

**THE MARITIME LAW ASSOCIATION  
OF THE UNITED STATES**

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*SECRETARY'S NOTICES*

*Reminder*—ANNUAL MEETING, MAY 8, 1936, AT 8.30 P. M.

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*The Nominating Committee* consists of Charles S. Haight, Chairman, Charles R. Hickox, Oscar R. Houston, Chauncey I. Clark, George C. Sprague, Emory H. Niles, Charles F. Dutch, Albert T. Gould.

*Hague Rules.* The White Bill, S. 1152, embodying the Hague Rules, passed the House on April 6th, and was re-passed by the Senate on April 7, 1936; and was signed by the President on April 17th. A print is now in the press and will be mailed as soon as possible. Members desiring extra copies are requested to state their requirements.

*Extension of Admiralty Jurisdiction.* S. 4272, to extend admiralty jurisdiction, is now pending in Congress, and an expression of views on this subject and a resolution for or against the bill would seem to be in order. Expressions of opinion are desired, and if the Secretary receives any in advance of the meeting, he would be pleased to print and circulate them. The text of the bill has been printed in Document No. 219, pages 2255-2256.

The present bill is the result of the activity of the Admiralty Committee of the American Bar Association of 1935, whose chairman was Lawrence Bogle, Central Building, Seattle, Washington. This year's chairman is George H. Terribery, Whitney Building, New Orleans, Louisiana. No bill has yet been introduced in the House.

The Admiralty Committee of the New York City Bar Association, of which Mr. George W. Betts, Jr., is chairman, is agreed as to the desirability of extending the admiralty jurisdiction as to property damages, but is divided as to death and bodily injury

cases. The reason for extending admiralty jurisdiction is to bring these cases into the Admiralty Courts, but it is considered that, in respect of death and bodily injury cases, the effect of the legislation would be to enlarge the class of cases governed by the Jones Act, granting the right to maintain actions at law.

*Limitation of Shipowner's Liability.* Referring to the table of equivalents of £8 sterling printed in Document No. 220, at page 2262, the equivalent in Finland is fixed at 1550 Finmarks.

*Further Amendment of American Shipowners' Limitation Statutes.* Hearings on H. R. 9969 were held on February 19th, 20th and 21st, 1936, and the proceedings have been printed under the caption "Safety of Life and Property at Sea—Part IV—Amendment to Limited Liability Act."

*Biennial Listing of Members.* The list of members is usually printed every other year, and consequently should be printed during the coming summer. Members whose addresses, firm affiliations or firm names have changed in the past two years are requested to advise the Secretary how their names, firm names or affiliations and addresses should correctly appear.

*Costs in Limitation Contests.* Miss Elizabeth Robinson submits the question of promulgating an admiralty rule whereby all claimants in limitation proceedings shall be required to bear their proportionate share of the expense of trial and appeal in such cases. Under the present practice, one or two claimants are often obliged to undertake the preparation and trial of a limitation proceeding in which a great many claims have been filed, for the benefit of the rest of such claimants. It is suggested that the burden as well as the benefits should be equally distributed.

ARNOLD W. KNAUTH,  
Secretary,  
80 Broad Street,  
New York City.

*OPERATION OF VESSELS BY RECEIVERS*

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*Further Report of Committee Appointed to Deal with the Question of Co-ordinating the Admiralty Practice and Bankruptcy Practice of the United States District Court Relative to Maritime Liens on Vessels in the Custody of Trustees or Other Custodians of the Bankruptcy Court.*

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(The first reports of the Committee, dated April, 1935, were printed as Document No. 204, and were considered at the Annual Meeting on April 26, 1935.)

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Since our last meeting your Committee has submitted to Judge Knox the rule on this subject approved at the last meeting. Judge Knox, however, informed your Committee that he had appointed a Committee of the Bankruptcy Bar to draft rules to cover the practice in bankruptcy relating to cases arising under the new Section 77-B of the Bankruptcy Act, that he had appointed Mr. Sunderland as the Chairman of this Committee, and that he would refer our report to that Committee. Thereafter, Mr. Sunderland requested the Chairman of your Committee to attend at one of the meetings of his Committee, for the purpose of joining in a discussion of the general situation. Before appearing before Mr. Sunderland's Committee, we distributed copies of the report which we submitted to the last meeting of our Association, to all of the Judges of the United States District Court for the Southern District of New York and to all of the members of Mr. Sunderland's Committee. When the subject was discussed with Mr. Sunderland's Committee, we found a number of the members of Mr. Sunderland's Committee somewhat skeptical as to the necessity for any rule and decidedly opposed to the rule as approved at the last meeting of our Association. It became apparent that it was hopeless to expect Mr. Sunderland's Committee to approve that rule and that the only practical course was to reach some compromise.

Your Committee felt that its powers did not extend to negotiating a compromise, and accordingly reported to the last meeting of the Executive Committee of our Association the facts as set forth above. Whereupon we were authorized to confer further with Mr. Sunderland's Committee and see what compromise might be reached. We reported this situation to Mr. Sunderland, who, in turn, appointed a Sub-Committee, of which Mr. Robert T. Swaine was made Chairman, to continue the discussion

with us. Since that time we have met with Mr. Swaine. We feel quite sure that some compromise will be reached, but negotiations are still in progress. We have informed Mr. Swaine that our annual meeting has been set for May 8th next, and that we hope that his Committee will let us have their views before that time.

In the meantime we submit the following draft of a rule which has been approved by several members of our Association:

RULE —.

(a) In all proceedings for the relief accorded by the Bankruptcy Act (including Section 77-B) in which the debtor is the owner or the owner *pro hac vice* of one or more vessels that may be the subject of maritime liens, upon application made at any time by the temporary trustee, by the trustee or by any interested person, the Court shall, unless in its discretion it shall otherwise direct, make provision for the full protection by insurance or otherwise of the holders of such maritime liens, existing or claimed to exist at the time of the filing of the petition or arising thereafter, during such time as any such vessel may be operated by the temporary trustee or by the trustee, and, in the discretion of the Court, during any period in which such vessel may be laid up.

(b) Notwithstanding any restraining order that may be issued in such proceeding, any maritime lienor shall be at liberty to file a libel in admiralty *in rem* for the determination of his lien and the amount thereof, but without the right of sale or interference with the possession of the trustee or debtor in possession except upon further order of the Court or Judge, and upon the filing of such libel the trustee or trustees shall file claim to the said vessel and admit or defend the claims as may to him or them seem proper.

The foregoing draft of a proposed rule is now being considered by Mr. Swaine's Committee. Although Mr. Swaine has not indicated whether or not any changes will be demanded, he has stated that it is the purpose of his Committee to endeavor to come to some satisfactory agreement with our Association.

Respectfully submitted,

T. CATESBY JONES.

New York, N. Y., April 15, 1936.