

# HCAJ208/2000

IN THE HIGH COURT OF THE  
HONG KONG SPECIAL ADMINISTRATIVE REGION  
COURT OF FIRST INSTANCE  
ADMIRALTY ACTION NO. 208 OF 2000

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Admiralty action in Rem against Hull CZ007, Now  
named "Silver Ocean"

BETWEEN

SCHOELLER HOLIDAYINGS LIMITED Plaintiff

and

THE BENEFICIAL OWNERS OF HULL CZ007

Defendant

and

FIORA SHIPPING CO. LIMITED Intervener

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Coram: Hon Waung J in Court

Dates of Hearing: 26th and 27th November 2001

Date of Handing Down of Reasons for Judgment: 3rd  
December 2001

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**REASONS FOR JUDGMENT**  
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1. By the Notice of Motion dated 22nd of November 2001, the Intervener herein, FIORA SHIPPING CO. LTD. the present new owners of the ship SILVER OCEAN ("the Vessel") formerly known as Hull No. CZ007 sought to discharge the Warrant of Arrest of the Vessel issued by the Hong Kong Court on the 6th of October 2001. The Vessel was arrested pursuant to the said Warrant on the 15th of November 2001. Schoeller Holdings Ltd. the Plaintiff herein opposed the Motion and at the conclusion of the hearing I dismissed the Motion with costs and indicated that I will hand down my Reasons for the Judgment later. I now give my Reasons.

2. In 1995, the Plaintiff as buyer entered into two purchase agreements ("Purchase Agreements") with Weihei Shipyard of Shangdong Province ("Weihei Yard") and Hubei Machinery and Equipment Import and Export Corporation ("Hubei Mac") as sellers ("Sellers") for the construction and delivery of 2