

<i>Panama Maritime Documentation Services, Inc.</i> INTERNATIONAL MARITIME BUREAU		Código: I-SSC-20(I) Revisión: 6 Fecha: 27/06/05 Pág. 1 de 19
QUALITY SYSTEM INSTRUCTIVE		
PREPARED BY: TA	REVISED AND APPROVED BY: TM	

1.0 TITLE

INSTRUCTIVE FOR THE AUDIT AND ISSUANCE OF THE DOCUMENT OF COMPLIANCE (DOC) AND THE SAFETY MANAGEMENT CERTIFICATE (SMC) IN COMPLIANCE WITH THE ISM CODE.

2.0 OBJECTIVES

This Instructive establishes basic procedures for:

- 2.1 Verifying that a SMS complies with the requirements of the ISM-Code.
- 2.2 Carrying out audits, certification or endorsements (as applicable) for company and/or ships at different stages: interim, initial, periodicals (annual for the company and intermediate for ships), renewal or additional verifications of compliance with the requirements of the ISM Code.

3.0 RESPONSIBILITY

- 3.1 Is responsibility of the personnel of Technical Management to assure that all procedures contained in this INSTRUCTIVE are fulfilled for the audits and issuance of the DOC and SMC Certificates.
- 3.2 Is responsibility of the personnel of the Operations Management to support in the monitoring for the compliance of the mechanisms for the audits and issuance of the DOC and SMC Certificates.
- 3.3 Is responsibility of the auditors to comply with the procedures contained in this Instructive when carrying out the audits for the DOC and SMC Certificates.

4.0 DEFINITIONS AND REFERENCES

- 4.1 **PMDS**, Panama Maritime Documentation Services, Inc., Recognized Organization by the Maritime Administrations of Panama, Belize and Bolivia.
- 4.2 **IMB**, International Maritime Bureau, Classification Society.
- 4.3 **IMO**, International Maritime Organization. It is a specialized agency of the United Nations devoted to maritime matters.
- 4.4 **SOLAS 74/78**, International Convention for the Safety of Life at Sea, as amended and modified by its Protocol of 1978, and 1988.

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4.5 Maritime Administration.

4.5.1 The Panama Maritime Authority (PMA) is the responsible to regulate all aspects related to the merchant marine of Panama, it has a representative office in New York for the matters of Maritime Safety known as EX-SEGUMAR.

4.5.2 The Maritime administration of Belize is in charge to regulate all aspects related to the merchant marine. The International representation is performed by the International Merchant Marine Registry of Belize, IMMARBE.

4.5.3 The Maritime Administration of Bolivia, is the Registro Internacional Boliviano de Buques (RIBB).

4.6 AUDIT

Systematic and independent examination to determine whether the SMS activities and related results comply with planned arrangements and whether these arrangements are implemented effectively and are suitable to achieve objectives.

4.7 AUDITOR

A person performing verification of compliance with the requirements of the ISM-Code and who fulfils the personal qualification and other pertinent requirements and duly authorized by PMDS.

4.8 LEAD AUDITOR

An auditor who is duly authorized by PMDS to lead a team of two or more auditors.

4.9 COMPANY

The owner of the ship or any other organization or person such as the manager, or the bareboat charterer, who has assumed the responsibility for operation of the ship from the owner of the ship and who on assuming such responsibility has agreed to take over all the duties and responsibilities imposed by the International Safety Management Code.

4.10 INTERNATIONAL SAFETY MANAGEMENT (ISM) CODE

The International Management Code for the Safe Operation of ships and for Pollution Prevention adopted by the International Maritime Organization (IMO) by Resolution A.741(18), as amended by MSC.104 (73) and entered into force from 1 July 2002.

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4.11 ISM-CODE GUIDELINES

The Revised Guidelines on Implementation of the ISM-Code by Administrations, adopted by the IMO Resolution A.913 (22).

4.12 DOCUMENT OF COMPLIANCE (DOC)

A document issued to a Company which complies with the requirements of the ISM-Code.

4.13 SAFETY MANAGEMENT CERTIFICATE (SMC)

A document issued to a ship which signifies that the company and its shipboard management operate in accordance with the approved Safety Management System (SMS).

4.14 SAFETY MANAGEMENT SYSTEM (SMS)

A structured and documented system enabling company personnel to effectively implement the Company Safety and Environmental Protection Policy.

4.15 SAFETY MANAGEMENT MANUAL

Is the documentation used to describe and implement the Safety Management System (SMS).

4.16 OBJETIVE EVIDENCE

Quantitative or qualitative information, records or statements of fact pertaining to safety or to the existence and implementation of a Safety Management System element, which is based on observation, measurement or test and which can be verified.

4.17 OBSERVATION

A statement of fact made during a Safety Management audit and substantiated by objective evidence. It may also be a statement made by the auditor referring to the SMS which, if not corrected, may lead to a Non-Conformity in the future.

4.18 NON-CONFORMITY

An observed situation where objective evidence indicates the Non-Fulfillment of a specific requirement.

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4.19 MAJOR NON-COMFORMITY

An identifiable deviation that poses a serious threat to the safety of personnel or the ship or a serious risk to the environment that requires immediate corrective action; in addition, the lack of effective and systematic implementation of a requirement of the ISM-Code is also considered a Major Non-Conformity.

4.20 CORRECTIVE ACTION

Action to eliminate the cause of a Non-Conformity or other undesirable situation.

4.21 FINDING

A Non-Fulfillment of objectives or requirements defined by the company that goes beyond what should be subject to mandatory ISM-Code Certification. It does not effect the issue, endorsement or renewal of a DOC and/or SMC.

4.22 ANNIVERSARY DATE

Means the day and month of each year that corresponds to the date of expiry of the relevant Document or Certificate.

4.23 APPLICABLE REGULATIONS

The verification and certification process for company and ships will be in accordance with the ISM Code and ISM Code Guidelines as defined in items 4.10 and 4.11 of this Instructive.

4.24 TYPE OF VERIFICATIONS

4.24.1 INTERIM VERIFICATION FOR INTERIM CERTIFICATION, to be carried out in any of the following cases:

4.24.1.1 Interim certification on company to facilitate initial implementation of ISM-Code when:

- 4.24.1.1.1 A company is newly established; or
- 4.24.1.1.2 New ship type are to be added to an existing DOC.

4.24.1.2 Interim certification on ships when:

- 4.24.1.2.1 New ships on delivery;

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4.24.1.2.2 A company takes on responsibility for the operation of a ship which is new to the company; or

4.24.1.2.3 A ship changes flag.

4.24.2 INITIAL VERIFICATION FOR THE INITIAL CERTIFICATION, will be carried out in the following cases:

4.24.2.1 For issuing a DOC to a Company.

4.24.2.2 For issuing a SMC to a ship.

4.24.3 PERIODICAL VERIFICATION, will be carried out in the following cases:

4.24.3.1 For annual endorsement of DOC.

4.24.3.2 For intermediate endorsement of SMC.

4.24.4 RENEWAL VERIFICATION, will be carried out in any of the following cases:

4.24.4.1 For DOC renewal.

4.24.4.2 For SMC Renewal.

4.24.5 ADDITIONAL VERIFICATION, will be carried out in any of the following cases:

4.24.5.1 At the Request of the Company (as defined in ISM-Code, paragraph 1.1.2 and as defined in item 4.9 of this Instructive), according one of the following situations:

4.24.5.1.1 When modifications to the company and/or shipboard SMS are introduced in the period between established verifications.

4.24.5.1.2 When the non-conformities have been fully rectified by the company.

4.24.5.1.3 When the company change of Recognized Organization (R.O.) for the issue of DOC and/or SMC.

4.24.5.1.4 When the ship is more than three (3) months but less than twelve (12) months out of service, due to: Laid-up condition, rebuilding, special survey delayed, arrested, etc.

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- 4.24.5.1.5 When the company request DOC and/or SMC are restored into force again after withdrawal.
- 4.24.5.1.6 For other reasons according to company request and previous evaluation by PMDS/IMB-Head Office.
- 4.24.5.2 At the request of Port State Control when the ship is detained due to major non-conformities has been detected.
- 4.24.5.3 At the request of Flag State Administration when additional flag requirements are introduced or when the ship is detained by a Port State Control inspection or when information about serious claims to SMS is received.
- 4.24.5.4 At the request of PMDS/IMB-Head Office or representative office for the above mentioned reasons or for any other reason judge as necessary and practicable by PMDS/IMB-Head Office.

IMPORTANT NOTE: Initial, intermediate and renewal shipboard verification audits shall be performed only under normal operating conditions, e.g. when the ship is not in dry dock or laid up. Interim audits may be conducted in circumstances other than normal operating conditions, provided that the ship is fully manned in accordance with its Safe Manning Certificate.

4.25 TYPE AND VALIDITY OF DOC AND SMC

- 4.25.1 Interim DOC:
An interim DOC, valid for no more than twelve (12) months, may be issued to a company following verification that the company has a Safety Management System that meets the objectives of paragraph 1.2.3 of ISM-Code. Provided the company demonstrates plans to implement a SMS meeting the full requirements of ISM-Code within the period of validity of the interim DOC. The progress of such implementation may be reviewed and verified at intervals previously agreed between PMDS and the company during the validity of the interim DOC.
- 4.25.2 Interim SMC:
An interim SMC, valid for no more than six (6) months, may be issued to new ship on delivery, when a company takes on responsibility for the operation of a ship which is new to the company and when a ship changes flag. In special cases the validity of the interim SMC may be extended for a further period of six (6) months previous authorization from the Administration.

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- 4.25.3 Short term DOC or SMC:
A short term DOC or SMC may be issue at the closing of an ISM-Code Initial or Renewal verification to cover the period until a full term DOC or SMC is issued. The short term DOC or SMC may be issued provided no major Non-Conformities remain and the auditor formally recommends the certification of the company and or ship. The validity of the short term DOC or SMC, as appropriate, is not to exceed five(5) months from the date of the ISM-Code audit.
No short term DOC and/or SMC will be issued if satisfactory renewal verification completed before the expiry date of full term DOC and/or SMC (see paragraph 5.1.14 of this Instructive.
- 4.25.4 Full term DOC or SMC
Are issued by PMDS/IMB-Head Office only, the validity or the full term DOC or SMC, as appropriate, is to be five(5) years from the date of the ISM-Code audit.

4.26 SCOPE OF APPLICATION

The requirements of ISM-Code may be applied to all ships. According to Chapter IX, Regulation 2 of SOLAS 1974 Convention, the ISM-Code applies to ships, regardless of the date of construction, as follows:

- 4.26.1 Passenger ship including passenger high-speed craft, not later than 1 July 1998;
- 4.26.2 Oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high-speed craft of 500 gross tonnage and upwards, not later than 1 July 1998; and
- 4.26.3 Other cargo ships and mobile offshore drilling units of 500 gross tonnage and upwards, not later than 1 July 2002.

NOTE: The ISM-Code does not apply to government-operated ship used for non-commercial purposes.

5.0 ACTIVITIES

5.1 PROCESS OF VERIFICATION (AUDITS) FOR ISSUING DOC OR SMC CERTIFICATES

- Auditors 5.1.1 Includes the provisions of the Procedure for the Survey and Interim Certification P-SSC-03(I) and will be governed by the specifics detailed in this Instructive in all ISM Audits for DOC and SMC.

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- 5.1.2 Verifies that following steps/documents are reviewed and or taken into account for carrying out any type of verification of ISM Code:
- 5.1.2.1 Contract agreements with companies
 - 5.1.2.2 Declarations of ISM Code of Company and DPA(s) available and approved by respective Maritime Administration (for interim audits only).
- 5.1.3 Document review in order to verify that the SMS and any relevant documentation comply with the requirements of the ISM Code, the auditor is to review the safety management manual. If this review reveals that the system is not adequate, the audit may have to be delayed until the company undertakes corrective action. Amendments made to the system documentation to correct deficiencies identified during this review may be verified remotely or during the subsequent implementation audit.
- 5.1.4 Preparing the audit
- 5.1.4.1 The auditor (s) in co-operation with the Company is to produce an audit plan which is to be flexible in order to permit changes in emphasis based on information gathered during the audit, and to permit the effective use of resources.
 - 5.1.4.2 The audit plan shall include:
 - 5.1.4.2.1 Identification of the individuals having significant direct responsibilities regarding the SMS.
 - 5.1.4.2.2 Identification of reference documents associated with the SMS.
 - 5.1.4.2.3 Identification of auditor (s).
 - 5.1.4.2.4 The language of the audit.
 - 5.1.4.2.5 Identification of organizational units to be audited.
 - 5.1.4.2.6 The date and place where the audit is to be conducted.
 - 5.1.4.2.7 The schedule of meetings to be held with Company's management.
 - 5.1.4.2.8 Audit report distribution.
 - 5.1.4.3 Details of the audits plan shall be completed according to form ISM-Code/Audit Plan (10/02).

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5.1.5 Executing the audit

- 5.1.5.1 The audit is to start with an opening meeting, the purpose of which is to:
- 5.1.5.1.1 Introduce the auditor (s) to the Company's and/or ship's management
 - 5.1.5.1.2 Explain the scope and objective of the audit
 - 5.1.5.1.3 Provide a short summary of the methods and procedures to be used to conduct the audit
 - 5.1.5.1.4 Establish the official communication line between the auditor(s) and the Company and/or the ship.
 - 5.1.5.1.5 Confirm that resources, documentation and facilities needed to perform the audit are available.
 - 5.1.5.1.6 Confirm the time and date of the closing meeting and any possible interim meeting.
- 5.1.5.2 The auditor (s) is to review the SMS on the basis of the documentation presented by the company and objective evidence of its effective implementation, which shall be collected through interviews and examination of documents. Observation of activities and conditions may also be included when necessary to determine the effectiveness of the SMS in meeting the specific standards of safety and protection of the environment required by the ISM Code.
- 5.1.5.3 Annual and renewal audits of the company are to include a review of non-conformities reported in relation to previously conducted company and ship audits. The auditor shall select a sample of the reported non-conformities and shall audit the company's investigation, analysis, and resolution of the non-conformities in accordance with the requirements of sections 9 and 12 of the ISM-Code.
- 5.1.5.4 When auditing a Company managing ships for which another RO performs the statutory surveys, the auditor shall, at the beginning of the audit, review the statutory surveys records for at least one ship of each ship type to which the DOC is to apply. These records are to be made available at the Company office.
- 5.1.5.5 When auditing a ship that another RO have performed statutory surveys or has issued the DOC to the Company the auditor shall, at the beginning of the audit, review the statutory survey records which should be made available onboard.
- 5.1.5.6 Audit observations are to be documented in a clear, concise manner and supported by objective evidence. These shall be reviewed by the

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auditor(s) in order to determine which are to be reported as major non-conformities, non-conformities, observations or findings.

5.1.5.7 At the end of the audit, prior to preparing the audit report, the auditor (s) is to hold a meeting with the senior management of the Company or ship and those responsible for the functions concerned. The purpose is to present major non-conformities, non-conformities, observations and findings to the Company's and/or ships management, in such a manner so as to ensure that they clearly understand the results of the audit.

5.1.6 Audit Report

5.1.6.1 The Company verification report ISM-Code/VR/Company (10/02) and ship verification report ISM-Code/VR/Ship (10/02) is to be prepared by the Lead Auditor, based on information gathered by and discussed with the audit team members (if applicable). It must be accurate and complete, reflecting the content of the audit, and is to include the following items, as applicable

5.1.6.1.1 Company's and/or ship particulars

5.1.6.1.2 The date of completion of the audit and submission of the audit report

5.1.6.1.3 The scope and objectives of the audit.

5.1.6.1.4 Details of the audit plan, auditor(s), Company's representatives and a list of all organizational units audited; and

5.1.6.1.5 All major non-conformities, non-conformities, observations and findings.

5.1.6.1.6 Auditor recommendations

5.1.6.2 The audit report is to be submitted to the Company, which should be advised to provide the ship with a copy of the relevant shipboard audit report.

5.1.7 Corrective Actions and follow up

Non-conformity report, ISM-Code/NCR (10/02), non-conformities and corrective actions shall include the following considerations:

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- 5.1.7.1 The non-conformity report (NCR) is to clearly state the fact identified as non-compliant with a requirement of the company's SMS or the ISM-Code.
- 5.1.7.2 The content of the non-conformity report is to be complete and concise, and written in such a manner to be easily understood by a second party reviewing the non-conformity report. Clarify should not be sacrificed for the sake of brevity.
- 5.1.7.3 Whenever possible auditors are to endeavour to write NCR's in reference to a requirement of the company's SMS, and when necessary for the sake of clarity, restate the requirement.
- 5.1.7.4 Non-conformities are to be classified against the pertinent requirement of the ISM-Code.
- 5.1.7.5 A DOC or SMC is not to be issued, endorsed or renewed if a major non-conformity exists. Immediate corrective action having been implemented by the company and verified by the auditor, before the DOC or SMC is issued, endorsed or renewed. Immediate corrective action shall be such as to remove the serious threat to personnel or ship or a serious risk to the environment.
- 5.1.7.6 An additional verification shall be performed before a DOC or SMC is issued, endorsed or renewed to verify that major non-conformities have been fully rectified by the company. An additional verification may include a visit to the site.
- 5.1.7.7 A DOC or SMC may be issued, endorsed or renewed before other non-conformities have been closed out, provided that a schedule has been agreed between the company and auditor for completion of necessary corrective actions. The company is responsible to apply for any follow-up audit required by the auditor.
- 5.1.7.8 An additional verification may be necessary to confirm the validity of a DOC and/or SMC depending on the nature of modifications or non-conformities to the company and/or shipboard SMS. The company shall be requested to immediately notify to PMDS when modifications to the company and/or shipboard SMS are introduced.
- 5.1.7.9 The company is responsible for determining and implementing corrective action for non-conformities identified by the auditor. Such corrective action shall be completed within the time period agreed and shall be verified by an auditor.

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- 5.1.8 Responsibilities of PMDS, in performing ISM-Code certification.
 - 5.1.8.1 PMDS in performing the ISM Code certification is responsible for ensuring that the certification process is performed according to the ISM Code and this Instructive. This includes management control of all aspects of the certification according to the appendix to the Revised Guidelines on Implementation of the ISM-Code by Administrations, adopted by IMO Resolution A.931(22), effective from July 1, 2002.

- 5.1.9 Company responsibilities pertaining to safety management audits
 - 5.1.9.1 The verification of compliance with the requirements of the ISM Code does not relieve the Company management, officers or seafarers of their obligation to comply with national and international legislation related to safety and protection of the environment.
 - 5.1.9.2 The company is responsible for:
 - 5.1.9.2.1 Informing relevant employees about the objectives and scope of the audit.
 - 5.1.9.2.2 Appointing responsible members of staff to accompany auditor(s).
 - 5.1.9.2.3 Providing the resources needed by auditor (s) to ensure an effective and efficient verification process.
 - 5.1.9.2.4 Providing access and objective evidence as requested by auditor (s).
 - 5.1.9.2.5 Co-operating with auditor (s) to permit the audit objectives being achieved.

- 5.1.10 Responsibilities of auditor (s)
 - 5.1.10.1 The auditor is responsible for:
 - 5.1.10.1.1 Planning and carrying out assigned responsibilities effectively and efficiently.
 - 5.1.10.1.2 Complying with the applicable requirements and other appropriate directives.
 - 5.1.10.1.3 Reporting any major obstacles encountered in performing the audit.

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- 5.1.10.1.4 Communicating and clarifying the non-conformities to the company and/or the ship immediately.
- 5.1.10.1.5 Communicating any observations.
- 5.1.10.1.6 Reporting the audit results clearly, conclusively and without undue delay.
- 5.1.10.1.7 Submitting the audit report to the company when acting as sole auditor
- 5.1.10.1.8 Verifying the effectiveness of corrective actions taken by the Company

5.1.10.2 Personnel participating shall ensure confidentiality of documents pertaining to the certification and privileged information with discretion.

5.1.10.3 An ISM auditor identifying a technical deficiency deemed to present a serious threat to safety or harm to the environment shall

5.1.10.3.1 Establish if the company has taken appropriate action to correct the technical deficiency. In every case the auditor shall ensure that such technical deficiencies are dealt with by the responsible R.O., and

5.1.10.3.2 Establish whether the technical deficiency constitutes or is symptomatic of a non-conformity within the SMS.

Auditor

5.1.11 Interim DOC and SMC:

Complete the forms, Check List for Interim Certification (for company) ISM-Code/Interim/Company (10/02), and Check List for Interim Certification (for ship) ISM-Code/Interim/Ship (10/02).

5.1.11.1 At the Company's premises, that the Company has a document SMS which addresses all elements of the ISM Code, and that plans exist for its implementation throughout the organization and its fleet within the period of validity of the interim DOC. The progress of such implementation may be reviewed and verified at intervals previously agreed between PMDS and the Company during the validity of the interim DOC.

5.1.11.2 Before issuing an interim SMC, it is to be verified on board that:

5.1.11.2.1 The DOC, or the interim DOC is relevant to that ship.

5.1.11.2.2 The SMS provided by the company for the ship includes all elements of the ISM-Code, and has been assessed during

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the audit for issuance of the DOC or demonstrated for issuance of the interim DOC.

- 5.1.11.2.3 The master and officers are familiar with the SMS and the planned arrangements for its implementation.
- 5.1.11.2.4 Instructions which have been identified as essential to be provided prior to sailing have been given, including lifeboat station and responsibilities, fire station, responsibilities and making available specific additional reference material associated with Safety requirements from SOLAS training manual.
- 5.1.11.2.5 Plans exist for internal audit of the ship within three (3) months.
- 5.1.11.2.6 The relevant information on the SMS is given in a working language or languages understood by the ship's personnel.

5.1.12 Initial Verification

Complete the forms: Check list for Initial/Renewal/Additional verification audit (for company) ISM-Code/IVA/Company (10/02) and Check List for Initial/Renewal/Additional verification audit (for ship) ISM-Code/IVA/Ship (10/02).

- 5.1.12.1 The initial verification for issuing a DOC to a company consist of the following steps:
- 5.1.12.2 Document review: In order to verify that the SMS and any relevant documentation comply with the requirements of the ISM-Code. The auditor is to review the Safety Management Manual. If this review reveals that the system is not adequate, the audit may have to be delayed until the company undertakes corrective action. Amendments made to the system documentation to correct deficiencies identified during this review may be verified remotely or during the subsequent implementation audit described below in 5.1.12.3.
- 5.1.12.3 Company audit: In order to verify the effective functioning of the SMS, including objective evidence that the company's SMS has been in operation for at least three (3) months, and at least three (3) months on board at least (1) ship of each type operated by the company. The objective evidence, include records from the internal audits performed by the company, ashore and on board, examining and verifying the correctness of the statutory records for at least one (1) ship of each type operated by the company.

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5.1.12.4 The initial verification for issuing a SMC to a ship consist of the following steps:

5.1.12.4.1 Verification that the company DOC is valid and relevant to that type of ship, and that the other provisions of items 5.1.11.2.1 to 5.1.11.2.6 are complied with. Only after on board confirmation of the existence of a valid DOC can the verification proceed.

5.1.12.4.2 Verification of the effective functioning of the SMS, including objective evidence that the SMS has been in operation for at least three (3) months on board the ship. The objective evidence should also include records from the internal audits performed by the company.

NOTE: If the company already has a valid DOC issued by another Recognized Organization (Recognized Organization by the Administration) that DOC shall be accepted as evidence of compliance with the ISM-Code, unless there is evidence indicating otherwise.

5.1.13 Periodical Verification

Complete the form: Check List for annual verification audit (for company) ISM-Code/AVA/Company (10/02) and Check list for intermediate verification audit (for ship) ISM-Code/Intermediate/Ship (10/02).

5.1.13.1 Periodical verification audits (annual or intermediate) are to be carried out to maintain the validity of the DOC and/or SMC. The purpose of these audits is to verify:

5.1.13.1.1 The effective functioning of the SMS.

5.1.13.1.2 That possible modifications of the SMS comply with the requirements of the ISM-Code.

5.1.13.1.3 That corrective action has been implemented.

5.1.13.1.4 That statutory certificates are valid.

5.1.13.1.5 Verification of the statutory certificates is to be carried out on at least one ship of each type identified on the DOC.

5.1.13.2 Annual verification is to be carried out within three (3) months before or after the anniversary date of the DOC.

5.1.13.3 Intermediate verification is to take place between the second and third anniversary date of the SMC.

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5.1.14 Renewal Verification

Complete the same forms listed in item 5.1.12

- 5.1.14.1 A DOC and/or SMC renewal verification shall be carried out from six (6) months before the expiry date of the certificate and shall be completed before the expiry date.
- 5.1.14.2 DOC and/or SMC renewal verification shall be carried out according to the same principles given in for the initial verification, including all elements of the SMS and the effectiveness of the SMS in meeting the requirements of the ISM-Code.
- 5.1.14.3 Document review shall be part of the renewal verification if modifications to the company and/or shipboard SMS have taken place.
- 5.1.14.4 No short term DOC and/or SMC (as defined in item 4.25.3) will be issued if satisfactory renewal verification is completed before the expiry of the full term DOC and/or SMC.

5.1.15 Additional verification

Complete the same forms listed in item 5.1.12 of this Instructive

- 5.1.15.1 Additional verification of the company and/or ship shall be carried out according to item 4.24.5 of this Instructive.

5.1.16 Communications with Flag States Administration or Port State Control.

5.1.16.1 To ensure that the requirements of SOLAS, Chapter I, Regulation 6(d); SOLAS, Chapter IX and IMO Resolution A.788(19) are fulfilled. The following communication procedures must be followed when major non-conformities are identified:

- 5.1.16.1.1 When PMDS identifying the unresolved major non-conformity either at a company audit or at a shipboard audit, shall inform the flag state administration or to the Port State Control (if appropriate) using the form: "Notification of Invalidation of ISM-Code Certification" (ISM-Code/Invalidation (10/02)).
- 5.1.16.1.2 The Notification of Invalidation of ISM-Code Certification shall be issued only by PMDS-Head Office, original of this Notification will be send to the Company and copy to: Administration, Port State Control (if appropriate) and PMDS-Representative office.

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- 5.1.17 Complies with what is established in the items 5.7.1 and 5.7.2 of the Procedure for the Survey and Interim Certification P-SSC-03(I), concerning the notification via fax to the Operations Management of PMDS, of the audits carried out and the mailing of copies of the documentation that supports the audits and certification of the company and or ship

5.2 PROCESS FOR CERTIFICATION / ENDORSEMENT OF DOC AND SMC

- | | | |
|----------------------|-------|--|
| Surveyor | 5.2.1 | Adjusts the certification of ISM-Code to the Procedure for the Survey and Interim Certification P-SSC-03(I) and will include the specific instructions of this instructive. |
| | 5.2.2 | In accordance with ISM Code paragraph 14.1, issues an interim Document of Compliance Certificate ISM/DOC/IC (10/02), whose validity in no case will exceed twelve (12) months, and in accordance with ISM Code paragraph 14.2 an interim Safety Management Certificate ISM/SMC/IC (10/02) with validity in no case to exceed six (6) months counted from the date of concluding the interim verification and satisfies the requirements of Chapter IX of the SOLAS 74/78/88 Convention and its amendments. |
| | 5.2.3 | Upon completion satisfactory initial or renewal audits to the company and or ships and in accordance with item 4.25.3 of this instructive a Short Term DOC ISM/DOC/STC (05/05) or SMC ISM/SMC/STC (05/05) may be issued, with validity not to exceed five (5) months. |
| Technical Management | 5.2.4 | Coordinates with the concerned Maritime Administration the possibility for extending the validity of the interim SMC for additional period if the ship Owner/Operator/Captain of the Ship requests additional time by justified reasons. |
| Operation Management | 5.2.5 | Issues Full Term DOC (ISM/DOC/FTC (10/02)) and or SMC (ISM/SMC/FTC (10/02)), whose validity will not exceed five (5) years from the date of the ISM audit to all company and or ship that satisfies the general procedures and what is indicated in this Instructive. |
| Surveyor | 5.2.6 | Endorses the DOC Certificate ISM/DOC/FTC (10/02) in the section annual verification to a satisfactory annual ISM audit. |
| | 5.2.7 | Endorses the SMC Certificate ISM/SMC/FTC (10/02), in the appropriate section intermediate verification or additional verification to a satisfactory intermediate or applicable additional verification. |

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5.2.8 Complies with the established in item 5.7.1 and 5.7.2 of the Procedure for the survey and Interim Certification P-SSC-03(I) concerning the notification via fax to the Operations Management of the issued interim certificate or endorsement of the full term DOC and or SMC Certificate.

6 RECORD OF INFORMATION

- 6.1 Request of Survey**
- 6.2 Quotation**
- 6.3 Approval/Acceptance of survey**
- 6.4 Authorization for survey**
- 6.5 Verification report (ISM-Code/VR/Company (10/02) and ISM-Code/VR/Ship (10/02)).**
- 6.6 Interim DOC (ISM/DOC/IC (10/02))**
- 6.7 Interim SMC (ISM/SMC/IC (10/02))**
- 6.8 Short Term DOC (ISM/DOC/STC (05/05))**
- 6.9 Short Term SMC (ISM/SMC/STC (05/05))**
- 6.10 Check List for: Initial, Renewal, Annual, Intermediate and Additional Audits (ISM-Code/IVA/Company (10/02), ISM-Code/IVA/Ship (10/02), ISM-Code/AVA/Company (10/02), ISM-Code/Intermediate/Ship (10/02))**
- 6.11 Non-conformity Report ISM-Code/NCR (10/02).**
- 6.12 ISM-Code/Audit-Plan (10/02)**
- 6.13 Full Term DOC (ISM/DOC/FTC (10/02))**
- 6.14 Full Term SMC (ISM/SMC/FTC (10/02))**
- 6.15 Notification of invalidation of ISM-Code (ISM-Code/Invalidation (10/02))**

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7.0 CRITERIA FOR EVALUATION

The form Control of Documents Sent and Received will be used to verify and evaluate that the procedure and stages have been executed pursuant to the established requirements.

7.1 ACCORDANT PROCEDURE

When the survey and Certification procedure has been fulfilled completely and is satisfactory, the form Control of Documentation Sent and Received, will be filed together with all the respective documentation in the vessel file.

7.2 NOT ACCORDANT PROCEDURE

When the survey and Certification procedure does not fulfill some of the demanded requirements, the form Control of Documentation Sent and Received together with the documentation that has been received to the moment, will be maintained in the area of stand by with indication of the procedure in which is found according what is indicated in the item 5.3 of the Procedure for the Verification and Statutory Certification P-RS-01(I).

8.0 RELATED DOCUMENTATION

- 8.1 P-SSC-03(I) Procedure for the Survey and Interim Certification
- 8.2 P-RS-01(I) Procedure for the Verification and Statutory Certification
- 8.3 Documents of External Support (IMO, ILO, Administrations)

9.0 REFERENCE

- 9.1 P-SSC-03(I) Procedure for the Survey and Interim Certification
- 9.2 P-RS-01(I) Procedure for the Verification and Statutory Certification.
- 9.3 Section, Process for performing the service of PMDS/IMB Quality Manual.