

(b) *Modification to vessels.* Revised vessel data shall be submitted on the appropriate form prescribed in paragraph (a) of this section whenever a vessel undergoes a physical change which increases or decreases its value by five percent or more.

(Approved by the Office of Management and Budget under control number 2133-0011)

[39 FR 30487, Aug. 23, 1974, as amended at 47 FR 25330, June 14, 1982; 50 FR 50167, Dec. 9, 1985]

**§ 309.101 Amendment of interim binders.**

The interim binder for a vessel whose stated valuation is established pursuant to this part shall be deemed to have been amended on the first day of the effective period of such valuation, as provided in the notice publishing such valuation, by inserting in the space provided therefor, or in substitution for any value appearing in such space, the stated valuation of the vessel set forth in such notice. A stated valuation shall apply with respect to insurance attaching during the effective period of such valuation; *Provided, however,* That if there is a substantial change in market values during such period, the Maritime Administration reserves the right to revise the valuations provided for therein at any time during said period; *And provided further,* That the assured shall have the right within 60 days after the date of publication of a stated valuation or within 60 days after the attachment of the insurance under the interim binder to which such valuation applies, whichever is later, to reject such valuation and proceed as authorized by section 1209(a)(2), Merchant Marine Act, 1936, as amended (46 U.S.C. 1289(a)(2)).

STORES AND SUPPLIES

AUTHORITY: Sec. 204, 49 Stat. 1987, as amended, sec. 1209, 64 Stat. 775, as amended, 70 Stat. 984; 46 U.S.C. 1114, 1289.

SOURCE: Sections 309.201 through 309.204 contained in G.O. 100, 29 FR 2944, Mar. 4, 1964; 29 FR 3706, Mar. 25, 1964, unless otherwise noted.

**§ 309.201 Purpose.**

It is the purpose of §§ 309.201 through 309.204 to prescribe the method for de-

termining the values of stores and supplies on board a vessel when lost, for which claims for loss will be paid, and to prescribe the procedure for payment of claims for such loss, when stores and supplies are covered under a disbursements clause of a War Risk Hull Insurance Binder or a War Risk Hull Insurance Policy issued by the United States on forms prescribed by §§ 308.106 and 308.107 of this chapter, or when stores and supplies are covered by a War Risk Disbursements Policy issued by the United States pursuant to section 1203(c) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1283(c)). The vessel values established by §§ 309.1 through 309.8 (General Order 82) do not include any allowance for the loss of stores and supplies, as distinguished from equipment and spare parts which are included in such vessel values.

**§ 309.202 Definitions.**

Stores and supplies are those articles and commodities used and consumed in the day-to-day operation of a vessel by the operation and maintenance of machinery and equipment; the maintenance of clean and sanitary conditions; the feeding of passengers, officers, and crew; and stocked for the use and convenience of passengers, officers, and crew. Vessel stores and supplies include (a) consumable stores, (b) subsistence stores, (c) slop chest, (d) bar stock, and (e) fuel, as defined in Maritime Administration Inventory Books, Forms MA-4736, A through K.

**§ 309.203 Value at time of loss.**

The value of unused stores and supplies on board a vessel at the time of loss, and for which claims for loss will be paid equals:

(a) The value of such stores and supplies on board at the completion of the previous voyage, plus

(b) The value of stores and supplies purchased and placed on board the vessel before the commencement of the voyage during which the loss occurred, plus

(c) The value of stores and supplies purchased and placed on board the vessel after the commencement of such voyage, less

(d) That portion of the sum of paragraphs (a), (b), and (c) of this section which was sold, transferred, used or consumed to, but not including, the date of the loss.

**§ 309.204 Proof of loss.**

Claims for reimbursement for total loss of stores and supplies may be submitted by the owner to the Chief, Division of Insurance, Maritime Administration, Washington, DC 20590, based on one of two alternative methods of proof, as provided in paragraphs (a) and (b) of this section. Owners may use either method for each category of stores and supplies.

(a) *Formula.* In cases where the owner and the Chief, Division of Insurance, Maritime Administration, have agreed, in advance of the loss, upon amounts representing, or the method for determining, the average daily consumption costs of stores and supplies for the owner's vessel, claims for total loss of such stores and supplies may be submitted by the owner on Affidavit in Proof of Claim for the loss of stores and supplies, Exhibit A. In such cases, the value of the consumable stores at time of loss is determined as follows:

(1) The value of consumable stores on board at the time the vessel was ready to sail, determined by multiplying the number of days for which the vessel is stored by the average daily consumption cost in dollars, plus

(2) The cost of consumable stores, if any, purchased in foreign ports for the homeward voyage, less

(3) The average daily consumption cost times the number of days from the date the vessel was ready to sail to, but not including, the date of loss, plus the actual amount of consumable stores transferred or sold. The values of slop chest stores, bar stock and fuel, at the time of loss are determined in the same manner by using the applicable daily consumption costs for such stores. The value of subsistence stores at the time of loss is determined as follows:

(i) The value of subsistence stores on board at the time the vessel was ready to sail, determined by multiplying the agreed cost for one man per day by the number of crew signed on and the number of passengers, if any, and multi-

plying that product by the number of days for which the vessel is stored, plus

(ii) The cost of subsistence stores, if any, purchased in foreign ports for the homeward voyage, less

(iii) The number of crew signed on and the average number of passengers, if any, times the agreed cost of one man per day times the number of days from the date the vessel was ready to sail to, but not including, the date of loss, plus the actual amount of subsistence stores transferred or sold.

(b) *Verified costs.* In cases where the owner and the Chief, Division of Insurance, Maritime Administration, have not agreed in advance of the loss upon amounts representing, or the method for determining, the average daily consumption costs of Stores and Supplies for the owner's vessel, claims for total loss of such Stores and Supplies must be submitted by the owner on Affidavit in Proof of Claims for the Loss of Stores and Supplies, Exhibit B. In such cases, the value of the consumable stores will be determined as follows:

(1) The value of consumable stores on board the vessel at the time the vessel was ready to sail, determined by certified inventories of the owner of amounts on board the vessel at the termination of the preceding voyage or date of last inventory, less actual consumption to date of sailing, plus a certified statement by the owner of actual additional purchases made from date of termination of the preceding voyage or date of last inventory to date vessel was lost, subject to audit by the Maritime Administration, less

(2) The average daily consumption cost determined by dividing the amount determined as in paragraph (b)(1) of this section by the number of days for which the vessel was stored, times the number of days from the date the vessel was ready to sail to, but not including, the date of loss, plus actual amount of consumable stores transferred or sold.

The values of subsistence stores, slop chest, bar stock, and fuel, at the time of loss are determined in the same manner, supported by certified inventories of the owner and invoices.