**MERCHANT SHIPPING SECRETARIAT**

**GOVERNMENT OF SRI LANKA**

**CERTIFICATE OF COMPETENCY EXAMINATION**

GRADE : CHIEF MATE ON SHIPS OF 500 GT OR MORE (UNLIMITED)

SUBJECT : Business & Law

DATE : 21.12. 2023

Time allowed **THREE** hours Total marks : 130

**ANSWER ALL QUESTIONSIN ALL PARTS** Pass marks : 50%

Formulae and all intermediate steps taken in reaching your answer should be clearly shown. You may draw sketches wherever required. Electronic devices capable of storing and retrieving are **NOT** allowed.

**PART - I**

1. A ship's tropical, summer and winter deadweight capacities are respectively 10286, 9948 and 9613 tonnes. She is to load at Vancouver for London via the Panama Canal, calling at Los Angeles and Curaçao for fuel. On departure she will have on board 370 tonnes of fuel, 180 tonnes of water and 12 tonnes of stores. She consumes 27 tonnes of fuel and 6 tonnes of water and stores daily.

Passages are estimated as follows:

Vancouver to Los Angeles : 4 days – all summer.

Los Angeles to Panama Canal: 9 days – summer – tropical – in that order.

Panama Canal to Curaçao : 3 days – all tropical.

Curaçao to London : l2 days – tropical for 2 days, then summer for 4 days, then

winter for 6 days.

Find the maximum weight of cargo the ship can lift at Vancouver if she is to maintain a reserve of 6 days' fuel at all times.

What quantities of fuel should she take in at Los Angeles and Curaçao, respectively, if fuel prices are lower at the latter port?

(25 marks)

**PART - II**

1. Merchant Shipping Regulations of some flag states require maintaining an Official Log Book. With respect to OLB answer the following questions.
   1. Briefly describe specific entries to be made in the narrative section of the OLB.

(08 Marks)

* 1. Briefly explain at what instance that you close Official Log Book.

(07 Marks)

1. a) Explain the role of Recognized Organisation (RO) with regard to statutory

certificates.

b) What actions could be taken by the RO in the event that a ship is found not fit to proceed to sea without danger to the ship or persons on board, or presenting unreasonable threat of harm to the marine environment?

c) Explain the circumstances in which interim, full term and short term certificates may

be issued by RO?

(05 marks each)

1. a) What are the statutory certificates and mandatory documents required to carry on a

ship under the MARPOL Annex VI?

(05 marks)

b) Detail the information that shall be contained in the Continuous Synopsis Record

(10 marks)

**PART – III**

1. Answer the following questions with regard to marine insurance:
2. Distinguish between ‘particular average’ and ‘general average’.

(10 marks)

1. List down the common insurance policies used in the marine industry?

(05 marks)

1. Answer the below questions with regard to bills of ladings:
2. “A bill of lading is a **prima facie evidence** on the hands of a shipper, but, it becomes the **conclusive evidence** for the quantity and the condition of the cargo, if a claim is brought by a third party acting in good faith”. Explain this statement.

(05 marks)

1. Differentiate and discuss the advantages and the disadvantages of ‘negotiable bills of ladings’ and ‘seaway bills of lading’.

(10 marks)

1. United Nations Convention on Law of the Sea (**UNCLOS)** is an International agreement that establishes a legal framework for all marine and maritime activities.
2. Describe the extent of a jurisdiction of a coastal state over its Territorial sea, Contiguous Sea and EEZ.

(10 marks)

1. Explain the right of a foreign vessel navigating in the territorial waters of another State.

(05 marks)

1. No ship-owner wishes to engage salvos on LOF terms unless it is necessary. They would prefer instead to use salvage contracts calculated on a daily rate or lump sum basis. However, when a vessel is in an urgent and dangerous situation, where time is of the essence, the LOF is still the most preferred salvage contract as it may be the surest way to protect the crew, property and environment.
2. Analyse the advantages and disadvantages of signing LOF form.

(10 marks)

1. Special Compensation P&I Clause (SCOPIC) is supplementary to any Lloyd’s Form Salvage Agreement “No Cure - No Pay” which incorporates the provisions of Article 14 of the International Convention on Salvage 1989. Briefly explain the advantages of invoking the SCOPIC for salvos.

(05 marks)