

### § 315.5

Administrator for Marketing, respectively, when the NSA is operating under authority delegated by the Maritime Administrator.

(d) *NDRF* means a National Defense Reserve Fleet site.

(e) *United States* means the States of the United States, Guam, Puerto Rico, the Virgin Islands, American Samoa, the District of Columbia, the Commonwealth of the northern Mariana Islands and any other territory or possession of the United States.

[58 FR 44285, Aug. 20, 1993, as amended at 69 FR 34310, June 21, 2004]

### § 315.5 Appointment of agents.

(a) *Eligibility*. The Director shall restrict the appointment as Agent to qualified applicants. Each applicant shall establish that eligibility according to procedures that may be obtained from MARAD and shall:

(1) Be a Citizen of the United States, as defined in § 315.3(b) of this part;

(2) Demonstrate the necessary ability, experience and resources as an operator of vessels or ports, or shoreside husbander of vessels; and

(3) Continue to meet all such requirements throughout the term of the appointment.

(b) *Procedures*. Information about procedures for appointment as General Agent, Berth Agent or Ship Manager may be obtained from, and inquiries and other written communications shall be submitted to, the Maritime Administration, Attn: Office of Acquisition, MAR-383, Department of Transportation, 400 Seventh Street SW., Washington, DC 20590, tel. (202)366-1943. Inquiries should be made during normal business hours.

(c) *Approval*. After final approval of an Agent by MARAD, the contracting office shall transmit the Service Agreement or Ship Manager contract to the Agent for execution and return to MARAD.

(d) *Agreements*. The standard text of the Service Agreement and Ship Manager Contract may be obtained from the Office of Acquisition at the address appearing in paragraph (b) of this section, by mail or in person during normal business hours.

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### § 315.7 Administration of agency agreements.

(a) *Amendments*. The MARAD contracting office shall prepare modifications to all Service Agreements and Ship Manager Contracts that are required due to changes in the Federal Acquisition Regulation or Transportation Acquisition Regulation, or changes in MARAD policy or procedure.

(b) *Annual review of General Agent representations and certifications*. The contracting office shall require that each General Agent certify annually that all representations and certifications incorporated in a Service Agreement are current, complete and accurate, or provide new representations and certifications.

### § 315.9 Duties of agents.

The Agent shall perform all duties prescribed in the Service Agreement or Ship Manager Contract and shall be guided by such directions, orders or regulations as may be issued by MARAD.

### § 315.11 Vessel deactivation procedures.

When an Agent is responsible as vessel operator to decommission and deliver a vessel to the NDRF, that Agent shall observe all the procedures and requirements prescribed by MARAD contained in instructions which may be obtained from the MARAD Division of Reserve Fleet (MAR-743) at the address specified in § 315.5(b) of this part. Tel. (202) 366-5752.

## PART 317—BONDING OF SHIP'S PERSONNEL

Sec.

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AUTHORITY: Sec. 204, 49 Stat. 1987, as amended; 46 U.S.C. 1114.

SOURCE: AGE-3, 16 FR 6751, July 12, 1951, unless otherwise noted. Redesignated at 45 FR 44587, July 1, 1980.

**Section 1 What this order does.**

This order requires that General Agents, appointed under Service Agreement "G.A.A., 3/19/51" shall not advance or entrust any monies or slop chest property of the United States to a master, purser or any other member of the ship's personnel unless such person is under a bond indemnifying the United States against loss of such monies or property caused solely or in part by the dishonesty or lack of care of any such person in the performance of the duties of any position covered by the bond.

**Sec. 2 Amount of bond.**

The amount of the bond must be governed by the amount of monies advanced or value of slop chest property entrusted, and shall, at all times, not be less than the value of slop chest property entrusted plus advances of monies for which a satisfactory accounting has not been made.

**Sec. 3 Premiums.**

The bonds provided for shall be furnished without cost to the National Shipping Authority, but the cost of the premiums of such bonds shall be included in the overhead expense of the General Agent.

**Sec. 4 Posting of bond.**

The General Agent shall retain an executed copy of each such bond in its principal office for examination by the National Shipping Authority at any time.

[Amdt. 1, 16 FR 9527, Sept. 19, 1951. Redesignated at 45 FR 44587, July 1, 1980]

**Sec. 5 Measures to protect ship's payrolls.**

(a) General Agents are not required to consider the amount of the payroll delivered to the Master at the conclusion of a voyage in determining the amount of bond required for any one person filling a bonded position hereunder. However, the person paying off the crew should be either the Master, or purser, or some other member of the ship's personnel acting for the Master who has been bonded pursuant to this order. If, however, the person paying off is a shoreside employee of the Gen-

eral Agent, such employee shall be bonded under the General Agents' general fidelity bond.

(b) The principal risk involved where payrolls are delivered to a vessel at the conclusion of a voyage is loss through hold-up. Therefore, reasonable protection shall be taken by all General Agents where payrolls are delivered to a vessel or elsewhere. Because the circumstances of each case will vary, the General Agents shall use their best judgment in determining whether armored car service, armed guards or similar types of protection should be employed (in other words, the General Agents should follow their usual practices). The cost of these services may be included in vessel operating expenses.

(c) General Agents are not required to purchase hold-up insurance, since subject to the terms, conditions and limitations of Service Agreement "G.A.A., 3/19/51" losses resulting from this exposure are assumed by the National Shipping Authority.

**Sec. 6 Surety and form of bond.**

Each bond provided for by this order shall be duly executed by an authorized surety appearing on the current approved list of companies acceptable as sureties on Federal bonds published by the U.S. Treasury Department. The form of bond required by the National Shipping Authority to be used by the General Agents shall be as follows:

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION, NATIONAL  
SHIPPING AUTHORITY

*Position Fidelity Schedule Bond*

In consideration of the annual premium \_\_\_\_\_ (hereafter called the "Surety") hereby agrees to pay to \_\_\_\_\_ or its successors (hereafter called the "Agent") or the United States of America, (hereafter called the "United States"), represented by the Director, National Shipping Authority of the Maritime Administration, Department of Transportation (hereafter called the "Director"), as their interests may appear, the amount of any pecuniary loss of money or slop chest property caused, solely or in part, by reason of the dishonesty or lack of care of any person in the performance of the duties of any position, now or hereafter listed in the Schedule of Positions and Amounts forming

part hereof (hereafter called the "Schedule"), on any and all vessels from time to time allocated to the Agent by the Director.

This bond is executed and accepted subject to the following agreements, limitations and conditions:

*First.* Liability under this bond begins with the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_ in respect of each person then filling any position named in the Schedule on any and all vessels then allocated to the Agent by the Director. As to any position or positions bearing the same designation as that of any position or positions named in the Schedule on any vessel or vessels thereafter allocated to the Agent by the Director, liability under this bond shall automatically begin as soon as such position or positions are filled, provided the Director or the Agent shall within ninety (90) days of the date such position or positions are filled notify the Surety in writing of the date such position or positions are filled. As between the Agent and the Director, it shall be the responsibility of the Agent to give the notice to the Surety as provided herein. Without affecting its liability hereunder, the Surety agrees that neither the Agent nor the Director need furnish the names of vessels on which positions are bonded hereunder at any time during the effective period of this bond.

*Second.* If the Agent or the Director shall request the Surety to increase or decrease the amount of coverage applicable to any position named in the Schedule, the Surety shall make such change by written acceptance showing the increase or decrease in the amount of coverage and the effective date thereof, which effective date shall not be prior to the date of such request; provided, however, that if the Director shall within ninety (90) days after receipt of notice of a decrease resulting from a request by the Agent, advise the Surety that it does not consent to such decrease, such decrease shall become inoperative and coverage shall continue in the amount applicable prior to such decrease as if such decrease had never been made.

*Third.* If the Surety knows or has reason to believe that any person filling any position named in the Schedule has caused any loss of money or property entrusted to him by reason of his dishonesty or lack of care in the performance of the duties of such position, the Surety may terminate the coverage of this bond as to such person by giving notice in writing to the Agent and the Director at least thirty (30) days prior to the completion, in a continental United States port, of the then current voyage of the vessel on which such person is filling a position, in which case the coverage of this bond as to such person shall terminate when the crew is paid off upon such completion of the voyage. The Agent may cancel the coverage of this bond (a) as an entirety or (b) as to any posi-

tion named in the Schedule by giving the Surety fifteen (15) days' written notice accompanied by written approval of the Director to such cancellation. The Director may cancel the coverage of this bond (a) as an entirety or (b) as to any position named in the Schedule upon fifteen (15) days' written notice to the Surety. In the event of any such cancellation the Surety shall refund to the Agent any unearned premiums computed pro rata.

*Fourth.* After discovery and report to the Agent or the Director of any loss hereunder, the Agent or the Director shall give the Surety written notice thereof, and within ninety (90) days after such written notice to the Surety shall file with the Surety affirmative proof of loss itemized and sworn to on forms furnished by the Surety. Prior discovery and report to the Agent of such loss shall not affect the right of the Director to notify the Surety of such loss and to file proof of loss. As between the Agent and the Director, it shall be the responsibility of the Agent to give the notice and to file the proof of loss with the Surety as provided herein. "Discovery and report" as used herein is defined in paragraph Tenth hereof.

*Fifth.* Any suit to recover on account of any loss hereunder shall be brought before the expiration of five years from the report to the Agent or the Director of the act causing such loss.

*Sixth.* The Agent will declare at the original effective date of this bond, and at each subsequent premium anniversary date, the total number of persons then filling each position named in the Schedule, and the annual premium will be computed for the ensuing year on the basis of the aggregate coverage represented by such declaration. Upon such premium anniversary date there will be a computation of additional premium or refund of premium in proportion to the change in the coverage each year.

*Seventh.* Settlement of any claim hereunder shall be made by check payable to the Agent unless otherwise instructed by the Director, but no settlement of any claim hereunder may be made for an amount less than the full amount of the loss for which the claim is made without the written consent of the Director thereto.

*Eighth.* The Surety shall not be entitled to any reimbursement, salvage or recovery,—except from insurance, reinsurance, collateral or indemnity taken by the Surety for its own benefit,—on account of any loss hereunder until the Agent or the Director, as their interests may appear, is reimbursed in full.

*Ninth.* No modification or change of any nature of the provisions of this bond shall take effect unless the Director shall have given his written consent thereto, except that the Agent may increase the coverage hereunder in accordance with the provisions

