

INTRODUCTORY NOTE TO THE CONVENTION ON THE INT'L
EFFECTS OF JUDICIAL SALES OF SHIPS (U.N.)
BY JOHN E. BRADLEY*
[December 7, 2022]

Introduction

The United Nations General Assembly adopted the United Nations Convention on the International Effects of Judicial Sales of Ships at its 47th plenary meeting on December 7, 2022 (the Convention).¹ Known as the “Beijing Convention on the Judicial Sale of Ships,” the Convention opened for signature at a ceremony held in Beijing, PRC, on September 5, 2023.² By its terms, the Convention will enter into force 180 days after the date that it is ratified, accepted, approved, or otherwise acceded to by at least three states.³ With strong backing from the maritime community,⁴ it is expected that the Convention will enter into force by 2024.

The Convention began in Beijing in 2012 as a study project of the Comité Maritime International (the CMI),⁵ which assigned the project to its International Working Group on the Judicial Sales of Ships.⁶ The CMI approved an initial draft of the Convention in 2014 and subsequently submitted a proposal in 2017 to the Secretariat of the U.S. General Assembly for possible future work by the United Nations Commission on International Trade Law (UNCITRAL).⁷ The draft Convention was later taken up by UNCITRAL’s Working Group VI in 2018, which completed its work in February 2022⁸ and subsequently recommended the Convention to the General Assembly at its 77th session in September 2022.

Background

The judicial arrest of ships *in rem* to enforce and foreclose upon preferred ship mortgage liens, maritime liens, and other maritime claims comprises a unique and fundamental feature of admiralty and maritime law practice worldwide. In those enforcement proceedings where the underlying claim is not promptly paid, settled, or bonded, the court is frequently called upon by the arresting party to sell the ship at judicial auction, either following final judgment or during the pendency of the proceeding where circumstances warrant (so-called interlocutory sales), in each case as local rules allow.

It is a shared expectation among stakeholders that the judicial sale of a ship, conducted in accordance with established maritime practice, will (a) effectively extinguish all pre-existing mortgage liens, maritime liens, claims, and interests, including prior ownership interests, against the ship, (b) transfer such liens and claims to the sale proceeds derived from the sale, to be shared among competing creditors in the arrest proceeding, and, most importantly, (c) transfer good and marketable title to the third-party purchaser free and clear of all pre-existing liens, interests, and claims of ownership.

For stakeholders involved in the ownership, financing and supply of ocean-going ships, the importance of these principles cannot be overstated. For a lender that has taken a preferred mortgage against a ship to secure an underlying loan, the value of its collateral would be diminished if any of these principles were to fail. Similarly, if potential purchasers are uncertain that the transfer of good and marketable title by an auctioning court will be accepted by courts in other jurisdictions, or that the vessel’s flag state will recognize the transfer of title for deletion purposes, then sale prices will likely soften to reflect such legal uncertainties, to the detriment of all stakeholders.

Courts in a jurisdiction conducting the judicial sale of a ship cannot dictate how courts in other jurisdictions or the ship’s flag state will give legal effect to its processes. Although several long-standing international conventions are in effect dealing with maritime liens, ship mortgages and the arrest of ships (the Existing Conventions),⁹ no such conventions or treaties are currently in place that harmonize the international effect of judicial ship sales among nations, thus requiring parties to rely almost exclusively on the uneven application of principles of comity. This discontinuity has caused unintended and unexpected results worldwide, which were documented and studied in depth by the CMI International Working Group.

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The Convention

The Convention is the proposed solution to the legal uncertainties caused by the lack of international uniformity involving judicial sales of ships. The Convention “governs the international effects of a judicial sale of a ship that confers clean title on the purchaser,”¹⁰ and is built around the aspirational premise that “adequate legal protection for purchasers may positively impact the price realized at judicial sales of ships, to the benefit of both shipowners and creditors, including lienholders and ship financiers.”¹¹ The goal of the Convention is the establishment of uniform rules “that promote the dissemination of information on prospective judicial sales to interested parties and give international effects to judicial sales of ships sold free and clear of any mortgage . . . and of any charge.”¹²

The Convention’s starting point is its definition of the term “judicial sale,” which means any sale of a ship: “(i) Which is ordered, approved or confirmed by a court or other public authority either by way of public auction or by private treaty carried out under the supervision and with the approval of a court; and (ii) For which the proceeds of sale are made available to the creditors.”¹³ A court-ordered sale in an admiralty proceeding *in rem* would clearly qualify as a “judicial sale” for the purposes of the Convention. A private sale negotiated by the parties without judicial involvement would not.¹⁴

The Convention does not enjoy unlimited scope; rather, it applies to the judicial sale of a ship only if: “(a) The judicial sale is conducted in a State Party; and (b) The ship is physically within the territory of the State of judicial sale at the time of that sale.”¹⁵ Subparagraph (a) effectively establishes a “closed” regime that applies only among State parties.¹⁶ Subparagraph (b) ensures a “jurisdictional link” between the auctioning court and the ship by requiring the physical presence of the ship in the territory of the State of the judicial sale no later than “the final stage of the judicial sale procedure, when the ship is awarded to the successful purchaser.”¹⁷

The Convention respects the laws of the “State of judicial sale”¹⁸ and expressly states that the judicial sale “shall be conducted in accordance with the law of the State of judicial sale.”¹⁹ However, as the linchpin of the Convention is the issuance of a “certificate of judicial sale” by the state of judicial sale, such a certificate cannot be issued unless notice of judicial sale is given prior to such sale.²⁰ The Convention’s notice requirements, designed to protect the interests of creditors, prescribe “minimum standards” regarding the persons to whom notice must be given,²¹ the contents of the notice,²² publication of the notice and transmission to the “repository,”²³ and translation(s) of the notice.²⁴

The “certificate of judicial sale” must be issued by the court or other public authority that conducted the sale conferring clean title to the ship, following completion of the sale.²⁵ The certificate must be substantially in the form of Annex II to the Convention and must contain certain prescribed elements and averments. The state of judicial sale must transmit the certificate to the repository. Subject to certain limited exceptions, discussed below, the certificate of judicial sale will constitute “sufficient evidence of the matters contained therein.”²⁶

The international legal effect of the certificate of judicial sale lies at the heart of the problem that the drafters of the Convention aimed to correct. Under the Convention, a judicial sale for which a certificate of judicial sale has been issued will have “the effect in every other State Party of conferring clean title to the ship on the purchaser.”²⁷ In other words, whenever a judicial sale of a ship is conducted in the state of judicial sale, and a proper certificate of judicial sale is issued by the court or other public authority that conducted the sale, the transfer of clean title to the purchaser will be recognized by every other state party, subject to certain limited exceptions. In addition, if requested by the purchaser of the ship, the registrar “or other competent authority of a State Party” must take certain actions upon presentation of the certificate of judicial sale, including the deletion of any pre-existing mortgage, deregistration of the ship from the register and the issuance of a “certificate of deletion for the purpose of new registration,” and the registration of the ship “in the name of the purchaser or subsequent purchase.”²⁸

To prevent the type of abusive litigation that followed the judicial sale of the Turkish-flag ship *Ahmet Bey* by a U.S. District Court in Philadelphia,²⁹ the Convention provides that if an application to arrest a vessel is made before a court in a state party, on the basis of a claim “arising prior to a judicial sale of the ship,” that application must be denied upon presentation of a certificate of judicial sale.³⁰ Similarly, if a ship is arrested by order of a court in a State party, on the basis of a claim “arising prior to a judicial sale of the ship,” the court must order the release of the ship upon presentation of a certificate of judicial sale.³¹

Lastly, the Convention contains an important savings clause, which states that the Convention shall not preclude a state from “giving effect to a judicial sale of a ship conducted in another State under any other international agreement or under applicable law.”³² Moreover, despite its scope, the Convention will not interfere with local procedures for distributing the proceeds of judicial sale or establishing priorities thereto.³³ Nor will the Convention affect any “personal claim against a person who owned or had proprietary rights in the ship prior to the judicial sale.”³⁴

ENDNOTES

- 1 U.N.G.A. Doc. A/RES/77/100 (Dec. 19, 2022).
- 2 See United Nations UNCITRAL Information brochure, *United Nations Convention on the International Effects of Judicial Sales of Ships* at 3, https://uncitral.un.org/sites/uncitral.un.org/files/media-documents/uncitral/en/info_brochure_bjss_and_signing_ceremony_en.pdf [hereinafter *Convention*]; see also U.N.C.N. 157.2023.TREATIES-X.21 (Depository Information), *Opening for Signature* (June 7, 2023), <https://treaties.un.org/doc/Publication/CN/2023/CN.157.2023-Eng.pdf>. As of September 30, 2023, the Convention had been signed by 16 states, including China, Liberia and Singapore. See <https://uncitral.un.org/en/judicialsaleofships/status>.
- 3 Convention, art. 21.1 (*Entry into force*).
- 4 See David Osler, *International deal on judicial sale of ship gets industry backing*, LLOYD'S LIST (Apr. 27, 2023), https://hdpp.hr/wp-content/uploads/2023/05/International-deal-on-judicial-sale-of-ship-gets-industry-backing-__-Lloyds-List-1-2.pdf.
- 5 Founded in 1897, the CMI is the oldest international organization in the world that is focused exclusively on the unification of maritime law.
- 6 The IWG was and is comprised of maritime law practitioners from fourteen different jurisdictions worldwide.
- 7 U.N.G.A. Doc. A/CN.9/923 (Apr. 13, 2017).
- 8 . The record of Working Group VI on the project can be found at https://uncitral.un.org/en/working_groups/6/sale_ships.
- 9 See e.g., *International Convention for the Unification of Certain Rules Relating to Maritime Liens and Mortgages, 1926*; *International Convention Relating to the Arrest of Sea-Going Ships, Brussels* (May 10, 1952); *International Convention on Maritime Liens and Mortgages, 1993*; and *International Convention on Arrest of Ships, Geneva* (March 12, 1999).
- 10 Convention, art. 1 (*Purpose*).
- 11 Convention, Preamble.
- 12 *Id.*
- 13 Convention, art. 2(a) (*Definitions*).
- 14 See Convention Explanatory Notes ¶ 37.
- 15 Convention, art. 3(1) (*Scope of application*).
- 16 See Convention Explanatory Notes ¶ 84. However, nothing in the Convention “prevents a State from giving effect—under its domestic law—to judicial sales conducted in a non-State party on terms similar to those provided in the Convention.” *Id.*
- 17 See Convention Explanatory Notes ¶ 87.
- 18 The expression “State of Judicial sale” refers to “the State in which the judicial sale of a ship is conducted.” Convention, art. 2(k) (*Definitions*).
- 19 Convention, art. 4(1) (*Notice of judicial sale*).
- 20 *Id.* art. 4(2).
- 21 *Id.* art. 4(3).
- 22 *Id.* art. 4(4).
- 23 *Id.* at art. 4(5). The “repository” is the Secretary-General of the International Maritime Organization “or an institution named by . . . [UNCITRAL].” Convention, art. 11 at ¶ 1 (*Repository*).
- 24 Convention, art. 4(6) (*Notice of judicial sale*) and Annex I thereto.
- 25 Convention, art. 5(1) (*Certificate of judicial sale*).
- 26 *Id.* art. 5(5).
- 27 Convention, art. 6 (*International effects of a judicial sale*).
- 28 Convention, art. 7(1) (*Action by the registry*).
- 29 *Goldfish Shipping, S.A. v. HSH Nordbank AG*, No. 07-3518, 2008 U.S. Dist. LEXIS 93135 (E.D. Pa. Nov. 3, 2008), motion to amend denied, 623 F. Supp. 2d 635 (E.D. Pa. 2009), affirmed, 2010 U.S. App. LEXIS 8224 (3d Cir. Apr. 21, 2010).
- 30 Convention, art. 8(1) (*No arrest of the ship*).
- 31 *Id.* art. 8(2).
- 32 Convention, art. 14 (*Other bases for giving international effect*).
- 33 Convention, art. 15(a)(1) (*Matters not governed by this Convention*).
- 34 *Id.* art. 15(a)(2).

CONVENTION ON THE INT'L EFFECTS OF JUDICIAL SALES OF SHIPS (U.N.)*
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**Report of the United Nations Commission on International
Trade Law on the work of its fifty-fifth session**

Resolution adopted by the General Assembly on 7 December 2022

[on the report of the Sixth Committee (A/77/413, para. 11)]

77/100. United Nations Convention on the International Effects of Judicial Sales of Ships

The General Assembly,

Recalling its resolution 2205 (XXI) of 17 December 1966, by which it established the United Nations Commission on International Trade Law with a mandate to further the progressive harmonization and unification of the law of international trade and in that respect to bear in mind the interests of all peoples, in particular those of developing countries, in the extensive development of international trade,

Mindful of the crucial role of shipping in international trade and transportation, of the high economic value of ships used in both seagoing and inland navigation, and of the function of judicial sales as a means to enforce claims,

Considering that adequate legal protection for purchasers may positively impact the price realized at judicial sales of ships, to the benefit of both shipowners and creditors, including lienholders and ship financiers,

Wishing, for that purpose, to establish uniform rules that promote the dissemination of information on prospective judicial sales to interested parties and give international effects to judicial sales of ships sold free and clear of any mortgage or *hypothèque* and of any charge, including for ship registration purposes,

Convinced that the adoption of a convention on the international effects of judicial sales of ships that is acceptable to States with different legal, social and economic systems would complement the existing international legal framework on shipping and navigation and contribute to the development of harmonious international economic relations,

Noting that the preparation of the draft convention on the international effects of judicial sales of ships was the subject of due deliberation in the Commission and that the draft convention benefited from consultations with Governments and interested intergovernmental and international non-governmental organizations,

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Taking note of the decision of the Commission at its fifty -fifth session to submit the draft convention to the General Assembly for its consideration,¹

Taking note with satisfaction of the draft convention approved by the Commission,²

Expressing its appreciation to the Government of China for its offer to host a signing ceremony for the Convention in Beijing,

1. *Commends* the United Nations Commission on International Trade Law for preparing the draft convention on the international effects of judicial sales of ships;

2. *Adopts* the United Nations Convention on the International Effects of Judicial Sales of Ships, contained in the annex to the present resolution;

3. *Authorizes* a ceremony for the opening for signature of the Convention to be held as soon as practicable in 2023 in Beijing, upon which occasion the Convention will be open for signature, and recommends that the Convention be known as the “Beijing Convention on the Judicial Sale of Ships”;

4. *Calls upon* those Governments and regional economic integration organizations that wish to strengthen the international legal framework for shipping and navigation to consider becoming a party to the Convention.

*47th plenary meeting
7 December 2022*

ENDNOTES

1 *Official Records of the General Assembly, Seventy-seventh Session, Supplement No. 17 (A/77/17)*, para. 99.

2 *Ibid.*, annex I.

Annex

United Nations Convention on the International Effects of Judicial Sales of Ships

The States Parties to this Convention,

Reaffirming their belief that international trade on the basis of equality and mutual benefit is an important element in promoting friendly relations among States,

Mindful of the crucial role of shipping in international trade and transportation, of the high economic value of ships used in both seagoing and inland navigation, and of the function of judicial sales as a means to enforce claims,

Considering that adequate legal protection for purchasers may positively impact the price realized at judicial sales of ships, to the benefit of both shipowners and creditors, including lienholders and ship financiers,

Wishing, for that purpose, to establish uniform rules that promote the dissemination of information on prospective judicial sales to interested parties and give international effects to judicial sales of ships sold free and clear of any mortgage or *hypothèque* and of any charge, including for ship registration purposes,

Have agreed as follows:

Article 1

Purpose

This Convention governs the international effects of a judicial sale of a ship that confers clean title on the purchaser.

Article 2

Definitions

For the purposes of this Convention:

- (a) "Judicial sale" of a ship means any sale of a ship:
 - (i) Which is ordered, approved or confirmed by a court or other public authority either by way of public auction or by private treaty carried out under the supervision and with the approval of a court; and
 - (ii) For which the proceeds of sale are made available to the creditors;
- (b) "Ship" means any ship or other vessel registered in a register that is open to public inspection that may be the subject of an arrest or other similar measure capable of leading to a judicial sale under the law of the State of judicial sale;
- (c) "Clean title" means title free and clear of any mortgage or *hypothèque* and of any charge;
- (d) "Mortgage or *hypothèque*" means any mortgage or *hypothèque* that is effected on a ship and registered in the State in whose register of ships or equivalent register the ship is registered;
- (e) "Charge" means any right whatsoever and howsoever arising which may be asserted against a ship, whether by means of arrest, attachment or otherwise, and includes a maritime lien, lien, encumbrance, right of use or right of retention but does not include a mortgage or *hypothèque*;

- (f) “Registered charge” means any charge that is registered in the register of ships or equivalent register in which the ship is registered or in any different register in which mortgages or *hypothèques* are registered;
- (g) “Maritime lien” means any charge that is recognized as a maritime lien or *privilège maritime* on a ship under applicable law;
- (h) “Owner” of a ship means any person registered as the owner of the ship in the register of ships or equivalent register in which the ship is registered;
- (i) “Purchaser” means any person to whom the ship is sold in the judicial sale;
- (j) “Subsequent purchaser” means the person who purchases the ship from the purchaser named in the certificate of judicial sale referred to in article 5;
- (k) “State of judicial sale” means the State in which the judicial sale of a ship is conducted.

Article 3

Scope of application

1. This Convention applies only to a judicial sale of a ship if:
 - (a) The judicial sale is conducted in a State Party; and
 - (b) The ship is physically within the territory of the State of judicial sale at the time of that sale.
2. This Convention shall not apply to warships or naval auxiliaries, or other vessels owned or operated by a State and used, immediately prior to the time of judicial sale, only on government non-commercial service.

Article 4

Notice of judicial sale

1. The judicial sale shall be conducted in accordance with the law of the State of judicial sale, which shall also provide procedures for challenging the judicial sale prior to its completion and determine the time of the sale for the purposes of this Convention.
2. Notwithstanding paragraph 1, a certificate of judicial sale under article 5 shall only be issued if a notice of judicial sale is given prior to the judicial sale of the ship in accordance with the requirements of paragraphs 3 to 7.
3. The notice of judicial sale shall be given to:
 - (a) The registry of ships or equivalent registry with which the ship is registered;
 - (b) All holders of any mortgage or *hypothèque* and of any registered charge, provided that the register in which it is registered, and any instrument required to be registered under the law of the State of registration, are open to public inspection, and that extracts from the register and copies of such instruments are obtainable from the registry;
 - (c) All holders of any maritime lien, provided that they have notified the court or other public authority conducting the judicial sale of the claim secured by the maritime lien in accordance with the regulations and procedures of the State of judicial sale;
 - (d) The owner of the ship for the time being; and
 - (e) If the ship is granted bareboat charter registration:

- (i) The person registered as the bareboat charterer of the ship in the bareboat charter register; and
 - (ii) The bareboat charter registry.
4. The notice of judicial sale shall be given in accordance with the law of the State of judicial sale, and shall contain, as a minimum, the information mentioned in annex I.
5. The notice of judicial sale shall also be:
- (a) Published by announcement in the press or other publication available in the State of judicial sale; and
 - (b) Transmitted to the repository referred to in article 11 for publication.
6. For the purpose of communicating the notice to the repository, if the notice of judicial sale is not in a working language of the repository, it shall be accompanied by a translation of the information mentioned in annex I into any such working language.
7. In determining the identity or address of any person to whom the notice of judicial sale is to be given, it is sufficient to rely on:
- (a) Information set forth in the register of ships or equivalent register in which the ship is registered or in the bareboat charter register;
 - (b) Information set forth in the register in which the mortgage or *hypothèque* or the registered charge is registered, if different to the register of ships or equivalent register; and
 - (c) Information notified under paragraph 3, subparagraph (c).

Article 5

Certificate of judicial sale

1. Upon completion of a judicial sale that conferred clean title to the ship under the law of the State of judicial sale and was conducted in accordance with the requirements of that law and the requirements of this Convention, the court or other public authority that conducted the judicial sale or other competent authority of the State of judicial sale shall, in accordance with its regulations and procedures, issue a certificate of judicial sale to the purchaser.
2. The certificate of judicial sale shall be substantially in the form of the model contained in annex II and contain:
 - (a) A statement that the ship was sold in accordance with the requirements of the law of the State of judicial sale and the requirements of this Convention;
 - (b) A statement that the judicial sale has conferred clean title to the ship on the purchaser;
 - (c) The name of the State of judicial sale;
 - (d) The name, address and the contact details of the authority issuing the certificate;
 - (e) The name of the court or other public authority that conducted the judicial sale and the date of the sale;
 - (f) The name of the ship and registry of ships or equivalent registry with which the ship is registered;
 - (g) The IMO number of the ship or, if not available, other information capable of identifying the ship;

- (h) The name and address of residence or principal place of business of the owner of the ship immediately prior to the judicial sale;
 - (i) The name and address of residence or principal place of business of the purchaser;
 - (j) The place and date of issuance of the certificate; and
 - (k) The signature or stamp of the authority issuing the certificate or other confirmation of authenticity of the certificate.
3. The State of judicial sale shall require the certificate of judicial sale to be transmitted promptly to the repository referred to in article 11 for publication.
 4. The certificate of judicial sale and any translation thereof shall be exempt from legalization or similar formality.
 5. Without prejudice to articles 9 and 10, the certificate of judicial sale shall be sufficient evidence of the matters contained therein.
 6. The certificate of judicial sale may be in the form of an electronic record provided that:
 - (a) The information contained therein is accessible so as to be usable for subsequent reference;
 - (b) A reliable method is used to identify the authority issuing the certificate;and
 - (c) A reliable method is used to detect any alteration to the record after the time it was generated, apart from the addition of any endorsement and any change that arises in the normal course of communication, storage and display.
 7. A certificate of judicial sale shall not be rejected on the sole ground that it is in electronic form.

Article 6

International effects of a judicial sale

A judicial sale for which a certificate of judicial sale referred to in article 5 has been issued shall have the effect in every other State Party of conferring clean title to the ship on the purchaser.

Article 7

Action by the registry

1. At the request of the purchaser or subsequent purchaser and upon production of the certificate of judicial sale referred to in article 5, the registry or other competent authority of a State Party shall, as the case may be and in accordance with its regulations and procedures, but without prejudice to article 6:
 - (a) Delete from the register any mortgage or *hypothèque* and any registered charge attached to the ship that had been registered before completion of the judicial sale;
 - (b) Delete the ship from the register and issue a certificate of deletion for the purpose of new registration;
 - (c) Register the ship in the name of the purchaser or subsequent purchaser, provided further that the ship and the person in whose name the ship is to be registered meet the requirements of the law of the State of registration;
 - (d) Update the register with any other relevant particulars in the certificate of judicial sale.
2. At the request of the purchaser or subsequent purchaser and upon production of the certificate of judicial sale referred to in article 5, the registry or other competent authority of a State Party in which

the ship was granted bareboat charter registration shall delete the ship from the bareboat charter register and issue a certificate of deletion.

3. If the certificate of judicial sale is not issued in an official language of the registry or other competent authority, the registry or other competent authority may request the purchaser or subsequent purchaser to produce a certified translation into such an official language.

4. The registry or other competent authority may also request the purchaser or subsequent purchaser to produce a certified copy of the certificate of judicial sale for its records.

5. Paragraphs 1 and 2 do not apply if a court in the State of the registry or of the other competent authority determines under article 10 that the effect of the judicial sale under article 6 would be manifestly contrary to the public policy of that State.

Article 8

No arrest of the ship

1. If an application is brought before a court or other judicial authority in a State Party to arrest a ship or to take any other similar measure against a ship for a claim arising prior to a judicial sale of the ship, the court or other judicial authority shall, upon production of the certificate of judicial sale referred to in article 5, dismiss the application.

2. If a ship is arrested or a similar measure is taken against a ship by order of a court or other judicial authority in a State Party for a claim arising prior to a judicial sale of the ship, the court or other judicial authority shall, upon production of the certificate of judicial sale referred to in article 5, order the release of the ship.

3. If the certificate of judicial sale is not issued in an official language of the court or other judicial authority, the court or other judicial authority may request the person producing the certificate to produce a certified translation into such an official language.

4. Paragraphs 1 and 2 do not apply if the court or other judicial authority determines that dismissing the application or ordering the release of the ship, as the case may be, would be manifestly contrary to the public policy of that State.

Article 9

Jurisdiction to avoid and suspend judicial sale

1. The courts of the State of judicial sale shall have exclusive jurisdiction to hear any claim or application to avoid a judicial sale of a ship conducted in that State that confers clean title to the ship or to suspend its effects, which shall extend to any claim or application to challenge the issuance of the certificate of judicial sale referred to in article 5.

2. The courts of a State Party shall decline jurisdiction in respect of any claim or application to avoid a judicial sale of a ship conducted in another State Party that confers clean title to the ship or to suspend its effects.

3. The State of judicial sale shall require the decision of a court that avoids or suspends the effects of a judicial sale for which a certificate has been issued in accordance with article 5, paragraph 1, to be transmitted promptly to the repository referred to in article 11 for publication.

Article 10

Circumstances in which judicial sale has no international effect

A judicial sale of a ship shall not have the effect provided in article 6 in a State Party other than the State of judicial sale if a court in the other State Party determines that the effect would be manifestly contrary to the public policy of that other State Party.

Article 11

Repository

1. The repository shall be the Secretary -General of the International Maritime Organization or an institution named by the United Nations Commission on International Trade Law.
2. Upon receipt of a notice of judicial sale transmitted under article 4, paragraph 5, certificate of judicial sale transmitted under article 5, paragraph 3, or decision transmitted under article 9, paragraph 3, the repository shall make it available to the public in a timely manner, in the form and in the language in which it is received.
3. The repository may also receive a notice of judicial sale emanating from a State that has ratified, accepted, approved or acceded to this Convention and for which the Convention has not yet entered into force and may make it available to the public.

Article 12

Communication between authorities of States Parties

1. For the purposes of this Convention, the authorities of a State Party shall be authorized to correspond directly with the authorities of any other State Party.
2. Nothing in this article shall affect the application of any international agreement on judicial assistance in respect of civil and commercial matters that may exist between States Parties.

Article 13

Relationship with other international conventions

1. Nothing in this Convention shall affect the application of the Convention on the Registration of Inland Navigation Vessels (1965) and its Protocol No. 2 concerning Attachment and Forced Sale of Inland Navigation Vessels, including any future amendment to that convention or protocol.
2. Without prejudice to article 4, paragraph 4, as between States Parties to this Convention that are also parties to the Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters (1965), the notice of judicial sale may be transmitted abroad using channels other than those provided for in that convention.

Article 14

Other bases for giving international effect

Nothing in this Convention shall preclude a State from giving effect to a judicial sale of a ship conducted in another State under any other international agreement or under applicable law.

Article 15

Matters not governed by this Convention

1. Nothing in this Convention shall affect:
 - (a) The procedure for or priority in the distribution of proceeds of a judicial sale; or
 - (b) Any personal claim against a person who owned or had proprietary rights in the ship prior to the judicial sale.
2. Moreover, this Convention shall not govern the effects, under applicable law, of a decision by a court exercising jurisdiction under article 9, paragraph 1.

Article 16

Depositary

The Secretary-General of the United Nations is hereby designated as the depositary of this Convention.

Article 17

Signature, ratification, acceptance, approval, accession

1. This Convention is open for signature by all States.
2. This Convention is subject to ratification, acceptance or approval by the signatory States.
3. This Convention is open for accession by all States that are not signatories as from the date it is open for signature.
4. Instruments of ratification, acceptance, approval or accession are to be deposited with the depositary.

Article 18

Participation by regional economic integration organizations

1. A regional economic integration organization that is constituted by sovereign States and has competence over certain matters governed by this Convention may similarly sign, ratify, accept, approve or accede to this Convention. The regional economic integration organization shall in that case have the rights and obligations of a State Party, to the extent that that organization has competence over matters governed by this Convention. For the purposes of articles 21 and 22, an instrument deposited by a regional economic integration organization shall not be counted in addition to the instruments deposited by its member States.
2. The regional economic integration organization shall make a declaration specifying the matters governed by this Convention in respect of which competence has been transferred to that organization by its member States. The regional economic integration organization shall promptly notify the depositary of any changes to the distribution of competence, including new transfers of competence, specified in the declaration under this paragraph.
3. Any reference to a "State", "States", "State Party" or "States Parties" in this Convention applies equally to a regional economic integration organization where the context so requires.
4. This Convention shall not affect the application of rules of a regional economic integration organization, whether adopted before or after this Convention:
 - (a) In relation to the transmission of a notice of judicial sale between member States of such an organization; or
 - (b) In relation to the jurisdictional rules applicable between member States of such an organization.

Article 19

Non-unified legal systems

1. If a State has two or more territorial units in which different systems of law are applicable in relation to the matters dealt with in this Convention, it may declare that this Convention shall extend to all its territorial units or only to one or more of them.
2. Declarations under this article shall state expressly the territorial units to which this Convention extends.

3. If a State makes no declaration under paragraph 1, this Convention shall extend to all territorial units of that State.
4. If a State has two or more territorial units in which different systems of law are applicable in relation to the matters dealt with in this Convention:
 - (a) Any reference to the law, regulations or procedures of the State shall be construed as referring, where appropriate, to the law, regulations or procedures in force in the relevant territorial unit;
 - (b) Any reference to the authority of the State shall be construed as referring, where appropriate, to the authority in the relevant territorial unit.

Article 20

Procedure and effects of declarations

1. Declarations under article 18, paragraph 2, and article 19, paragraph 1, shall be made at the time of signature, ratification, acceptance, approval or accession. Declarations made at the time of signature are subject to confirmation upon ratification, acceptance or approval.
2. Declarations and their confirmations shall be in writing and formally notified to the depositary.
3. A declaration takes effect simultaneously with the entry into force of this Convention in respect of the State concerned.
4. Any State that makes a declaration under article 18, paragraph 2, and article 19, paragraph 1, may modify or withdraw it at any time by a formal notification in writing addressed to the depositary. The modification or withdrawal shall take effect 180 days after the date of the receipt of the notification by the depositary. If the depositary receives the notification of the modification or withdrawal before entry into force of this Convention in respect of the State concerned, the modification or withdrawal shall take effect simultaneously with the entry into force of this Convention in respect of that State.

Article 21

Entry into force

1. This Convention shall enter into force 180 days after the date of the deposit of the third instrument of ratification, acceptance, approval or accession.
2. When a State ratifies, accepts, approves or accedes to this Convention after the deposit of the third instrument of ratification, acceptance, approval or accession, this Convention shall enter into force in respect of that State 180 days after the date of the deposit of its instrument of ratification, acceptance, approval or accession.
3. This Convention shall apply only to judicial sales ordered or approved after its entry into force in respect of the State of judicial sale.

Article 22

Amendment

1. Any State Party may propose an amendment to this Convention by submitting it to the Secretary-General of the United Nations. The Secretary-General shall thereupon communicate the proposed amendment to the States Parties with a request that they indicate whether they favour a conference of States Parties for the purpose of considering and voting upon the proposal. In the event that within 120 days from the date of such communication at least one third of the States Parties favour such a conference, the Secretary-General shall convene the conference under the auspices of the United Nations.

2. The conference of States Parties shall make every effort to achieve consensus on each amendment. If all efforts at consensus are exhausted and no consensus is reached, the amendment shall, as a last resort, require for its adoption a two-thirds majority vote of the States Parties present and voting at the conference. For the purposes of this paragraph, the vote of a regional economic integration organization shall not be counted.
3. An adopted amendment shall be submitted by the depositary to all States Parties for ratification, acceptance or approval.
4. An adopted amendment shall enter into force 180 days after the date of deposit of the third instrument of ratification, acceptance or approval. When an amendment enters into force, it shall be binding on those States Parties that have expressed consent to be bound by it.
5. When a State Party ratifies, accepts or approves an amendment following the deposit of the third instrument of ratification, acceptance or approval, the amendment shall enter into force in respect of that State Party 180 days after the date of the deposit of its instrument of ratification, acceptance or approval.

Article 23

Denunciation

1. A State Party may denounce this Convention by a formal notification in writing addressed to the depositary. The denunciation may be limited to certain territorial units of a non-unified legal system to which this Convention applies.
2. The denunciation shall take effect 365 days after the date of the receipt of the notification by the depositary. Where a longer period for the denunciation to take effect is specified in the notification, the denunciation shall take effect upon the expiration of such longer period after the date of the receipt of the notification by the depositary. This Convention shall continue to apply to a judicial sale for which a certificate of judicial sale referred to in article 5 has been issued before the denunciation takes effect.

DONE in a single original, of which the Arabic, Chinese, English, French, Russian and Spanish texts are equally authentic.

Annex I

Minimum information to be contained in the notice of judicial sale

1. Statement that the notice of judicial sale is given for the purposes of the United Nations Convention on the International Effects of Judicial Sales of Ships
2. Name of State of judicial sale
3. Court or other public authority ordering, approving or confirming the judicial sale
4. Reference number or other identifier for the judicial sale procedure
5. Name of ship
6. Registry
7. IMO number
8. *(If IMO number not available)* Other information capable of identifying the ship
9. Name of the owner
10. Address of residence or principal place of business of the owner
11. *(If judicial sale by public auction)* Anticipated date, time and place of public auction

- 12. *(If judicial sale by private treaty)* Any relevant details, including time period, for the judicial sale as ordered by the court or other public authority
- 13. Statement either confirming that the judicial sale will confer clean title to the ship, or, if it is not known whether the judicial sale will confer clean title, a statement of the circumstances under which the judicial sale would not confer clean title
- 14. Other information required by the law of the State of judicial sale, in particular any information deemed necessary to protect the interests of the person receiving the notice

Annex II

Model certificate of judicial sale

Issued in accordance with the provisions of article 5 of the United Nations

Convention on the International Effects of Judicial Sales of Ships

This is to certify that:

- (a) The ship described below was sold by way of judicial sale in accordance with the requirements of the law of the State of judicial sale and the requirements of the United Nations Convention on the International Effects of Judicial Sales of Ships; and
- (b) The judicial sale has conferred clean title to the ship on the purchaser.

1. State of judicial sale	.....
2. Authority issuing this certificate	
2.1 Name	.....
2.2 Address	.....
2.3 Telephone/fax/email, if available	.....
3. Judicial sale	
3.1 Name of court or other public authority that conducted the judicial sale	.....
3.2 Date of the judicial sale	.....
4. Ship	
4.1 Name	.....
4.2 Registry	.....
4.3 IMO number	.....
4.4 <i>(If IMO number not available)</i> Other information capable of identifying the ship	<i>(Please attach any photos to the certificate)</i>
5. Owner immediately prior to the judicial sale	
5.1 Name	.....

5.2 Address of residence or principal place of business

6. Purchaser

6.1 Name

6.2 Address of residence or principal place of business

At

(place)

On

(date)

.....
Signature and/or stamp of issuing authority
or other confirmation of authenticity of the
certificate