
STATUTORY INSTRUMENTS

1993 No. 1254

The Serbia and Montenegro (United Nations Sanctions) (Isle of Man) Order 1993

Forfeiture of ships and cargo

7.—(1) In any case where—

- (a) a ship is impounded pursuant to article 4 and, in the case of a ship referred to in article 4(7)(a), the Treasury determines that the said ship has been operated in violation of the United Nations resolutions, or
- (b) a ship's cargo has been the subject of a direction as to landing, and the Treasury determines that the cargo has been carried in violation of the United Nations resolutions,

the Treasury may order that the ship or cargo, as the case may be, shall be forfeited to it.

(2) In a case where the Treasury orders that a ship or cargo shall be forfeited to it, the Treasury shall secure that the ship or cargo is sold for the best price that can reasonably be obtained.

(3) Failure to comply with the requirement in paragraph (2) of this article shall not, after the sale has taken place, be a ground for impugning the validity of the sale.

(4) The proceeds of any sale of a ship under this article shall be applied as follows, and in the following order, that is to say—

- (a) in payment of any duty (whether of customs or excise) or value added tax which is chargeable in consequence of the ship having been imported into the Isle of Man;
- (b) in payment of the expenses incurred by the Treasury in effecting the forfeiture of the ship and its sale;
- (c) in payment of the charges referred to in article 4(5) and of any impounding expenses due in respect of the ship;
- (d) subject to article 10 of the 1992 Order, in payment (where necessary pro rata) to or among the person or persons whose interests in the ship have been divested by reason of the forfeiture and sale and in respect of whom it does not appear to the Treasury that he or they have been party or privy to a violation of the United Nations resolutions;
- (e) to the General Revenue of the Isle of Man.

(5) The proceeds of any sale of cargo under this article shall be applied as follows, and in the following order, that is to say—

- (a) in payment of any duty (whether of customs or excise) or value added tax which is chargeable in consequence of the cargo having been imported into the Isle of Man;
- (b) in payment of the expenses incurred by the Treasury in effecting the forfeiture of the cargo and its sale;
- (c) in payment of cargo storage charges;
- (d) subject to article 10 of the 1992 Order, in payment (where necessary pro rata) to or among the person or persons whose interests in the cargo have been divested by reason of the forfeiture and sale and in respect of whom it does not appear to the Treasury that he or they have been party or privy to a violation of the United Nations resolutions;

(e) to the General Revenue of the Isle of Man.

(6) For the purposes of this article, forfeiture in the case of a ship shall extend to—

(a) the equipment of the ship and any stores for use in connection with its operation (being equipment or stores carried in the ship); and

(b) any ship's documents carried in the ship;

and any such documents may, if the ship is sold by the Treasury, be transferred by it to the purchaser.

(7) The Department shall not commence or continue the detention or proposed sale of any ship in pursuance of any enactment affecting the harbour in a case where the Treasury have made an order of forfeiture under this article in relation to that ship, unless and until that order is set aside under article 10(5)(a).