

**Merchant Shipping (Maritime Labour Convention) (Financial Security)  
Regulations 2017**

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**No. S 25**

MERCHANT SHIPPING  
(MARITIME LABOUR CONVENTION) ACT 2014  
(ACT 6 OF 2014)

MERCHANT SHIPPING  
(MARITIME LABOUR CONVENTION)  
(FINANCIAL SECURITY) REGULATIONS 2017

In exercise of the powers conferred by section 82 of the Merchant Shipping (Maritime Labour Convention) Act 2014, the Maritime and Port Authority of Singapore, with the approval of the Minister for Transport, makes the following Regulations:

**Citation and commencement**

1. These Regulations are the Merchant Shipping (Maritime Labour Convention) (Financial Security) Regulations 2017 and come into operation on 18 January 2017.

**Definitions**

2. In these Regulations —

“beneficiary”, in relation to a seafarer, means a person nominated by the seafarer as a beneficiary of the seafarer;

“financial security contract” means a financial security contract for death or long-term disability or a financial security contract for repatriation;

“financial security contract for death or long-term disability” means a contract of insurance or other financial security mentioned in section 34(2) of the Act that is intended to meet any liabilities the shipowner may have to provide compensation in the event of death or long-term disability to seafarers arising from occupational injury, illness or hazard, mentioned in section 34(2)(b)(ii) of the Act;

“financial security contract for repatriation” means a contract of insurance or other

financial security mentioned in section 34(2) of the Act that is intended to meet any liabilities the shipowner may have arising from the shipowner's obligation to repatriate a seafarer, mentioned in section 34(2)(b)(i) of the Act;

“next-of-kin”, in relation to a seafarer, means a person nominated by the seafarer as the seafarer's next-of-kin;

“representative”, in relation to a seafarer, means a person nominated by the seafarer as a representative of the seafarer.

### **General requirement of financial security contract**

3. A financial security contract must include a condition that the liability of the approved financial security provider under the financial security contract will not cease before the end of the period of validity of the financial security contract without the approved financial security provider first giving the Director at least 30 days' prior notice in writing of the cessation of liability.

### **Requirements of financial security contract for repatriation**

4. A financial security contract for repatriation must provide —

- (a) that any of the following persons may bring a claim for compensation:
  - (i) a seafarer that the shipowner is obliged to repatriate;
  - (ii) a representative of a seafarer that the shipowner is obliged to repatriate; and
- (b) that the approved financial security provider must promptly pay to the seafarer, or the representative of the seafarer, all claims arising from the shipowner's obligation to repatriate a seafarer.

### **Requirements of financial security contract for death or long-term disability**

5. A financial security contract for death or long-term disability must provide —

- (a) that any of the following persons may bring a claim for compensation:
  - (i) a seafarer who suffers long-term disability;
  - (ii) a next-of-kin of a seafarer who dies or suffers long-term disability;
  - (iii) a representative of a seafarer who dies or suffers long-term disability;

- (iv) a beneficiary of a seafarer who dies or suffers long-term disability;
- (b) that compensation in the event of death or long-term disability to seafarers arising from occupational injury, illness or hazard must be paid —
  - (i) in full; and
  - (ii) without delay;
- (c) that, where full compensation in the event of long-term disability to a seafarer is difficult to assess by reason of the nature of the disability, interim payments must be made to the seafarer to avoid undue hardship;
- (d) that the parties to the payment of a claim for compensation under the financial security contract must sign a receipt and release in the form set out in the First Schedule; and
- (e) that the signed receipt and release must be submitted by the shipowner to the Director not later than 30 days after it has been signed.

#### **Prohibition of certain terms and conditions in financial security contract**

6.—(1) A financial security contract must not contain any term or condition —

- (a) that provides that no liability arises under the financial security contract in any of the circumstances set out in paragraph (2);
- (b) that provides that any liability arising under the financial security contract ceases in any of the circumstances set out in paragraph (2);
- (c) that limits or excludes any liability arising from the shipowner's obligation to repatriate the seafarer in accordance with section 23 of the Act;
- (d) that excludes any liability arising from the shipowner's obligation under section 35 of the Act for the costs of medical treatment in respect of any sickness or injury;
- (e) that limits any liability arising from the shipowner's obligation under section 35 of the Act for the costs of medical treatment in respect of any sickness or injury to an amount lower than the minimum compensation payable under section 35(1) of the Act;
- (f) that excludes any liability of the shipowner arising under section 36 of the Act for the loss of wages in respect of any sickness or injury; or
- (g) that limits any liability of the shipowner arising under section 36 of the Act