

**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 : 03rd July 2017

Time allowed THREE hours	Total marks : 140
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 ship is to load in Marcelles and Gibraltar for New York. From the following information calculate the quantity of cargo to be loaded at Marcelles and the intake of fresh water & fuel in each port. The vessel must maintain 3 days reserve fuel and fresh water throughout the voyage.

Summer displacement	: 18420 t
Winter displacement	: 18205 t
Light ship	: 8220 t
Constant	: 148 t
Un-pumpable ballast	: 32 t
ROB:	
F/O	: 69 t
F/W	: 24 t
Daily consumption:	
F/O	: 23 t
FW	: 8 t

Cargo to load at Gibraltar : 210 t

Marcelles to Gibraltar 6 days, all in Summer Zone, Gibraltar to New York 10 days Summer and 2 days in Winter Zone.

(20 marks)

PART – II

- 2) During ship registration ship owners will consider many aspects such as commercial, financial and operational aspects prior selecting a suitable flag for the vessel. It is evident in the recent past majority of ship owning companies use Flag of Convenience countries (FOC) as suitable flag state for registering their vessels.
- a) Explain briefly what is meant by National Registries. (07 marks)
 - b) Explain how ship owners benefitting when registering under FOC. (08 marks)
- 3) United Nations Conference on the Law of the Sea commonly known as **UNCLOS** is an intergovernmental treaty, developed to describe rights and liabilities of individual states of concerned sea areas. With regard to UNCLOS Sketch and describe briefly Baseline, Territorial sea, Contiguous sea, EEZ and continental shelf. (15 marks)
- 4) There are various dispute settlement procedures being adapted in different industries. Arbitration is one of commonly used dispute settlement procedure in merchant shipping industry for variety of purposes. With regard to arbitration answer following questions;
- a) Briefly describe what is arbitration and advantages & disadvantages of arbitration. (08 marks)
 - b) Enumerate what powers are given legally, to a registered arbitrator. (07 marks)

PART - III

- 5) Answer the following questions with reference to voyage charters:
- a) Enumerate the conditions that must be satisfied to commence laytime. (12 marks)
 - b) Differentiate between laytime and laycan (03 marks)
- 6) Discuss the advantages and disadvantages of use of bills of lading to a ship owner. (15 marks)
- 7) Answer the following questions with reference to port of refuge:
- a) Define “port of refuge” (03 marks)
 - b) Lists the actions to be taken by a master when decided to take a vessel to a port of refuge along with the actions during and after repairs. (12 marks)
- 8) Answer the following questions with reference to P & I clubs:
- a) Explain in detail the purpose, functions and the operation of the P & I clubs. (10 marks)
 - b) List down 5 types of claims that can be claimed by P & I clubs. (05 marks)
- 9) Answer the following questions with regard to maritime liens;
- a) What is a Maritime Lien? Give examples of such liens, stating how they may arise and as to how they can be enforced. (10 marks)
 - b) What is a Bottomry bond and Respondentia bond? (05 marks)

Answers

Answer 1

Leg	Present	Allow	Excess	Remarks
Dep Marcelles				
S/Dis 18420				
Lt shp 8220				
Cons 148				
Gibcargo 212				
Unp.Ball 32				Taken
F/O 207				F/O 138t
F/W 72				F/W 48t
Cargo 9529				
Dep Gib				
Cargo Mar. 9529				
Gib 212				
Lt shp 8220				
Cons 148				
Unp.Ball 32				
F/O 299				
F/W 104				
Disp 18544	18544	18420	124	Taken
				F/O 1230t
Ent W.Zone				F/W 80t
Cargo Mar. 9529				
Gib 212				
Lt shp 8220				
Cons 148				
Unp.Ball 32				
F/O 253				
F/W 88				
Disp 18482	18482	18205	277	

Cargo to be loaded at Marcelles

=9529 - 277 = **9252t.**