



**DIRECTORATE OF MERCHANT SHIPPING
GOVERNMENT OF SRI LANKA
CERTIFICATE OF COMPETENCY EXAMINATION**

GRADE : CHIEF MATE ON SHIPS OF 500 GT OR MORE (UNLIMITED)
SUBJECT : Business & Law
DATE : 26. Feb. 2024

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

ANSWER ALL QUESTIONS IN 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 vessel has Tropical DWT of 10750 t, Summer DWT of 10400 t and Winter DWT of 10050 t.

She is to load at Puerto Madryn to Guangzhou calling Cape Town and Singapore for FO and FW and 250t of priority cargo at Cape Town.

Daily consumption of F/O and F/W 30/10 t respectively.

R.O.B @ Puerto Madryn FO: 110 t, FW: 60 t.

The maximum F/O capacity 1500 t and throughout the voyage there is a constant of 250 t for crew and stores.

4 days reserve F/O and F/W must be kept at all times.

F/O cost at Puerto Madryn 360 usd/t , cape town 290 usd/t , Singapore 220 usd/t.

Puerto Madryn to Cape Town 9 days all summer, Cape town to Singapore 13 days, 4 days summer then tropical, Singapore to Guangzhou 4 days, 2 days tropical and then summer.

What is the maximum cargo that you will load at Puerto Madryn, taking in to account the fuel cost and how much F/O would you lift and where in order to arrive at Guangzhou as much as possible (without shifting out cargo)?

(25 marks)

PART – II

- 2) Merchant Shipping Regulations of some flag states require to maintain an Official Log Book (OLB). With respect to OLB answer following questions:
- a) Briefly describe specific entries to be made in the narrative section of the OLB.
 - b) Explain briefly the procedure of making, signing and witnessing Official Log Book entries.
 - c) Briefly explain the method of amending or cancelling Official Log Book entries.
- (05 marks each)
- 3) Selection of proper crew agreement for a merchant vessel mainly governs by trading pattern or specific requirements of the vessel. Running agreements, Voyage agreements, Multiple agreements and indefinite agreements are generally permitted under the Merchant Shipping Regulations of many flag states. Briefly explain salient features of three types of agreements mentioned above.
- (15 marks)
- 4) Load line convention has categorized several types of vessels when applying the principles of conditions of assignment of freeboard. With regards to these mentioned types under load line convention answer following questions.
- a) Compared to ‘Type B’ vessels, the ‘Type A’ vessels are having certain advantages. Explain briefly the advantages of a ‘Type A’ vessels.
- (07 marks)
- b) According to the type (‘Type A’ and ‘Type B’), assignment of freeboard is different. Explain why ‘Type A’ ships having less freeboard than ‘Type B’ ships.
- (08 marks)

PART - III

- 5) Your vessel, a bulk carrier is loaded with a cargo of Group C (**Group C means not dangerous and not liable to shift as per the IMSBC Code**) in accordance with the shipper's declaration. During the loaded passage you come to know that the cargo is an unidentified dangerous good. Answer the following questions:
- a) What does the Hague/Visby Rule say with regards to undeclared or unidentified dangerous goods?
(10 marks)
 - b) Who is liable if the vessel is damaged due to the dangerous nature of this cargo? Describe your answer.
(05 marks)
- 6) Answer the following questions with regards to the International Convention on Salvage 1989:
- a) Describe the duties of a salvor
(08 marks)
 - b) Describe the duties of the shipowner
(07 marks)
- 7) Explain in detail the three functions of a negotiable bills of lading.
(15 marks)
- 8) Answer the following questions with regard to marine insurance:
- a) List the occasions where the hull and machinery insurance will be terminated automatically.
(03 marks)
 - b) Briefly describe the following terms with examples:
 - i. Actual total loss
 - ii. Presumed total loss
 - iii. Constructive total loss
(04 marks each)

Answers

Answer 1

Ans (@ Puerto Madryn Cgo: 9260t, FO:250t,FW :60 , @C.T FO :360t,FW :120t,
@Sin FO:600t, FW: 40t)

Answers - 2

- a) Answer should contain entries to be made in the narrative section of the OLB
- b) Answer should contain procedure of making, signing and witnessing Official Log Book entries.
- c) Answer should contain amending or cancelling Official Log Book entries

Answers - 3

Answer should contain salient features Running agreements, Voyage agreements, Multiple agreements and indefinite agreements

Answers - 4

- a) Answer should contain advantages of a Type 'A' ship
- b) Answer should explain reasons for reduction of Type A vessels.

Answer 5

- a) Master can discharge the cargo before it becomes hazardous
- b) Shipper is liable

Answer 6

- a) This must be as described in International Salvage Convention 1989
- b) This must be as described in International Salvage Convention 1989

Answer 7

Need to explain the following:

- Receipt for the cargo received
- Evidence of contract of carriage
- Document of title

Answer 8 (a)

The insurance will terminate automatically if;

- a) the classification society is changed or if classification is cancelled or withdrawn,
- b) there is any change in ownership,
- c) change of flag,
- d) change of management or bare boat charter

Answer 8 (b)

Actual total loss - The object is completely damaged

Presumed total loss – Object is missing for an agreed period of time

Constructive total loss – Object is so damaged, repairing cost is more than the insured value