



UNIVERSITI KUALA LUMPUR
MALAYSIAN INSTITUTE OF MARINE ENGINEERING TECHNOLOGY

FINAL EXAMINATION
JANUARY 2017 SEMESTER

COURSE CODE : LGB31103

COURSE NAME : MARITIME LAW

PROGRAMME NAME : BACHELOR OF ENGINEERING TECHNOLOGY (HONS)
(FOR MPU: PROGRAMME LEVEL) IN NAVAL ARCHITECTURE & SHIPBUILDING

DATE : 13/07/2017 THU

TIME : 9.00 AM - 12.00 PM

DURATION : 3 HOURS

INSTRUCTIONS TO CANDIDATES

1. Please read CAREFULLY the instructions given in the question paper.
 2. This question paper has information printed on both sides.
 3. This question paper consists of TWO (2) sections; Section A and Section B. Answer ALL questions in Section A and THREE (3) questions from Section B.
 4. Please write yours answers on the answer booklet provided.
 5. Write your answers only in BLACK or BLUE ink.
 6. Answer all questions in English.
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THERE ARE 6 PAGES OF QUESTIONS, INCLUDING THIS PAGE.

SECTION A (Total: 40 marks)

INSTRUCTION: Answer ALL questions.
Please use the answer booklet provided.

QUESTION 1 (CLO 1)

- a) The IMO is an established United Nations agency that sets standards and adopts regulations that apply to all vessels that operate internationally.
State **FOUR (4) International Conventions** ratified by Malaysia.

(8 marks)

- b) Among the types of ship registries are traditional or closed registry and open registry. Explain these two types of registries.

(12 marks)

QUESTION 2 (CLO 2)

- a) The main objective of the International Convention on the Safety of Life at Sea (SOLAS) 1974 is to specify minimum standards for the construction, equipment and operation of ships, compatible with their safety.
Identify **THREE (3)** life-saving equipment on board of a ship and **TWO (2)** firefighting equipments.

(10 marks)

- b) A muster list is basically a list which is displayed in prominent areas of the vessel. Define a muster list and explain **THREE (3)** of its features. Support your answer with a drawing of a sample muster list.

(10 marks)

INSTRUCTION: Answer any THREE (3) out of FOUR (4) questions.

Please use the answer booklet provided.

QUESTION 3 (CLO 1)

a) Presuming that all countries claimed their waters until the maximum limit permissible by the UNCLOS 1982, examine the following incidents and determine whether the acts are "legal" or "illegal". Explain the reasons for your answers based on UNCLOS 1982.

i) Malaysian Navy ships arrested a Singaporean Navy vessel for anchoring 7.5 nautical miles from Malaysian baseline.

(4 marks)

ii) A group of researchers from a National university of Singapore conduct a marine scientific research i.e. a research on marine environment 150 nautical miles from the Malaysian baseline. This research is funded by Singaporean University.

(4 marks)

iii) A Philippines vessel trawling 100 nautical miles from Malaysian baseline.

(4 marks)

iv) Vietnamese fishermen trawling 21 nautical miles from Malaysian baseline.

(4 marks)

v) Malaysian government legislates Fisheries Act 1963 to regulate fishing activities on Malaysian fisheries waters which include its territorial sea.

(4 marks)

QUESTION 4

a) As a maritime lawyer, advise the following parties whether they are entitled to claim for salvage rewards and explain reasons for your answer based on the salvage law.

- i) The MV Paus was blown ashore and grounded as the result of a cyclone. The owner of MV Paus called the salvage company, Jerung Service Sdn Bhd to tow the vessel to the nearest port. The company agreed to tow the vessel with a charge of USD 3 000 per day whether or not the operation was successful. Agreement was signed between both parties and the deposit was paid. The company tried to refloat the vessel for 3 days, but was unsuccessful. Later, the company claimed for an amount of USD 9 000 for the service. The owner of MV Paus refused to pay on the reason that the salvage service was unsuccessful.

(6 marks)

- ii) MV Selamat, a tugboat carrying barge containing a valuable external fuel tank was caught in storm. The Captain radioed for help and the distress call had been picked up by the MT Setiakawan-a 688-foot oil tanker with a crew of 25 and a value of \$7.5 million-. With the effort of the crew of the MT Setiakawan, the barge was finally able to be taken in tow. However, as the storm worsened, the MT Setiakawan was pushed westward and the mooring lines parted causing the MV Selamat detached from MT Setiakawan. Several attempts were done to continue the service but failed. The MT Setiakawan failed to bring the barge to the nearest port but managed to bring it 190 miles away towards the port. The master and crew of MT Setiakawan made a salvage claim but MV Selamat refused to pay due to unsuccessful service rendered.

(6 marks)

- b) Malaysia has not acceded to the Salvage Convention 1989 but salvor operated in Malaysian waters may offer salvage services to Malaysian owners or vessels by way of the Lloyd's Open Form 1995 (LOF) which incorporates the provisions of the 1989 Convention. Explain what is LOF and **THREE (3)** fundamental principles under which the Form operates.

(8 marks)

QUESTION 5

PT Merong Mahawangsa - a company based in Pulau Pinang- producing printed circuit board (PCB). The company has received a major order from a company in Rotterdam, Tayo Telecommunication Co. Ltd. to ship 500 000 PCBs to Port of Rotterdam. The PCBs are stowed in containers and sent from Westport to Port of Rotterdam.

The sale of the PCB is done under CIF contract. It was agreed that the insurance contracts will be made on ICC (A) 2009 terms which covers all risks.

Before dealing with KRU insurance company, the senior officer from PT Merong Mahawangsa seeks your advice, as a legal advisor of the company. The concern of the senior officer is mainly on the duty of disclosure and in particular whether the following facts need to be disclosed:

a) The managing director of Merong Mahawangsa was previously convicted of money laundering by the High Court of Kuala Lumpur.

(10 marks)

b) The risk of piracy is high at the Malacca Straits.

(10 marks)

QUESTION 6

A salvage company, Wonderpet Co. Ltd has done salvage service to remove the wreck of MV Bad Luck owned by Ong Ong Sdn Bhd. The MV Bad Luck ran aground in Aegean Sea at the coast of Andros Island, Greece. The vessel was en route to Finland with cargo of iron or steel, but was caught by storm and grounded by treacherous (dangerous) weather conditions. The salvage service was done under a Lloyd's Open Form 2000.

Two months after the successful operation of the wreck removal, the Ong Ong Sdn Bhd failed to pay for the remuneration on the service provided.

As a maritime lawyer, advice the Wonderpet Co. Ltd on the following matters:

- a) What are the types of action available in Admiralty Court for Wonderpet Co. Ltd to claim for the salvage remuneration.

(8 marks)

- b) Explain **THREE (3)** differences between action *in rem* and action *in personam* in the Admiralty Court.

(12 marks)

END OF EXAMINATION PAPER