is entitled to cancel the chartering agreement if the ship is not ready for loading or notice of readiness to load has not been given before that time. The same applies correspondingly if the ship is otherwise to be delivered by a date specified in the contract.

If the time carrier[1] gives notice that the ship will arrive late and states when it will be ready for loading or delivery, the time charterer[1] must cancel without undue delay. If the contract is not cancelled, the stated time will be the new cancelling time.

If, in other cases, the ship is delivered too late, the time charterer[1] is entitled to cancel the contract if the delay constitutes a substantial breach of contract.

[1] Cf. Section 321.

**Section 376** Defects in the ship

If, on delivery, there are defects in the ship or its equipment, the time charterer[1] is entitled to claim a reduction of freight or, if the breach of contract is substantial, to cancel the contract. This does not apply if the defect is made good by the time carrier[1] without such delay as would entitle the time charterer to cancel the contract according to Section 375.

[1] Cf. Section 321.

**Section 377** Liability for damages

The time charterer[1] is entitled to damages in respect of losses resulting from late delivery or defects on delivery unless the delay or defect is not due to the fault or neglect of the time carrier[1] or anyone for whom the time charterer is responsible. The time charterer is also entitled to damages for losses resulting from the ship's lack of characteristics or equipment at the time of the conclusion of the contract which must be regarded as having been guaranteed.

[1] Cf. Section 321.

## Performance of the Voyages

**Section 378** The time charterer's[1] right of disposal

During the period of the charter the time carrier[1] shall perform the voyages ordered by the time charterer in accordance with the chartering agreement. Section 372 paragraph two apply correspondingly.

The time carrier[1] shall, however, not be obliged to perform a voyage which exposes the ship, persons on board or the cargo to danger in consequence of war, warlike conditions, ice or other danger or significant inconvenience which the time carrier could not reasonably have foreseen at the time when the contract was concluded.[2]

The time carrier[1] is not obliged to carry easily flammable, combustible, corrosive or other dangerous goods unless they are delivered in such a condition that they can be carried and delivered in accordance with the requirements and recommendations of the authorities of the country where the ship is registered, the country where the owner has his or her principal place of business, and the ports of call included in the voyage.[3] Nor is the time carrier obliged to carry live animals.

[1] Cf. Section 321.
[2] Cf. Section 394.
[3] Cf. Section 131.

**Section 379** Duty to inform

The time carrier[1] shall keep the time charterer[1] informed of all matters of importance to the time charterer relating to the ship and the voyages. The time charterer shall inform the time carrier of planned voyages.

[1] Cf. Section 321.

**Section 380** Fuel

The time charterer[1] shall keep the ship supplied with fuel and water for its engines. The time charterer is responsible for supplying fuel which meets the agreed specifications.

[1] Cf. Section 321.

**Section 381** Loading and discharging, etc.

The time charterer[1] shall provide and pay for the reception, loading, stowing, trimming, securing, discharging and delivery of the cargo. The cargo must be stowed so as to ensure that the ship is stable and the cargo is secure. To the extent required for the safety and stability of the ship, the time charterer[1] shall follow the instructions of the time carrier as to the allocation of the cargo.

The time charterer[1] can request such assistance from the master and crew as is usual in the trade in question.[2] Overtime and other special expenses in connection with such assistance is paid by the time charterer.

If the time carrier[1] incurs liability for damages as a result of the loading, stowing, trimming, securing, discharging or delivery of the cargo,[3] the time charterer[1] shall indemnify the time carrier unless the loss was due to the participation of the master or crew or to other circumstances for which the time carrier is responsible.

[1] Cf. Section 321.
[2] Cf. Section 131.
[3] Cf. Section 325.

**Section 382**[1] Bill of lading[2]

The time carrier[3] shall issue a bill of lading for the goods loaded for the voyage the ship is to perform, with the conditions usual in the trade in question. If the time carrier thereby incurs liability to the holder of the bill of lading in excess of the liability according to the chartering agreement, the time charterer[4] shall hold the time carrier harmless.

The time carrier[4] is not obliged to obey instructions from the time charterer[4] to deliver the goods to a non-authorized receiver,[5] or otherwise contrary to the bill of lading,[2] if to do so would be contrary to upright dealing and good faith. The time carrier can in any event demand security for any liability which such delivery may entail.

1 Cf. Sections 294 and 391 paragraph two.
2 Cf. Section 292.
3 Cf. Sections 295 and 321.
4 Cf. Section 321.
5 Cf. Section 302.

**Section 383**[1] Cargo damage. Delayed delivery

The time carrier[2] is liable to the time charterer[2] according to the provisions of Sections 274 to 285 and 287 to 289 for losses resulting from the goods being lost, damaged or delayed while in the custody of the time carrier. The provisions relating to domestic trade in Norway in Section 276 paragraph three and Section 280 paragraph two do not apply. The provisions of Section 286 apply correspondingly.

A receiver who is not the time charterer[2] is also entitled to damages according to paragraph one.[3] If the receiver holds a bill of lading[4] issued by the time carrier,[5] the receiver may also invoke the provisions of Section 325.

0 Amended by Act 2 August 1996 no. 61 (in force 1 January 1997).

1 Cf. Section 322 paragraph four.
2 Cf. Section 321.
3 Cf. Section 286.
4 Cf. Section 292.
5 Cf. Sections 295 and 321.

**Section 384** Delay and other breach of contract on the part of the time carrier[1]

If the ship is not kept seaworthy[2] or otherwise in the condition as stipulated in the contract, or if the voyages are not timely performed, or if there are other breaches of contract on the part of the time carrier,[1] the time charterer[1] is entitled to cancel the chartering agreement if, as a result of the breach, the purpose of the contract will be essentially frustrated. If the time charterer wishes to cancel the contract, he or she must give notice of this without undue delay after the time when he or she learned or must be assumed to have learned of the breach of contract. If the time charterer does not do so, the right of cancellation is lost.

The time charterer[1] is entitled to damages for losses caused by the ship being lost or damaged beyond repair[3] or failure to keep it seaworthy[2] and otherwise in the condition stipulated in the contract, if this is due to fault or neglect of the time carrier[1] or anyone for whom the time carrier is responsible. The same applies to losses due to fault or neglect in connection with assistance as mentioned in Section 381 paragraph two, with carrying out the time charterer's orders, or with other breaches of contract.

[1] Cf. Section 321.
[2] Cf. Section 372.
[3] Cf. Section 10.

**Section 385**[1] Damage to the ship

The time carrier[2] is entitled to damages for damage to the ship caused by the fault or neglect of the time charterer[2] or anyone for whom the time charterer is responsible.

If the damage arises because the time charterer[2] has ordered the ship to an unsafe port, the time charterer is liable unless the damage is not caused by the personal fault or neglect of the time charterer or that of anyone for whom the time charterer is responsible.

[1] Cf. Sections 257 and 392.
[2] Cf. Section 321.

**Section 386** General average. Salvage

The general average[1] contribution in respect of the freight is paid by the time charterer.[2] The same applies to contributions apportioned to bunker fuel and other equipment on board belonging to the time charterer. If, in a general average, contribution is made in respect of expenses or loss suffered by the time charterer, the time charterer is entitled to the compensation.

The time carrier[2] may rescue persons without the consent of the time charterer. The time carrier may also salvage[3] ships and other property provided this does not unreasonably affect the time charterer.[2] Of the time carrier's portion of the net salvage reward or net special compensation, cf. Section 456 paragraph two, the time charterer is entitled to one third.[4]

Amended by Act 2 August 1996 no. 61 (in force 1 January 1997).

1 Cf. Chapter 17.
2 Cf. Section 321.
3 Cf. Chapter 16.
4 Cf. Section 392.

**Section 387**[1] Voyage expenses

The time charterer[2] shall meet all the expenses for the performing of voyages that shall not, according to the provisions of this Chapter, be met by the time carrier.[2]

1 Cf. Section 392.
2 Cf. Section 321.

## Redelivery of the Ship

**Section 388** Redelivery. Survey

The time charterer[1] shall redeliver the ship to the time carrier[1] at the agreed place and time.

The provisions of Section 372 paragraph three, Section 373, and Section 374 paragraph one and paragraph two first sentence apply correspondingly to redelivery of the ship. This also applies when the char-

tering agreement has been cancelled or has been terminated prior to the expiration of the charter period.

[1] Cf. Section 321.

**Section 389** Exceeding the charter period

Unless a fixed period has been agreed for redelivery, the time carrier[1] is obliged to commence a new voyage although this may exceed the agreed time for redelivery. This does not apply if the overlap is longer than what can be considered reasonable.

For excess of time as is permissible according to paragraph one, the time charterer[1] shall pay the agreed hire. For other excess of time, the time charterer shall pay the current hire, but not less than the agreed hire, plus damages according to ordinary contractual rules for other losses incurred by the time carrier[1] as a result of the delay.

[1] Cf. Section 321.

## Time Charter Hire

**Section 390** Payment of hire

Hire is payable in advance for thirty days at a time.

If the time charterer[1] requests that the hire be offset against a disputed claim, the time charterer shall nevertheless pay the hire if the time carrier[1] provides security for the claim. The time charterer can however not demand security for a larger amount than the hire he or she pays.

[1] Cf. Section 321.

**Section 391** Delayed payment of time charter hire

If hire is not paid when due, the time charterer[1] shall pay default interest from the due date together with the next payment of hire.

The time carrier[1] shall notify the time charterer if hire is not paid when due. When the notification has been sent, the time carrier is entitled to suspend performance of the chartering agreement, including

refusing to load the goods or to issue a bill of lading.[2] If payment is not received within 72 hours after the sending of the notification, the time carrier is entitled to cancel the contract.

If the time carrier[1] has suspended performance of the contract or cancelled it, he or she is entitled to damages unless the time charterer[1] shows that the delay in the payment was due to an interruption of communications or transfers of payment or some other hindrance beyond the control of the time charterer and which the time charterer could not reasonably have been expected to foresee at the time of the conclusion of the contract or the consequences of which he or she could not reasonably have been expected to avoid or overcome.

If the time charterer[1] fails to pay hire which has fallen due, the time carrier[1] can demand that the time charterer assigns to the time carrier any freight claims which the time charterer may have in connection with subchartering of the ship.

[1] Cf. Section 321.

**Section 392**[1] Off hire

Hire is not payable for time lost to the time charterer in connection with salvage,[2] maintenance of the ship, or the repair of damage for which the time charterer bears no responsibility,[3] or otherwise because of matters pertaining to the time carrier.[4]

The same applies correspondingly to the obligation of the time charterer to cover expenses relating to the operation of the ship.[5]

[1] Cf. Section 393.
[2] Cf. Section 386.
[3] Cf. Section 385.
[4] Cf. Section 374.
[5] Cf. Section 387.

Termination, etc.

**Section 393**[1] Loss of the ship

If the ship is lost or damaged beyond repair, the chartering agreement terminates even if the time carrier[2] is entitled under the contract to substitute another ship for the one agreed. The same applies in the event of a requisition or similar intervention if it has a significant impact on the fulfilment of the contract.

If the ship is lost and the time of the accident cannot be ascertained, time charter hire shall be paid for 24 hours after the ship was last heard of.

[1] Cf. Section 323.
[2] Cf. Section 321.

**Section 394**[1] War, etc.

If a ship is in a port or other area where war breaks out, warlike conditions arise, or there is a significant increase in the risk of war, the time carrier[2] may immediately remove the ship from the area into safety.

In addition to the time charter hire, the time charterer[2] shall cover any increase in the ship's war insurance premium occasioned by voyages ordered by the time charterer. The same applies to war risk bonuses to the crew.[3]

If, during the contract period, war breaks out, warlike conditions arise, or there is a significant increase in the risk of war, and this has a significant bearing on the fulfilment of the chartering agreement, both the time carrier[2] and the time charterer[2] are entitled to cancel the contract without incurring liability for damages.

The party intending to cancel the contract must give notice of this without undue delay. Failing this, that party shall be liable to damages for the losses caused thereby.

[1] Cf. Section 378 paragraph two.
[2] Cf. Section 321.
[3] Cf. Act 30 May 1975 no. 18 Section 12.

# Chapter 15. Carriage of Passengers and their Luggage[1]

[1] Cf. General Civil Penal Code of 22 May 1902 no. 10 Sections 306 to 308.

## I. Introductory Provisions

**Section 401** Definitions

By the term carrier,[1] in this Chapter, is meant a person who by contract, commercially or for remuneration, undertakes to carry passengers or passengers and their luggage by ship. The carrier can be a reder,[2] a charterer (sub-carrier) or other person.

By the term passenger[3] is meant the person who is to be carried or is being carried by ship pursuant to a contract of carriage, and a person who with the consent of the carrier is accompanying a vehicle or live animals covered by a contract for the carriage of goods.[4]

By the term luggage is meant any article, including a vehicle, which is carried in connection with a contract for the carriage of passengers. The provisions regarding luggage do not apply if the goods are carried pursuant to a charterparty,[5] bill of lading[6] or other document commonly used in connection with the carriage of goods.[7] Cabin luggage comprises luggage which the passenger has in his or her cabin, in his or her custody, or in his or her vehicle.

[0] Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Sections 426 and 427.
[2] The use of the term "reder" has been explained in the preface.
[3] Cf. Sections 407 and 428.
[4] Cf. Section 404.
[5] Cf. Chapter 14.
[6] Cf. Section 292.
[7] Cf. Section 308.

**Section 402** Dispensability

Except for Section 408 and what follows from Sections 430 to 432, the provisions of this Chapter apply only in so far as nothing to the

contrary either follows from Section 418, has been agreed or follows from custom.

[0] Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

**Section 403** Carriage by other means of transport

The provisions of this Chapter do not apply in so far as the carriage is subject to any international convention on carriage by other means of transport.[1]

[1] Cf. Acts 20 December 1974 no. 68 Section 4, 15 June 1984 no. 74 and 75 and 11 June 1993 no. 101 Chapter X.

**Section 404**[1] Liability towards others on board the ship

In the event that someone travelling on board a ship without being a passenger[2] or a member of the crew is killed or suffers damage as mentioned in Section 418, the provisions relating to the carrier's[2] objections and limitation of liability apply correspondingly for the benefit of anyone on the part of the reder[3] against whom a claim for damages is made.

[0] Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Section 427.
[2] Cf. Section 401.
[3] Cf. Section 151. The use of the term "reder" has been explained in the preface.

## II. The Carriage

**Section 405**[1] Duties of the carrier[2]

The carrier[2] shall ensure that the ship is seaworthy at the commencement of the voyage and at all times during the voyage, including that it is sufficiently equipped, manned and provisioned. The carrier shall also in all other respects safeguard the carriage of the passengers[2] and their luggage[2] and otherwise take due care of the interests of the passengers.

Luggage must not be carried on deck except as authorized by agreement or custom.

The voyage shall be performed with due despatch. Deviation is permissible only for the purpose of saving human life or the salvage[3] of ships or goods or for any other reasonable purpose.

[1] Cf. Section 131.
[2] Cf. Section 401.
[3] Cf. Chapter 16.

**Section 406** Performance by a ship other than that agreed

If the contract of carriage is for a named ship, the carrier[1] cannot perform the contract with another ship.

[1] Cf. Section 401.

**Section 407** Assignment of a passenger's[1] rights

If a person has been named as the passenger[1] in the contract, he or she cannot assign his or her rights under the contract to anyone else. After the commencement of the voyage the passenger can in no event assign his or her rights.[2]

If the carriage is part of a package tour, cf. the Package Tour Act[3] Section 2-1, paragraph one does not prevent a passenger from assigning his or her rights according to the Package Tour Act Section 4-4.

[0] Amended by Act 25 August 1995 no. 57 (in force 1 January 1996).

[1] Cf. Section 401.
[2] Cf. Section 428.
[3] Cf. Act 25 August 1995 no. 57.

**Section 408**[1] The passenger's[2] duties, etc.

The passenger[2] is obliged to comply with regulations relating to good order and safety on board.[3]

The provisions contained in the Ship Safety Act[5] Section 40 second and third paragraph apply to the use of force. For taking testimony of passengers Section 49 in the Seamen's Act[4] Sections apply correspondingly.

[1] Cf. Section 402.
[2] Cf. Section 401.
[3] Cf. the General Civil Penal Code Section 312.
[4] Cf. Act 30 May 1975 no. 18.
[5] Cf. Act 16 Feb 2007 no. 9

**Section 409** Luggage.[1] Passengers'[1] duty of disclosure

A passenger[1] can bring a reasonable amount of luggage.

If the passenger[1] knows that the luggage is of a nature that might make it dangerous or a significant inconvenience to people, ships or other goods, the passenger is obliged to inform the carrier[1] thereof before the commencement of the voyage. The same applies if luggage other than cabin luggage[1] must be handled with special care.[2] Luggage of the nature mentioned in this paragraph shall as far as possible be specially marked before the voyage begins.

[1] Cf. Section 401.
[2] Cf. Section 419.

**Section 410**[1] Dangerous luggage

The carrier[1] can forbid the passenger[1] to bring luggage which may cause damage or significant inconvenience to people, ships or other goods.

If such luggage[1] has been taken on board and the carrier did not know its nature, the carrier may, according to the circumstances, discharge, render innocuous or destroy the luggage without liability to compensate the loss caused thereby. The same applies even if the carrier knew the nature of the luggage, if at a later time such danger or inconvenience to people, ships or other goods arises that it is not justifiable to keep the luggage on board.

[1] Cf. Section 401.

**Section 411**[1] Damage caused by luggage[2]

If damage has been caused to the carrier[2] by luggage,[2] the passenger[2] is liable if the damage is due to fault or neglect on the part of the passenger or someone for whom he or she is responsible.

[1] Cf. Section 430.
[2] Cf. Section 401.

**Section 412**[1] Carrier's[2] right of retention in luggage[2]

The carrier[2] is not bound to deliver luggage[2] other than cabin luggage, until the passenger[2] has paid the fare and for the board and any outlays during the voyage.[3] If the passenger does not pay, the luggage can be placed in safe custody for his or her account, and the carrier may, in a proper manner, sell so much of the luggage that the claims of the carrier including costs are covered.

[1] Cf. Sections 61 and 430.
[2] Cf. Section 401.
[3] Cf. Sections 448 and 465.

**Section 413**[1] Hindrances on the ship's part prior to departure

If the contract is for a named ship and that ship prior to the commencement of the voyage is lost or damaged beyond repair, the carrier[2] is not obliged to perform the carriage.

If the departure of the ship from the place where the voyage commences is considerably delayed, the passenger[2] is entitled to cancel the contract.

[1] Cf. Section 430.
[2] Cf. Section 401.

**Section 414**[1] Delay during the voyage

If, during the voyage, such a delay occurs which makes it unreasonable to require the passenger[2] to wait, or if the ship is lost or damaged beyond repair[3] after part of the voyage has been performed, the carrier[2] is bound to provide for suitable carriage of the passenger[2] and his or her

luggage to his or her destination, and to bear the resulting expenses. If the carrier does not fulfil such duties within a reasonable time, the passenger is entitled to cancel the contract.

If, at a port of call, the passenger[2] must stay ashore by reason of breakdown or other hindrances on the ship's part, the carrier shall make provision for suitable board and lodging and bear the resulting expense.

[1] Cf. Section 430.
[2] Cf. Section 401.
[3] Cf. Section 10.

**Section 415**[1] Withdrawal by the passenger[2]

If the passenger[2] does not enter upon or discontinues the voyage, the carrier[2] is entitled to the agreed fare unless the passenger has died or been hindered by illness or for other good reason and notice has been given to the carrier without undue delay. However, any amount which the carrier has saved or ought to have saved is deducted.

[1] Cf. Section 430.
[2] Cf. Section 401.

**Section 416**[1] War risks, etc.

If, after the contract of carriage was entered into, it appears that the voyage will entail danger to the passenger[2] or the ship because of war, blockade, insurrection, civil commotion or piracy or other armed violence, or that such a risk is significantly increased, both the carrier[2] and the passenger are entitled to cancel the contract without liability for damages, even if the voyage has commenced. The party intending to cancel shall give notice of this without undue delay. Failing this, that party is liable to damages for the losses caused thereby.

[1] Cf. Section 430.
[2] Cf. Section 401.

**Section 417**[1] Distance freight

If the passenger[2] discontinues the voyage by reason of circumstances beyond his or her control, or if the contract of carriage is cancelled pursuant to Section 414, or, after the commencement of the voyage, cancelled pursuant to Section 416, the carrier[2] is entitled to a proportionate part of the agreed payment, the provisions of Section 341 paragraphs two and three on calculation of distance freight being correspondingly applicable.

If the carrier has received payment in excess of what is due to him under this Section, he shall repay the surplus.

[1] Cf. Section 430.
[2] Cf. Section 401.

## III. Liability of the Carrier[1] for damage to Passengers[1] and their Luggage[1]

[0] Chapter heading amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Section 401.

**Section 418**[1] Implementation into Norwegian law of the Athens Convention 2002 and the Athens Regulation

Annex XIII to the EEA Agreement, no. 56 x (Regulation (EC) No. 392/2009 of the European Parliament and of the Council of 23 April 2009 on the Liability of Carriers of Passengers by Sea in the Event of Accidents) shall apply as law subject to such modifications as follow from Annex XIII, Protocol 1 to the Agreement, and otherwise from the Agreement.

The regulation referred to in the first paragraph shall apply correspondingly to all passenger transport by ship in Norway that does not fall within the scope of Class A or Class B of Article 4 of Directive 2009/45/EC[3] ; provided, however, that such liability shall not include joint liability for terrorist incidents, cf. Article 3 (1) (b) of the Athens Convention 2002; and provided further that the obligation to insure pursuant to Article 4bis of the Athens Convention 2002 shall not apply.

Where a ship is not covered by Class A or Class B of Article 4 of Directive 2009/45/EC[1], the carrier shall be in possession of liability insurance where the ship is certified to carry more than 12 passengers.

The Athens Convention relating to the Carriage of Passengers and their Luggage by Sea, 1974, as amended by the Protocol of 1 November 2002, shall apply as law to all passenger transport that falls within the scope of the Convention, but which falls outside the scope of the Regulation referred to in the first paragraph.

The Ministry may promulgate regulations setting forth rules concerning insurance and the putting up of security, including the criteria that must be fulfilled by the insurance or security in order to gain approval, as well as rules concerning certificates of insurance and related requirements; certificates and their form, content, issuance and validity, including the fact that an institution or organisation may issue certificates; fees for the issuance of certificates; and the use and registration of electronic certificates.

[0] Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Annex XIII to the EEA Agreement, no. 56 f (earlier Directive 98/18, as referred to in Directive 392/2009 Art. III).

**Section 418** Implementation into Norwegian law of the Athens Convention 2002 and the Athens Regulation

Annex XIII to the EEA Agreement, no. 56 x (Regulation (EC) No. 392/2009 of the European Parliament and of the Council of 23 April 2009 on the Liability of Carriers of Passengers by Sea in the Event of Accidents) shall apply as law subject to such modifications as follow from Annex XIII, Protocol 1 to the Agreement, and otherwise from the Agreement.

The regulation referred to in the first paragraph shall apply mutatis mutandis to all passenger transport by ship in Norway that does not fall within the scope of Class A or Class B of Article 4 of Directive 2009/45/EC; provided, however, that such liability shall not include joint liability for terrorist incidents, cf. Article 3 (1) (b) of the Athens Convention

2002; and provided further that the obligation to insure pursuant to Article 4bis of the Athens Convention 2002 shall not apply. Where a ship is not covered by Class A or Class B of Article 4 of Directive 2009/45/EC, the carrier shall be in possession of liability insurance where the ship is certified to carry more than 12 passengers.

The Athens Convention relating to the Carriage of Passengers and their Luggage by Sea, 1974, as amended by the Protocol of 1 November 2002, shall apply as law to all passenger transport that falls within the scope of the Convention, but which falls outside the scope of the Regulation referred to in the first paragraph.

The Ministry may promulgate regulations setting forth rules concerning insurance and the putting up of security, including the criteria that must be fulfilled by the insurance or security in order to gain approval, as well as rules concerning certificates of insurance and related requirements; certificates and their form, content, issuance and validity, including the fact that an institution or organisation may issue certificates; fees for the issuance of certificates; and the use and registration of electronic certificates.

## IV. The Carrier's liability for delay

[0] Chapter heading amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

**Section 418 a**[1] Liability for delay caused to passengers

The carrier[2] undertakes to compensate losses[3] caused by delay suffered by a passenger[4] due to an event that occurred during the carriage that is attributable to the fault or neglect of the carrier itself or a person for whom the carrier is liable.[5]

[0] Added by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Sections 430 and 501 paragraph one nos. 5 and 6.
[2] Cf. Section 401.
[3] Cf. Sections 422 and 432 and Act 13 June 1969 no. 26 Chapter 4 and 5.
[4] Cf. Section 401.
[5] Cf. Section 426

**Section 419**[1] Liability for delay of luggage

The carrier[2] undertakes to compensate losses[3] that are incurred through delay in the carriage or delivery of luggage[4] that is attributable to the error or neglect of the carrier itself or a person for whom the carrier is liable.[5]

[0] Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Sections 430 and 501 paragraph one nos. 5 and 6.
[2] Cf. Section 401.
[3] Cf. Sections 422 and Act 13 June 1969 no. 26 Chapter 4 and 5.
[4] Cf. Section 401.
[5] Cf. Section 426.

**Section 420**[1] Contributory negligence

Where a passenger[2] has through his or her own fault caused or contributed to losses referred to in Sections 418a and 419, the carrier's[3] liability may be reduced in accordance with the ordinary rules on damages.[4]

[0] Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Sections 430.
[2] Cf. Section 401.
[3] Cf. Section 401.
[4] Cf. Act 13 June 1969 no. 26 Section 5-1.

**Section 421**[1] Burden of proof

The claimant bears the burden of proof regarding the scope of the loss and whether the loss resulted from delay to the carriage.

The carrier[2] bears the burden of proving that the loss is not attributable to fault or negligence for which the carrier is liable.

[0] Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Sections 430
[2] Cf. Section 401.

**Section 422**[1] Limitation of the carrier's liability

The carrier's[2] liability for delay in connection with the carriage of passengers[3] shall not exceed 4,694 SDR[4] per passenger.

The carrier's liability for delay in connection with the carriage of luggage[5] shall not exceed the limitation amounts set forth in the Athens Convention, Article 8, cf. Section 418, third paragraph.

The passenger and the carrier may agree in writing that higher limitation amounts shall apply than those established in this paragraph.

0 Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

1 Cf. Sections 430.
2 Cf. Section 401.
3 Cf. Section 401.
4 Cf. Section 505.
5 Cf. Section 401.

**Section 423**[1] The passenger's[2] deductible in cases of delay

The carrier[3] has the right to deduct a sum from the accrued loss in accordance with the Athens Convention 2002, Article 8, paragraph 4, cf. Section 418, third paragraph. The deductible may be applied prior to limitation of liability pursuant to Section 422.

0 Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

1 Cf. Sections 430.
2 Cf. Section 401.
3 Cf. Section 401.

**Section 424**[1] Loss of the right to limitation

The carrier[2] cannot limit his or her liability under Section 422 or make deductions according to Section 423 if it is shown that he or she personally caused the loss wilfully or through gross negligence and with knowledge that such loss would probably arise.

1 Cf. Section 430.
2 Cf. Section 401.

**Section 425**[1] Claims not based on the contract of carriage

The provisions relating to the carrier's[2] objections and to the limits of the carrier's liability apply even if the claim against the carrier is not based on the contract of carriage.

[1] Cf. Section 430.
[2] Cf. Section 401.

**Section 426**[1] Carriage performed by someone other than the carrier[2]

If a carriage is performed wholly or in part by another than the carrier,[2] the carrier remains liable according to the provisions of this Chapter as appropriate as if the carrier had performed the entire carriage him- or herself.

In the case of carriage by ship,[3] the person performing it is liable for his or her part of the carriage pursuant to the same rules as the carrier.[2] An agreement whereby the carrier undertakes liability in excess of that laid down in this Chapter[4] is not binding on the person performing the carriage unless the latter has given written consent.

The carrier[2] and the person liable according to paragraph two are jointly and severally liable.[5]

[1] Cf. Section 430.
[2] Cf. Section 401.
[3] Cf. Section 403.
[4] Cf. Section 501.
[5] Cf. Act 13 June 1969 no. 26 Section 5-3.

**Section 427**[1] Claims for damages against persons for whom the carrier[2] is responsible, etc.

The provisions relating to the carrier's[2] objections and to the limits of the carrier's liability apply correspondingly in respect of those for whom the carrier is responsible according to Sections 426 or 151.

The total liability that can be imposed on the carrier and persons for whom the carrier[2] is responsible shall not exceed the limit pursuant to Section 422. Each of them is only liable up to the limit applicable to him or her.

The provisions of this Section cannot be invoked by anyone who personally caused the loss wilfully or through gross negligence and with knowledge that such loss would probably arise.

[1] Cf. Section 404, 430 and 431 paragraph three.
[2] Cf. Section 401.

**Section 428[1]** Who can claim damages

A claim for compensation arising from delay suffered by a passenger[2] may only be lodged by the passenger him- or herself or by a person who has succeeded to the passenger's legal right.[3]

[0] Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Section 430.
[2] Cf. Section 401.
[3] Cf. Act 13 June 1969 no. 26 Sections 3-7 and 3-10.

## V. Miscellaneous Provisions

[0] Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410); the number of this sub-chapter changed from sub-chapter IV.

**Section 429[1]** Jurisdiction, etc.

With the exception of claims coming within the scope of Section 418, an action relating to the carriage may only be brought at a court

a) at the place of the defendant's principal residence or principal place of business,
b) at the place of departure or destination pursuant to the contract of carriage,
c) in the State of the claimant's place of residence, provided that the defendant has a place of business in that State and may be sued there, or
d) in the State where the contract of carriage was entered into, provided that the defendant has a place of business in that State and may be sued there.

Once an action referred to in the first paragraph has been brought, the parties may agree that the case shall be dealt with by another court or by arbitration.[2]

Claims arising under Section 418 are subject to the rules on jurisdiction set forth in the Athens Convention 2002, Article 17. Claims arising under the first and second paragraphs of Section 418 are subject to the rules set forth in the Lugano Convention 2007 on the recognition and enforcement of judgments. Claims arising under Section 418, third paragraph, are subject to the Athens Convention 2002, Article 17bis.

[o] Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Section 430 and the Dispute Act Chapter 4.
[2] Cf. Act 14 May 2004 no. 25.

**Section 430** Scope of application and indispensability

The parties may not by prior agreement derogate[1] from the rules set forth in Sections 411 to 417, Sections 419 to 429, and Section 501, first paragraph, sub-paragraphs nos. 4 to 6, to the disadvantage of the passenger[2]

a) in domestic trade in Norway, Denmark, Finland or Sweden or by carriage to or from any of these States, regardless if the carriage in other respects is subject to foreign law;
b) by other carriage if the regular Norwegian rules on choice of law entails that the carriage is subject to Norwegian law.

[0] Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Section 431.
[2] Cf. Section 401.

**Section 431**[1] Exceptions from indispensability

Notwithstanding the provisions of Section 430, the carrier[2] may, in connection with the carriage of passengers[2], disclaim its liability for delay arising under this Chapter in respect of the period prior to embarkation and that following disembarkation, although no such disclaimer

may be made in respect of transport by sea between the ship and shore where such transport is included in the fare or is performed by a means of transport made available by the carrier. In the case of cabin luggage that is not located within or on a passenger's accompanying vehicle, the carrier may similarly disclaim liability for delay arising under this Chapter in respect of the period before the luggage is brought on board and after it has been taken ashore, but not in respect of transport by sea between the ship and shore as referred to in paragraph one, and not for a period during which such luggage is in the custody of the carrier while the passenger is on the quayside, or in a terminal or station, or in another facility within the port.

The carrier[2] may in any event make reservation exempting him or her from liability in respect of live animals sent as luggage.

[0] Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Section 402.
[2] Cf. Section 401.

**Section 432**[1] Liability insurance

The King may determine that ships not falling within the scope of Class A or Class B of Directive 2009/45/EC and carrying 12 or fewer passengers[2] and being employed for the purposes of passenger carriage on Norwegian domestic routes shall be subject to an obligation relating to the taking out of insurance or the putting up of security in respect of liability for personal injury that may be incurred by the carrier pursuant to Section 418, cf. Section 171, Section 172 and Section 175, subparagraph no. 1. The King may promulgate rules concerning what ships this shall apply to, and may promulgate rules concerning insurance and the putting up of security, including the criteria that must be fulfilled by the insurance or security in order to gain approval, the consequences of failure to maintain in force[3] such insurance or security, and certificates of insurance.

The King may make the provisions of this Section applicable to ships with Norwegian Passenger Certificates[4] which are used for the carriage of passengers in trades other than those mentioned in the first sentence.

[0] Amended by Act 7 June 2013 no. 30 (in force 1 January 2014 according to Resolution 6 December 2013 no. 1410).

[1] Cf. Section 402.
[2] Cf. Section 431
[3] Cf. the General Civil Penal Code Section 419 paragraph one no. 1, Acts 9 June 1903 no. 7 Section 102 paragraph three and 16 June 1989 no. 69 Chapter 7.
[4] Cf. Act 16 Feb 2007 No. 9 § 13.

# Part V. Marine Accidents

## Chapter 16. Salvage[1]

[1] Cf. Section 501 first paragraph no. 1 and 2 and Acts 20 July 1893 no. 2 Section 10, 3 June 1983 no. 40 Chapter VI, 11 June 1993 no. 101 Chapter XII and 2 August 1996 no. 61.

**Section 441** Definitions

For the purpose of this Chapter, the following words have the following meanings:

a) salvage; any act the purpose of which is to render assistance to a ship or other object which has been wrecked or is in danger in any waters;[1]

b) ship; any ship or vessel and also any other construction capable of navigation;

c) object; any object not permanently attached to the coastline;

d) environmental damage; significant physical damage to human health, or to life or resources in inland or coastal waters, including adjacent areas, or in the Norwegian economic zone[2], resulting from pollution, fire, explosions or similar serious incidents.

[0] Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

[1] Cf. Act 20 July 1893 no. 2.
[2] Cf. Act 17 December 1976 no. 91.

**Section 442** Scope of application

The provisions of the present Chapter shall apply when cases concerning salvage[1] are brought before a Norwegian court or arbitration tribunal.

The provisions of the present Chapter apply even if the salvaged ship[1] and the ship[1] that performed the salvage are owned by the same person. The provisions also apply if the ship which performed the salvage is owned by a State.[2]

The provisions of the present Chapter have no limiting effect on rules which otherwise apply to salvage operations carried out by or under the supervision of public authorities.[3] Salvors who have taken part in such salvage operations are entitled to salvage reward or special compensation according to the provisions of this Chapter.

The provisions of the present Chapter do not apply to permanent installations or pipelines for petroleum activities,[4] or to ships or objects[1] covered by Act 9 June 1978 no. 50 Concerning the Cultural Heritage Section 14.

[0] Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

[1] Cf. Section 441.
[2] Cf. Section 455.
[3] Cf. Act 13 March 1981 no. 6 Section 74.
[4] Cf. Act 29 November 1996 no. 72.
[5] Cf. Act 2 August 1996 no. 61 II.

**Section 443**[1] Dispensability, authority of the master, abatement of agreements, etc.

The provisions of the present Chapter do not apply in so far as an agreement provides otherwise. No agreement can be made limiting the obligation to prevent or limit environmental damage.[2]

The master has the authority to conclude salvage[2] agreements on behalf of the owner of the ship. The owner of the ship,[2] the reder[3] and the master have authority, independently of each other, to conclude a salvage agreement on behalf of the owners of the objects[2] which are or were on board the ship.[4]

A salvage agreement can wholly or partly be set aside or modified if the agreement was concluded under undue influence or under the influence of danger, and it would be unreasonable to rely on it. An agreement concerning the amount of a salvage reward or special compensation can be set aside or modified if the claim is not reasonably proportionate to the salvage work that has been performed.[5]

[0] Cf. amended by Act 2 August 1996 no. 61 (in force 3 December 1997).
[1] Cf. Section 137 and Act 31 May 1918 no. 4 Section 10.
[2] Cf. Section 441.

[3] The use of the term "reder" has been explained in the preface.
[4] Cf. Sections 441 and 452.
[5] Cf. Act 31 May 1918 no. 4 Section 36.

**Section 444** The salvor's, owner's and master's duties, etc.

In relation to the owner and reder[1] of the ship,[2] and also the owners of other objects concerned in the salvage,[2] the salvor is duty bound to:

a) perform the salvage operation with due care;
b) take due care during the salvage operation to prevent or limit environmental damage;[2]
c) seek the assistance of other salvors when this is reasonable under the circumstances; and
d) accept the intervention from other salvors when this is reasonably requested by the reder, master or owner of other objects at risk; the amount of the salvage reward shall nevertheless not be reduced if the request was unreasonable.

In relation to the salvor, the owner, reder and master[3] of the ship,[2] and also the owners of other objects[2] concerned in the salvage[2] are duty bound to:

a) co-operate fully with the salvor;
b) take due care during the salvage operation to prevent or limit environmental damage;[2] and
c) accept redelivery, when reasonably requested by the salvor after what has been salvaged has been brought to safety.

[0] Amended by Act 1996 no. 61 (in force 3 December 1997).

[1] The use of the term "reder" has been explained in the preface.
[2] Cf. Section 441.
[3] Cf. Section 135.

**Section 445** Conditions for salvage award[1]

The salvor is only entitled to a salvage award if the salvage[2] operation produced a useful result. The salvage award, not including interest[3] and legal costs,[4] can never be fixed at a higher amount than the value of what was salvaged.

The rescue of human life does not as such entitle a salvage award. A person who in the course of a salvage operation has rescued human life is entitled to a reasonable share of the salvage award or special compensation.[5]

The provision of paragraph one does not preclude a claim for special compensation according to Section 449.

[0] Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

[1] Cf. Sections 173 and 501 paragraph one.
[2] Cf. Section 441.
[3] Cf. Act 17 December 1976 no. 100.
[4] Cf. the Dispute Act Chapter 13.
[5] Cf. Section 449.

**Section 446** Fixing of the salvage award

The salvage award shall be fixed with a view to encouraging salvage. In the apportionment of salvage award, importance shall be attached to the following circumstances:

a) the value of what was salvaged;
b) the skill and effort the salvors put into salving the ship, other objects and human lives;
c) the skill and effort the salvors put into preventing or limiting environmental damage;[1]
d) to what extent the salvor was successful;
e) the nature and degree of danger;
f) the time spent and the expenses and losses incurred by the salvors;
g) how quickly the assistance was given;
h) the risk that the salvors incur liability for damages, and other risks to which the salvors or their equipment were exposed;[2]
i) that ships[1] and other equipment were used or kept on hand during the salvage operation;[1]
j) the degree of preparedness and the effectiveness of the salvors' equipment, and also the value of the equipment.

[0] Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

[1] Cf. Section 441.
[2] Cf. Sections 171 and 173 paragraph two.

**Section 447**[1] Liability for the salvage award

The salvage award is payable by the shipowner[2] and the owners of other objects in proportion to the values salvaged for each of them.

[0] Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

[1] Cf. Sections 386 and 392.
[2] Cf. Section 441.

**Section 448** Several salvors

In the apportionment of a salvage award among several salvors, the circumstances mentioned in Section 446 shall be taken into account.

[0] Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

**Section 449** Special compensation

If the salvor performed a salvage operation for a ship[1] which alone or together with its cargo entailed a risk of environmental damage,[1] the salvor can demand that the owner and reder[2] of the ship pay special compensation which shall correspond to the expenses incurred by the salvor in the salvage operation. Such special compensation can only be claimed in so far as it exceeds the amount of a salvage award fixed according to Section 446.

If the salvor prevented or limited environmental damage,[1] the special compensation may be increased by up to 30 per cent of the expenses to the salvor. When it is found reasonable, however, the compensation can be increased by up to 100 per cent of the expenses to the salvor, the circumstances mentioned in Section 446 being taken into consideration.

By the expenses to the salvor in this context is meant out-of-pocket expenses reasonably incurred by the salvor in the course of the salvage operation, plus a fair rate for the equipment and personnel employed in the work. When the amount of such a rate is being fixed, the circum-

stances mentioned in Section 446 letters g, i and j shall be taken into consideration.

If the salvor has failed through negligence to prevent or limit environmental damage,[1] the salvor may be deprived of the whole or part of the special compensation.

[0] Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

[1] Cf. Section 441.
[2] The use of the term "reder" has been explained in the preface.

**Section 450** Exceptions

Persons who carry out services pursuant to a contract entered into before the danger arose, have no right to a salvage award or special compensation,[1] unless the services rendered exceed what can be considered as due performance of the contract.

Persons who, despite the express and reasonable prohibition of the ship's[2] owner, reder[3] or master carry out a salvage operation, are not entitled to a salvage award or special compensation. A similar rule applies in case of a prohibition of the owner of other property[2] in danger which is not and has not been on board a vessel.[4]

A salvor may be deprived of the whole or a part of a salvage award or special compensation[1] if the salvage operations[2] have become necessary or more difficult because of fault or neglect on the salvor's part, or if the salvor has been guilty of fraud or other dishonest conduct.

[0] Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

[1] Cf. Section 449.
[2] Cf. Section 441.
[3] The use of the term "reder" has been explained in the preface.
[4] Cf. Sections 135 and 193.

**Section 451**[1] Apportionment of salvage award between the ship's[2] reder[3] and crew

When a ship[2] registered in Norway has salvaged something on a voyage, the salvage award shall first compensate any damage that the ship,[2] cargo or other property on board may have sustained in the

salvage operation, and also expenditure for fuel, wages and food for the master and crew incurred in connection with the salvage.[2]

The remaining, the net salvage award, is apportioned according to the following rules:

1) The reder[4] receives 3/5. Of the remaining, the master receives 1/3 and the genuine crew 2/3. The crew's share is apportioned in proportion to their respective wages. The master's share shall nevertheless always be at least twice that of the most highly paid crew member. A pilot on board a salvaging ship participates in the distribution of the share of the crew even if the pilot is not in the employment of the reder, and receives in the event a share corresponding to the wages of the senior mate.
2) If the salvage was carried out by a fishing or catching vessel in use as such, 4/15 is distributed equally between the members of the crew, including a pilot on board, cf. no. 1 sentence five. Of the remaining, one further crew member's share is due to the master seiner, and to the master in total two single crew member shares, but at least 2/15 of the net salvage award. The rest goes to the reder. The provisions of this number do not apply to vessels in use in pelagic whaling.
3) If the salvage was performed by a Norwegian State-owned ship in use for purposes of a public law nature, the State receives 3/5.[4] The remaining is distributed among those on board according to rules laid down by the King. The State may refrain from claiming salvage rewards without incurring liability towards those on board.
4) When there are particular reasons indicating a different apportionment, exceptions can be made to the apportionment rules of nos. 1, 2 and 3.

A master or crew member cannot waive his or her rights according to this Section unless they have signed on a salvage vessel specially equipped for salvage, or the waiver was made in connection with signing on and relates to a particular salvage operation. In such cases as

mentioned in paragraph two no. 2, deviating rules as to apportionment can be agreed by collective agreement.

As soon as the salvage reward has been fixed by agreement or final judgment, the shipowner sends each person entitled to a share of the salvage reward notification of the award amount and a plan for its distribution. Claims according to paragraph two no. 4 or other objections to the distribution must reach the shipowner no later than three months after the notification was sent.

If the ship is not registered in Norway, the laws of the State in which it is registered apply.

[0] Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

[1] Cf. Sections 386 and 501 paragraph one.
[2] Cf. Section 441.
[3] The use of the term "reder" has been explained in the preface.
[4] Cf. Section 442 paragraph two.

**Section 452** Provision for financial security

At the request of the salvor, the person liable for the claims for salvage award or special compensation shall provide security for its payment. The security must also cover interest and the costs of the claim. When such security has been provided, the salvor cannot enforce a maritime lien in respect of the claim for salvage award.[1]

The owner and reder[2] of the salvaged ship[3] shall do their utmost to ensure that cargo owners provide security for their liability to salvors before the cargo is released.[4]

Before security according to paragraph one has been posted, the salvaged ship[1] or salvaged objects[3] cannot without the consent of the salvor be moved from the place to which they were brought on completion of the salvage operation.[3]

[0] Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

[1] Cf. Sections 51 and 61.
[2] The use of the term "reder" has been explained in the preface.
[3] Cf. Section 441.
[4] Cf. Sections 63, 270 and 412.

**Section 453** Advances on salvage awards or special compensation

The Court or arbitration tribunal which is to adjudicate the salvor's claim may provisionally decide that a reasonable advance shall be paid on the salvage award or special compensation.[1] If required in view of the circumstances of the case, such advance shall be made conditional on the posting of security or the like by the salvor.

[0] Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

[1] Cf. Section 441.

**Section 454**[1] Rules of procedure

An action for the fixing or apportionment of a salvage award or special compensation can be brought at the place where the salvage took place or where the salvaged items were brought ashore. An action for apportionment according to Section 451 must be brought in the jurisdiction where the salvage vessel[2] has its home port[3] or, as the case may be, where the action for the fixing of a salvage reward or special compensation or for apportionment according to Section 448 was brought.

The person who brings an action for the apportionment of a salvage reward or special compensation must sue jointly all those against whom his claims are made. If such an action has been brought, other actions concerning the distribution must be brought at the venue where the first action was brought. The Court consolidates the actions for joint hearing and judgment in so far as this is permitted, cf. the Dispute Act[4] Section 98.

[0] Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

[1] Cf. Act 20 July 1893 no. 2 Section 10.
[2] Cf. Section 441.
[3] Cf. Section 8.
[4] Cf. Act 13 August 1915 no. 6.

**Section 455** State property. Cargoes carried for humanitarian purposes

The provisions of the present Chapter do not form basis for arrest or other interlocutory measures[1] against a State-owned cargo which is not of a commercial nature. This does not apply if such arrest or other interlocutory measure is in accordance with international law.

With regard to arrest or other interlocutory measures against State-owned ships, the provisions of the Enforcement of Claims Act[2] Section 1-6 shall apply.[3]

The provisions of the present Chapter do not form basis for arrest or other interlocutory measures[1] against a cargo intended for humanitarian purpose, provided the State donating the cargo undertakes to pay the salvage award or special compensation[4] in respect of such cargo.

0 Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

1 Cf. the Enforcement of Claims Act Chapter 14 and 15.
2 Cf. Act 26 June 1992 no. 86.
3 Cf. Section 442 paragraph three.
4 Cf. Section 449.

## Chapter 17. General Average[1]

1 Cf. previous Act 25 July 1908. Cf. now § 501 third paragraph.

**Section 461** The York-Antwerp Rules

Unless otherwise agreed,[1] allowance in general average of damages, losses and expenses and the apportionment thereof are governed by the York-Antwerp Rules 1994.[2] If the York-Antwerp Rules 1994 are amended, the King may decide that the amended rules apply. The Rules are published by the King in their English wording and in a Norwegian translation.[3]

0 Amended by Act 2 August 1996 no. 61 (in force 3 December 1997).

1 Cf. Sections 254 paragraph two.
2 Cf. Section 360.
3 Cf. Resolution 24 January 1997 no. 36.

**Section 462** General average: location, adjuster and adjustment

Unless otherwise agreed, general average adjustment is made in the home country of the reder.[1]

In Norway, general average adjusters shall determine whether or not the conditions for general average are present, and, as the case may be, draw up a general average statement. Such determination and statement is called a general average adjustment[2].

The general average adjuster is appointed by the person authorised by the King.

[0] Amended by Act 28 May 1999 no. 34.

[1] The use of the term "reder" has been explained in the preface.
[2] The term used in the Norwegian text is "dispasje".

**Section 463** Request for average adjustment.

A general average adjustment is requested by the reder[1].If the reder has not made such a request within 2 weeks of receiving a request to do so from a person having a legal interest [2] in the general average, any such interested person may him- or herself make the request for general average adjustment.

[1] The use of the term "reder" has been explained in the preface.
[2] Cf. the Dispute Act Section 54.

**Section 464** Duty of disclosure, etc.

Any person having a legal interest[1] in a general average has a duty to disclose without undue delay any information and produce any documents in his possession which are considered necessary by the adjuster.

[1] Cf. the Dispute Act Section 54.

**Section 465**[1] Liability for general average contribution

For the general average contribution of cargo or other goods, the owner's liability is attached to the goods, not to him/her personally.

After a general average the reder[2] shall refuse to deliver the cargo unless the cargo-owner undertakes personal liability for any general average contribution and provides satisfactory security.[3]

[1] Cf. Section 51 paragraph one no. 5, Section 61 no. 1, Section 173 no. 1 and Section 386.
[2] The use of the term "reder" has been explained in the preface.
[3] Cf. Sections 270 and 412.

**Section 466** Legal action

An action concerning the correctness of a general average adjustment can be brought in the jurisdiction where the general average adjuster has his or her permanent place of business.

With regards to carriage of general cargo, the proceedings can be instituted by one writ of summons issued to all the cargo-owners jointly. The Court shall have the writ of summons published in Norsk lysningsblad[1], allowing at least two months' notice. The Court may also publish the writ in one or more other newspapers. In the writ of summons, the Court shall draw attention to the rule that final judgment in the matter is binding upon every participant in the general average, irrespective of whether or not they have appeared in the proceedings.

Proceedings for the collection of contributions to general average can be instituted in the jurisdiction where the general average adjuster has his permanent place of business. If proceedings as to the correctness of a general average adjustment have been instituted in another jurisdiction, and it is desired to have the question of the correctness of the adjustment decided in such a way that it is binding upon every participant in the general average, any party to the proceedings can require that the proceedings be transferred to the Court in the jurisdiction referred to in paragraph one.

If the general average adjustment is adjudged to be incorrect, the general average adjuster shall be obliged to correct his adjustment in accordance with the judgment.

[1] The official gazette, cf. Act 11 October 1946 no. 1.

**Section 467**[1] Average Adjusters

Only those who hold an exam that documents the requisite knowledge of Norwegian and foreign law and foreign languages can be appointed general average adjusters. The person in question should generally also hold a law degree (Cand.jur.).[2]

The King may give regulations as to what kind of knowledge is required according to paragraph one, and which examinations are considered to satisfy the requirements. The King may also give regulations requiring, in addition to such examinations, experience at a general average adjuster's office.

Without the consent of the Ministry in question, a general average adjuster cannot hold any permanent salaried public office or practice as a lawyer, or, on his own account or as an intermediary, do business in the field of shipping or of marine insurance or be a member of the board or have a permanent position in such business. The provisions of the Act Relating to the Courts of Justice[3] Chapter 6 apply correspondingly to general average adjusters.

The general average adjuster shall give an assurance according to the Act Relating to the Courts of Justice[3] Section 141 that he will draw up his general average adjustments in accordance with the law, and always conscientiously carry out his duties as a general average adjuster.

The King[4] may issue more detailed regulations as to the practice of general average adjusters.

0 Amended by Acts 7 April 1995 no. 15 and 28 May 1999 no. 34.

1 Cf. Sections 180 and 341.
2 Cf. Act 12 May 1995 no. 22 Chapter 10.
3 Act 13 August 1915 no. 5.
4 Ministry of Trade and Industry, cf. Resolution of 5 May 1967, 18 December 1987 no. 970 and 20 December 1996 no. 1156.

**Section 468** (Repealed by Act 28 May 1999 no. 34.)

# Chapter 18. Investigation of Marine Accidents, Maritime Assessment, Ship's Records

[0] Title amended by Acts 16 February 2007 no. 9; 7 January 2005 no. 2.

**Section 471** (Repealed Act 16 February 2007 no. 9)

## I. Investigation of Marine Accidents

[0] Amended by Act 7 January 2005 no. 2.

**Section 472** Scope

The stipulations in paragraph II apply, when nothing else appears from the stipulation in question, to:

a) Norwegian ships, including fishing vessels and leisure boats[1]
b) Foreign ships, when the incident occurs in the Kingdom, or outside of the Kingdom when the flag State agrees or if, in accordance with international law, Norwegian jurisdiction can be enforced.

For marine accidents with Ro-Ro ferries and high-speed passenger crafts running in scheduled traffic to or from a port in an EEA member State, chapter II applies when the accident occurs outside of Norwegian sea territory if Norway was the last EEA member State the vessel visited before the accident[2].

The stipulations in chapter II do not apply to marine accidents where only military vessels are involved.

[0] Amended by Act7 January 2005 no. 2, 16 December 2011 no. 64.

[1] Cf. Maritime Code Section 1; Acts 5 December 1917 no. 1; 12 June 1987 no. 48; 26 June 1998 no. 47; 26 March 1999 no. 15 Section 22.

[2] Cf. Annex XIII to the EEA Agreement, no. 56 ca (Directive 199/35)

**Section 472 a** Definitions

In this Act, a Serious Accident means an accident involving a fire, explosion, collision or similar occurrence; extreme weather or ice conditions; cracks or defects in the hull etc. leading to:

1) immobilisation of the main engines; significant damage to the interior of the ship; or significant structural damage, including water penetrating the hull, such that the ship is not in a condition to continue the voyage, or
2) pollution; or
3) damage necessitating towage of the ship or the provision of shore-based assistance.

In this Act, a High Speed Passenger Craft means a high-speed craft as defined in Rule X/1 of the SOLAS Convention 1974, as subsequently amended, that is capable of transporting more than 12 passengers.

In this Act, a Ro-Ro Ferry means a sea-going passenger ship that is fitted out so as to allow road or rail vehicles to be driven onto and off the ship, and that is capable of transporting more than 12 passengers.

In this Act, a Marine Accident means an incident that has occurred in connection with the operation of a ship where:

1) there is loss of life or serious personal injury;
2) the ship has been, or must be assumed to be, lost, or the ship is abandoned,
3) the ship sustains significant damage;
4) the ship has run aground or been involved in a collision or incident that results in the ship no longer being seaworthy; or
5) there is significant environmental damage or there is a danger of environmental damage as the result of damage sustained by the ship.

In this Act, a Very Serious Marine Accident means a marine accident that involves the loss of the ship; loss of life; or the causing of significant environmental damage, or an imminent danger of the aforesaid in connection with the operation of a passenger ship.

Harm to a ship, an individual or the environment that is perpetrated with intent does not constitute either a Marine Accident or a Very Serious Marine Accident.

[0] Added by Act 16 December 2011 no. 64.

**Section 473** Investigative authority

The investigation of marine accidents shall be conducted by such authority as determined by the King.

The investigative authority shall elucidate course of events and causal factors, investigate circumstances of consequence to prevent marine accidents and improve maritime safety, and submit and publish a report with its prospective recommendations when investigation is concluded. The investigative authority shall not consider civil or criminal negligence and liability.

The King can determine that investigation of industrial accidents aboard ships that have caused death or considerable personal injury, shall be re-directed to another branch of authority[1] than the branch otherwise being investigative authority in accordance with paragraph one.

[0] Amended by Acts 7 January 2005 no. 2; 16 December 2011 no. 64.

**Section 474** Specially affected states and their right to participate in the investigations

The investigative authority shall give specially affected states the right to participate in the investigations.

Specially affected state is to be interpreted as a state:

a) where the ship is registered,
b) where the accident happened within the sea territory,
c) where environment or property has been seriously damaged or exposed to the risk of serious damage.,
d) that has citizens who died or were considerably damaged as a result of the maritime accident,
e) that has information that could be of central significance to the investigation, or
f) that in any other way has a substantial interest in the investigation.

[0] Amended by Acts 17 June 2005 no. 90 (as ameded by Act 26 January 2007 no. 9), 7 January 2005 no. 2.

**Section 475** Duty to report

The shipmaster or the rederi[1] shall immediately report a marine accident[2] [3] to such authority as determined by the King.[4]

The duty to report in accordance with paragraph one also applies to anyone who witnesses such accident, or observes wreckage or other circumstances that give reason to fear that a maritime accident has occurred, provided that the person in question under the circumstances has no reason to believe that such reporting is unnecessary.

[0] Amended by Acts 7 January 2005 no. 2 as amended by Act 16 February 2007 no. 9, 27 June 2008 no. 72, 16 December 2011 no. 64.

[1] The term «reder» is explained in the Preface.
[2] Cf. Section 472 a.
[3] Accidents confined to a ship, such as personal injury suffered by crew members, are to be reported pursuant to Act 16 February 2007 no. 9 (Ship Safety Act) Section 47.
[4] Cf. Section 473.

**Section 475 a** Duty to preserve evidence

Any person who is involved in a Marine Accident shall so soon as circumstances permit collect and preserve all evidence that may be necessary for the purposes of a safety investigation, including:

a) preserving all information from charts, log books, electronically and magnetically recorded information and video tapes, including information from the voyage data recorder (VDR) and other electronic devices relating to the period before, during and after the accident;
b) ensuring that no such information is overwritten or altered in any other way;
c) preventing interference from other equipment that may be of significance in a safety investigation following the accident.

The duty to collect and preserve evidence pursuant to the first paragraph ceases to apply once the safety investigation is concluded.

[0] Added by Act 16 December 2011 no. 64.

**Section 476** Implementing an investigation

Once the investigative authority[1] has received a report concerning a Marine Accident[2], it shall determine immediately whether it shall conduct an investigation into the accident, and if so shall take steps to commence the investigation as soon as possible and in any event within two months of the date of the accident. The investigation shall be brought to a conclusion without undue delay. The investigative authority itself shall determine the scope of the investigation and how it shall be conducted.

An investigation shall[3] be implemented following a Very Serious Marine Accident in the following circumstances:

a) where a Norwegian ship is involved, regardless of where the accident took place;
b) where the ship involved in the accident is a foreign ship and the accident has occurred within the Kingdom;
c) where the accident substantially affects Norwegian interests, regardless of the ship's flag or where the accident took place.

A Very Serious Marine Accident[4] involving a fishing vessel with a length of less than 15 metres that results in the loss of the vessel but no loss of life does not fall within the scope of letters a to c.

The investigative authority shall conduct a provisional assessment in order to determine whether to conduct an investigation in the case of Serious Accidents.

Marine Accidents involving leisure boats[5] are not covered by the second and third paragraphs.

In the case of a Marine Accident that is not covered by the second paragraph, the investigative authority shall itself determine whether to conduct an investigation. When taking such a decision, weight shall be attached to the need to clarify the circumstances surrounding the accident; the seriousness of the accident; the type of vessel and cargo involved; the potential for the investigation to contribute to efforts to improve safety at sea; the resources anticipated to be required for the investigation; whether it is possible to conduct the necessary investigations in another manner; and the opinion of any substantially interested

state as to whether an investigation should take place. Substantially interested states should if possible be provided with the opportunity to express an opinion as to whether an accident should be investigated. In addition, weight should be attached to the consideration that in general a sufficient number of investigations should be conducted so as to provide an adequate quantity of background material for general efforts to improve safety at sea.

The investigative authority may without regard to previous decisions decide to investigate the circumstances surrounding one or more Marine Accidents.

Decisions by the investigative authority pursuant to this paragraph may not be appealed.

All such investigations shall comply with such guidelines as have been established pursuant to Article 2 letter e of Regulation 1406/2002/EF. The investigative authority may deviate from such guidelines where necessary in order to fulfil the objectives of the investigation.

[0] Amended by Acts 23 June 1995 no. 34; 14 December 2001 no. 98; 15 April 2005 no. 17; 17 June 2005 no. 90 (as amended by Act 26 January 2007 no. 3); 7 January 2005 no.2; 16 December 2011 no. 64.

[1] Cf. Section 473.
[2] Cf. Section 472 a.
[3] Cf. Penal Code 1902 Section 414.
[4] Cf. Section 472 a.
[5] Cf. Act 26 June 1998 no. 47 Section 1 no. 2.

**Section 477** Duty of disclosure

Anyone has a legal duty to upon request and without regards to professional secrecy give any information to the investigative authority[1] that may be significant to the investigation of a marine accident. Anyone giving statement to the investigating authorities has the right to legal assistance from a lawyer or other legal representative.

The shipmaster or the rederi[2] shall produce a transcript of what the ship's logs[3] contain regarding the accident, and shall give information about the ship's crew and persons who might provide information about

the accident and what persons and enterprises are affected by it, and shall upon request give a detailed written statement of the accident.

The statements referred to in the first and second paragraphs may not be made available for any purposes other than the safety investigation. This applies also to information that reveals the identities of persons who have made statements, and to information of a particularly sensitive or private nature concerning persons who were involved in the accident. Information that emerges during statement taking may not be used as evidence against the person who has given the statement in subsequent criminal proceedings against the person in question

[0] Amended by Acts 7 January 2005 no. 2, 16 December 2011 no. 64.

[1] Cf. Section 473.
[2] The term «reder» is explained in the Preface.
[3] Cf. Act 16 February 2007 no. 9 Sections 14 (2)(c) and 33 (29(c).

**Section 478** Prohibition against removing wreckage etc.

Ships that are wrecked, wreckage and other objects from the ship must not be removed or touched without consent from the investigating authorities[1] or the police, unless it is necessary in order to prevent danger to persons, property or environment or to prevent that something of importance to the investigation is destroyed or disappears.[2]

[0] Amended by Act 7 January 2005 no. 2.

[1] Cf. Section 473.
[2] Cf. Act 20 July 1893 no. 2 Section 2.

**Section 479** Measures to obtain information

The investigative authorities[1] are entitled to make use of private ground and take into possession ships that are wrecked, wreckage, documents and other objects to the extent required to perform their task. They can order medical examination pursuant to the stipulations in Section 145. If necessary the authorities can demand assistance from the police.

Witness depositions and other information is gathered to the extent and in the manner the investigative authorities consider appropriate.

[0] Amended by Act 7 January 2005 no. 2.

[1] Cf. Section 473.

**Section 480** Professional secrecy

Anyone performing services or labour for the investigative authorities[1] are subject to professional secrecy under the Public Administration Act[2] regarding what they learn when performing their work. When receiving classified information from someone that according to Norwegian law abide to a stricter professional secrecy than what follows from the Public Administration Act, correspondingly strict secrecy shall apply to persons mentioned in the first sentence, unless weighty public interest favours that the information should be eligible to be passed on or the information is necessary to explain the reasons for the accident.

[0] Amended by Act 7 January 2005 no. 2.

[1] Cf. Section 473.
[2] Cf. Act 10 February 1967 Sections 13 et seq.

**Section 481** Securing of evidence

The investigative authorities[1] can demand securing of evidence under the stipulations in Section 28-3 third paragraph and Section 28-4 in the Civil Procedure Act. Demands for securing evidence can be brought before the magistrate's court at a port where the ship arrives, or the magistrate's court at a port where the crew is staying.

In case of marine accidents involving ships belonging to Denmark, Finland or Sweden, the authorities in the country in question can demand that the taking of evidence is conducted in accordance with the stipulations in the first paragraph. If the accident, as mentioned in the first sentence, occurred abroad, the taking of evidence can be conducted by Norwegian consular authority in accordance with the stipulatons in the Courts Administration Act 4 Section 50.

For the shipmaster, the reder[2] , the injured party and others affected, the general terms of the Civil Procedure Act[3] apply for the securing of

evidence outside of trial. Taking of evidence abroad can be conducted by Norwegian consular authority in accordance with the stipulations in the Courts Administration Act[4] Section 50.

In Denmark, Finland and Sweden maritime investigation involving Norwegian vessels is held before the court that is competent according to the legislation there.

[0] Amended by Act 17 June 2005 no. 90 as amended by Act 26 January 2007 no.3.

[1] Cf. Section 473.
[2] The term «reder» is explained in the Preface.
[3] Act 17 June 2005 no. 90.
[4] Act 13 August 1915 no. 5.

**Section 482[2]** International investigations

Where the investigative authority[1] has received a report of a Marine Accident[2] that involves a substantially interested state, it shall as expeditiously as possible inform the authorities of the relevant state.

If the investigative authority is to investigate a Marine Accident that has occurred outside the Kingdom, parts of the investigation may be conducted in cooperation with the Norwegian foreign service mission[3]. The investigative authority may also request assistance from a foreign investigative authority.

Where an investigation involves a substantially interested state, the investigative authority shall cooperate with the state in question. The investigative authority shall reach agreement as expeditiously as possible with the investigative authority in the substantially interested state regarding who shall have primary responsibility for the investigation and how the investigation shall be conducted. The investigative authority may entrust the investigation, including an investigation that falls within the scope of the second paragraph of Section 476, to the substantially interested state. The investigative authority may participate in an investigation into a Marine Accident that occurred outside the Kingdom and that is being conducted by a foreign investigative authority. Where an investigation is being conducted within a foreign state's territory, the provisions of Part II shall apply only in so far as the Norwegian author-

ity is competent in accordance with international law, and in so far as is not prevented by the laws of the coastal state.

Where a Ro-Ro Ferry or a High Speed Passenger Craft has been involved in a Marine Accident, the investigation shall be initiated by the EEA State within whose territorial or internal waters the accident or incident occurred. If the accident occurs in waters other than territorial or internal waters, the investigation shall be initiated by the Member State of the ship's last port of call. This state shall have primary responsibility for the safety investigation and for coordinating activities with other substantially interested Member States until such time as joint agreement has been reached as to which state shall have primary responsibility for the investigation.

The investigative authority in a substantially interested state within the EEA shall be granted access to the same evidence and statements in accordance with Section 477 as the investigative authority itself. In conducting its investigation the investigative authority shall take account of the opinions of such a state.

[0] Amended by Acts 7 January 2005 no. 2, 16 December 2011 no. 64.

[1] Cf. Section 473.
[2] Cf. Section 472 a.
[3] Cf. Act 3 May 2002 no. 13.

**Section 483** Expert assistance etc.

The investigative authorities[1] can make use of expert assistance when conducting the investigation, and can also ask for assistance from police and other authorities.

[0] Amended by Act 7 January 2005 no. 2.

[1] See Section 473.

**Section 484** Rights of those affected by the case

When the investigative authority[1] decides to carry out an investigation, it shall as far as possible notify the shipowner, the rederi[2] , the shipmaster, users and insurers of the ship and others affected by the

case about this. Such notification shall be given as soon as possible, and shall inform about the rights pursuant to the present Section second paragraph and Section 485 second paragraph.

By the time the investigation is concluded, those mentioned in the first paragraph shall be allowed to bring forward information and viewpoints about the marine accident and its causal factors. They should also be allowed to be present during the investigations, and have the right to familiarize themselves with the documents, to the extent the investigative authority[1] finds that it does not obstruct the investigation. Second sentence applies with the limitations set by professional secrecy, cf. Section 480.

[0] Amended by Acts 7 January 2005 no. 2, 16 December 2011 no. 64.

[1] Cf. Section 473.
[2] The term "reder" is explained in the Preface.

**Section 485** Investigation report

The investigative authority[1] shall produce a report which gives an account of the course of events and which contains the investigative authority's statement on the causative factors. The report shall also contain investigative authority's recommendations, if any, of precautions to be taken or considered for the purpose of preventing similar marine accidents in the future.

Before the investigative authority concludes the report, a draft of the report shall upon request be produced to those mentioned in Section 484 paragraph one, and to specially affected states, with a reasonable deadline for those in question to make comments, unless particular circumstances require otherwise. The right according to the first sentence applies only to the parts of the draft to the report which those in question, because of their connection to the case or the investigation, are particularly well positioned to comment on.

The investigative authority's draft to a report is not public.

The investigative authority may prepare a simplified report in respect of Marine Accidents other than those mentioned in the second paragraph of Section 476 in cases where the result of the investigation will

not be capable of making any contribution to the prevention of future accidents and incidents.

The report shall be made available within 12 months of the occurrence of the accident. If this is not possible, the investigative authority shall publish a provisional report within 12 months.

The investigative authority shall forward the report to the EFTA Surveillance Authority (the ESA) and shall report accidents and incidents at sea to the European Marine Casualty Information Database (EMCIP).

Decisions by the investigative authority pursuant to this paragraph may not be appealed.

[0] Amended by Acts 7 January 2005 no. 2, 16 December 2011 no. 64.

[1] Cf. Section 473.

**Section 486** Treatment of seafarers who have been involved in a Marine Accident

In the investigation of Marine Accidents[1] account shall be taken of the Guidelines on Fair Treatment of Seafarers in the Event of a Maritime Accident as established by the IMO.

[0] Amended by Acts 7 January 2005 no. 2, 16 December 2011 no. 64.

[1] Cf. Section 472 a.

**Section 486 a** Regulations

The King may promulgate regulations to supplement the provisions of Chapter 18, Part II.

[0] Added by Act 16 December 2011 no. 64.

## II. Maritime Assessment[1]

[1] Cf. Section 492.

**Section 487** Purpose, etc.

Maritime assessment shall be instituted when requested by the reder[1] or a charterer, cargo-owner, insurer or other interested party. The Court shall, in so far as requested,

1) deliver a statement on the condition of the ship and cargo and the nature, extent and cause of any damage;
2) assess the value of ship and cargo;
3) deliver a statement on whether the ship can be repaired either where it is or at a place to which it can be moved;
4) assess the anticipated costs of moving and repairing the ship, and its estimated value when repaired.[2]

The assessment can be relied upon as evidence in legal proceedings but is not binding.

[0] Amended by Act 30 August 2002 no. 67.

[1] The use of the term "reder" has been explained in the preface.
[2] Cf. Section 10.

**Section 488** Members of the Court of Assessment, etc.

The number of assessors[1] is two. If the Chairman of the Court considers it desirable, there shall be four assessors.

The assessors are as far as possible to be given one day's prior notice.

In special cases the Chairman of the Court may refrain from taking part in the assessment and leave it to be conducted by the assessors alone, with subsequent conclusion in a Court session.

[0] Amended by Act 30 August 2002 no. 67.

[1] Original: "skjønnsmedlemmene".

**Section 489** Time of hearing, notification

The assessment is held as soon as possible after the request is received. The Court gives notice of the place and time set for the hearing to the

claimant and the master and, as far as possible, to the reder[1] as well as charterers, cargo-owners, insurers and other interested parties. If there is probable cause for suspecting violation of the rules regarding seaworthiness or safety at sea, notice shall also be given to the chief of police concerned. The assessment can proceed even though some of those who have been or should have been given notice do not attend.

[0] Amended by Act 30 August 2002 no. 67.

[1] The use of the term "reder" has been explained in the preface.

**Section 490** Examination, records and investigation

The assessors are entitled to ask questions to the persons being examined.

Testimony given in the course of the assessment shall be entered into the Court records in accordance with the provisions of the Dispute Act[1] Section 13-9 paragraph one, if required by one of the parties or by any other interested person present, or if the Court considers the testimony significant for the assessment of the cause or extent of the damage or circumstances relating to liability, or if the Court otherwise considers it appropriate.

In so far as it is justifiable and not incompatible with the participation of the Chairman in the final assessment, the Chairman can leave the detailed investigation to the assessors alone, if it would be inordinately time consuming for the Chairman to take part fully in the entire investigation.

[0] Amended by Act 30 August 2002 no. 67.; 17 June 2005 no. 90 as amended by Act 26 January 2007 no. 3.

[1] Cf. Act 17 June 2005 no. 90.

**Section 491** Judicial remedy

There is no right of review by a superior Court of Assessment, appeal, or re-opening of the case.

If, after the conclusion of the assessment, any new evidence considered to be of substantial relevance has emerged, further assessment

proceedings can be instituted at the request of any person referred to in Section 487.

[0] Amended by Act 17 June 2005 no. 90 as amended by Act 26 January 2007 no. 3.

**Section 492** Reference to the Assessments' Act

In so far as nothing else follows from the provisions laid down here, assessment is conducted according to the provisions of the Assessments' Act.[1]

[1] Cf. Act 1 June 1917 no. 1. See Dispute Act Chapter 17.

## III. Regulations

**Section 493** Supplementary regulations

The King[1] may issue more detailed regulations[2] supplementing and implementing the provisions of this Chapter.

[1] Cf. Act 10 February 1967 Section 2 and Chapter VII. Ministry of Trade and Industry as regards maritime investigation and Ministry of Justice as regards maritime assessment, cf. Resolutions of 5 May 967, 18 December 1987 no. 970 and 20 December 1996 no. 1156.

# Part VI. Other Provisions

## Chapter 19. Statutory Limitation

**Section 501**[1] Time bars

In respect of the following claims the time bars are:

1) for a claim for salvage reward or special compensation, two years from the day on which the salvage operation ended;[2]
2) for a claim for a share of salvage reward or of special compensation according to Section 451 paragraph two, one year from the day on which notice was sent according to Section 451 paragraph four;
3) for a claim for damages arising from collision, two years from the day on which the damage was done;[3]
4) for a claim for damages for a passenger's loss of life or personal injury, two years from the day on which the passenger should have disembarked or did disembark; if the death took place after disembarkation, the limit shall be two years from the day of death but not more than three years from disembarkation;[4]
5) for a claim for damages for loss of or damage to luggage, two years from the date of disembarkation or from the date when disembarkation should have taken place if that is later;[4]
6) for a claim for damages for delay in the carriage of passengers or luggage or in the delivery of luggage, two years from the day on which the passenger disembarked or the luggage was brought ashore or delivered;[4]
7) for a claim for damages for loss of or damage to or in connection with goods or for incorrect or incomplete statements in a bill of lading, one year from the day on which the goods should have been delivered or were delivered;[5]

8) for a claim for damages for loss suffered by cargo being delivered without presentation of a bill of lading or to the wrong person, one year from the day on which the goods should have been delivered, or from the day on which they were delivered if this was done later;[5]
9) for a claim for compensation for damage, loss or expense in general average, one year from the day on which the ship reached port after the average, or, if the ship was lost, from the day of the average;[6]
10) for a claim for general average contribution, one year from the date of the average adjustment;[6]
11) for a claim against any person who has become personally liable according to Section 53 paragraph two or Section 63 paragraph two or according to the Act Relating to Enforcement of Claims[7] Section 11-16 paragraph two, the time limit for maritime liens[8] applies.

With regards to recourse claims in connection with a claim referred to in paragraph one nos. 7 and 8, the time limit is one year counting from the day on which the claim was paid or on which an action for the claim was brought. The same time limit applies to recourse claims in connection with such claim as referred to in paragraph one no. 3, nevertheless so that in respect of recourse in connection with a claim for personal injury the time limit for the recourse claim is always counted from the day on which the claim for damages was paid.

[0] Amended by Act 2 August 1996 no. 61.

[1] Cf. Sections 254, 322 and 430.
[2] Cf. Chapter 16.
[3] Cf. Chapter 8.
[4] Cf. Section 502 second paragraph and Chapter 15.
[5] Cf. Chapter 13.
[6] Cf. Chapter 17.
[7] Cf. Act 26 June 1992 no. 86.
[8] Cf. Sections 55 and 64.

**Section 502** Reference to the general rules of statutory limitation, etc.

Except as otherwise provided here, the general rules governing statutory limitation apply, cf. Act 18 May 1979 no. 18 Relating to the Limitation Period for Claims.

An action in respect of a claim referred to in Section 501 paragraph one nos. 4, 5 or 6 can however not be brought later than three years after the date of disembarkation or the date when disembarkation should have taken place if this is later.

If a general average is to be adjusted in Norway, time limitation of a claim referred to in Section 501 paragraph one no. 9 can be prevented by notice to the average adjuster making the adjustment. If an average adjustment has not yet been requested, such notice can be given to any one of the Norwegian average adjusters.

[1] Cf. Chapter 17.

**Section 503** Statutory limitation according to Chapter 10

Claims for damages for any pollution damage as mentioned in Sections 183, 191, 207 or 208 or for compensation from the International Oil Pollution Compensation Fund (1992)[1] are lifted unless proceedings commence within 3 years from the date on which the damage, loss or expense arose. In no event can claims be made when 6 years have passed from the incident upon which the liability is based. Where the damage, loss or expense arose from a series of occurrences resulting from the same cause, the 6 years' period is calculated from the first occurrence.[2]

Time-barring of claims against the International Oil Pollution Compensation Fund (1992) can be lifted not only by proceedings but also by a notification of proceedings to the Fund in accordance with Section 204 paragraph four.

Claims against the International Supplementary Fund (2003) are lifted when claims for compensation against the International Oil Pollution Compensation Fund (1992) is lifted pursuant to paragraph one. Claims brought against the International Oil Pollution Compensation

Fund are also considered to be brought against the International Supplementary Fund (2003).

[0] Amended by Acts 17 March 1995 no. 13 and 15 May 1998 no. 26.

[1] Cf. Section 201.
[2] Cf. Section 191 paragraph six.

**Section 504** Choice of law

Questions concerning statutory limitation are decided under Norwegian law in all cases where action for a claim as mentioned in Section 501 is brought in this Kingdom.

## Chapter 20. Miscellaneous Provisions

### I. Definition of SDR

**Section 505** Definition of SDR

For the purposes of the present Code, SDR means the special drawing rights established by the International Monetary Fund.[1] It shall be translated into Norwegian currency according to the value of the krone expressed in SDR on the day when payment is made or a limitation fund is established according to Chapter 9 or 10.

[1] The SDR value is assessed on account of an number of single currencies. It can e.g. be found in the newspaper "Dagens Næringsliv". End October 2008 the value of an SDR was NOK 9,951.

**Section 506** (Repealed by Act 16 February 2007 no. 9)

# Chapter 21. Mobile Platforms, etc.

**Section 507** Drilling platforms and similar mobile constructions

Drilling platforms and similar mobile constructions which are not regarded as ships and are intended for use in exploration for or exploitation, storage or transportation of subsea natural resources or in support of such activities, are considered Norwegian if they are owned by any person as mentioned in Section 4 paragraph one and have not been entered into the register of another country. The owner shall request entry of the ship into the Ship Register[1] in accordance with the provisions of Section 12, which apply as appropriate. The provisions of Sections 5, 7, 8 and 9 also apply correspondingly in so far as they are relevant to these constructions. The Ministry[2] can in special cases make exceptions to the obligation to register.

The constructions are regarded as ships and their operation as ship owning activities in relation to the provisions of Chapters 2, 3, 4, 5, 6, 7, 8, 9, 16, 18, 19 and 20, subject to the following special provisions and exceptions:

1) What is laid down regarding the master and the first mate applies correspondingly to the person with the highest authority on board the construction and to his or her permanent deputy.
2) The limits of liability shall, irrespective of the size of the construction, be 36 million SDR[3] according to Section 175 no. 2 and 60 million SDR according to Section 175 no. 3 and Section 175a.
3) Maritime liens according to Section 51 confer no claim for damages in respect of pollution damage arising in connection with activities as mentioned in this Section.
4) The provisions in Section 45 do not apply.
5) Maritime inquiries according to Section 472 are only compulsory if no other provision has been issued in a statute[4] or in pursuance of a statute concerning inquiries. Maritime inquiries are in case heard as soon as possible after the event in question, even if the platform does not go to port. The Maritime Directorate[5] can decide where a maritime inquiry shall be heard.

[0] Amended by Act 8 December 1995 no. 65.

[1] Cf. Chapter 2.
[2] The Ministry of Trade and Industry according to Resolution 18 December 1987 no. 970 and 20 December 1996 no. 1156.
[3] Cf. Section 505.
[4] Cf. Act 29 November 1996 no. 72 Section 10-10.
[5] Cf. Act 9 June 1903 no. 7 Section 3.

# Part VII. Concluding Provisions

## Chapter 22. Concluding Provisions

**Section 511** Entry into force. Repeal of the Maritime Code 1893

The present Code enters into force from such date as the King decides.[1] The various parts of the Code can be put into force at different times.

From the date when the present Code enters into force, the Maritime Code 20 July 1893 no. 1 is repealed.

[1] In force 1 October 1994 according to Resolution 24 June 1994 no. 509.

**Section 512** Transitional provisions

Regulations issued pursuant to the Maritime Code 20 July 1893 no. 1 remains in force also after the entry into force of the present Code.

The provisions of Section 422 relating to limitation of the carrier's liability in respect of the carriage of passengers and their luggage apply in all cases where the event on which the carrier's liability is based occurred after the entry into force of the present Code.

**Section 513** Amendments to other acts

From the date when the present Code enters into force, the following other Acts are amended as follows: ---

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