



"A subsidiary of Fiji Ports Corporation Ltd"

Terms and Conditions of Slipway, Wharves and Associated Facilities Usage



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Purpose of Slipway Terms and Conditions

The Terms and Conditions of the Slipway, Wharves, and Associated Facility is the procedural framework for FSHIL slipway and facility usage.

The purpose of FSHIL Terms and Condition is to maintain a uniform system in managing the slipway facilities. The Terms and Condition outlines the required procedures and processes which the Client and Sub Contractors have to adhere to, whilst using the Slipway Facilities and services.

It ensures that Clients and Sub contractors comply with applicable legal framework such as the Sea Ports Management Act (2008), OHSSE Act (2006), Environment Management Act, Litter Decree, Marine Act as per statutory requirements.

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PART I - GENERAL

1. INTERPRETATION

1.1 IN THESE TERMS AND CONDITIONS:

“**FSHIL**” means Fiji Ships and Heavy Industries Limited, Incorporation in Suva, Fiji, its duly authorized representatives.

“**GM**” means the General Manager of FSHIL.

“**FIMSA**” means Fiji Islands Maritime Safety Administration

“**CONTRACTOR**” means person or entity engaged by the Owner to carry out work on the Owner’s vessel in the Slipway either directly or indirectly and includes any sub-contractor engaged to carry out such work.

“**STATE**” means the Republic of Fiji Islands.

“**FSHIL SLIPWAY ASSETS**” means all of the assets whether fixed or movable, within the Slipway, and all equipment used from time to time carrying out work in connection with the use of Slipways, which, for the purposes of these Terms and Conditions, are owned and/ or controlled by FSHIL.

“**FSHIL SLIPWAY FACILITIES**” means physical facilities in the Slipway, of general service nature, owned and controlled by FSHIL and made available to Contractors whilst carrying on work in connection with the use of Slipway, including car parking, ablution facilities, a full list of which is available to the Owners or its Contractors upon request from the **Works Manager**.

“**OWNER**” means the owner, its agent and/ or servant of the vessel contracting with FSHIL for the use of the slipway and includes the crew of the owner’s vessel.

“**WORKS MANAGER**” means the representative of FSHIL responsible for managing the operations and safety of the Slipway and FSHIL Slipway Assets during the Owner’s vessel is using these facilities and for ensuring compliance with these Terms and Conditions.

“**WORKS SUPERVISOR**” means the representative of FSHIL, who is directly responsible to Works Manager and is responsible for the slipway bookings, preparation of schedules and assisting Works Manager in day to day operations.

“**FOREMAN SLIPWAY**” means the representative of FSHIL who is responsible to the Works Supervisor for up hauling and down hauling of vessels onto the slipways and the berthing of vessels to the repair wharf

“**SENIOR ESTIMATOR**” means the representative of FSHIL who provides quotations and estimation of works.

“**SLIPWAY**” means the mechanism at the FSHIL Slipways used to haul and re-launch vessels to and from the water.

“**SECURITY**” means the Security Company contracted by FSHIL to provide security for FSHIL premises including the Shipyard.

“**SECURITY OFFICERS**” mean security staff employed by the Security Company contracted by the Company.

2. USE OF THE SLIPWAYS WHARVES

2.1 APPLICATIONS FOR USE OF SLIPWAY AND WHARVES

a) Placing of Bookings

An Owner wishing to use the slipway area must complete and forward to FSHIL the necessary application, in the prescribed form.

FSHIL will require all details of the works to be carried out on the vessel whilst on dry dock.

Where a telephone or oral booking is made, the owner shall within **two (2)** working days, confirm such booking in writing. If such booking is for period less than **two (2)** days from the date/time of making such booking, subject of availability of space and prior approval of the Works Manger, in consultation with GM, the owner must pay the full amount upfront (and where appropriate, a surcharge be applied).

b) Confirmation of Bookings

FSHIL will confirm within reasonable time following receipts of the application referred to in **Clause 2.1 (a)** whether the application is accepted or declined and conditions applicable (if any). If the dates in the application are unavailable, FSHIL will advise of alternative dates for consideration by the owner.

c) Conditions on Confirmation of Bookings

Confirmation of any bookings will be subject to the Owner:

- i. Immediately paying a deposit to FSHIL of 50% of the initial quotation that is 50% inclusive of basic slipping, number of days booked **including** quoted price.
- ii. Immediately providing docking plans and/ or the general arrangement of the vessel.
- iii. Immediately (or no later than **two (2)** weeks prior to actual date of slipping) provide a list of s underwater works that is required to be undertaken during the slipping period.
- iv. Comply with other conditions as imposed by FSHIL

Note: if the vessel is regional then a deposit of 75% applies.

d) Swapping of Confirmation Bookings

The swapping of booking dates will not be entertained, however, in exceptional cases only, the Works Manager may, in consultation with the GM, allow swapping of bookings, and the owner of the vessel must obtain the prior written approval of the Works Manager.

e) Cancellation of Confirmed Booking

Where the owner makes a cancellation of confirmed booking, it may (at FSHIL's discretion) be subject to cancellation fees.

f) Emergency Slipping

- i. All applications for emergence slipping must comply with the following conditions:
 - 1) must be in writing

- 2) Provide reasons and evidence for seeking emergency slipping.
 - 3) Identify specific period required to be on the slipway.
 - 4) Must be accompanied by an independent surveyor's report.
 - 5) **Written report** from FIMSA advising of the Emergency requirements.
- ii The sole authority to determine any or all applications for emergency slipping shall be with the GM and may be exercised in consultation with the Works Manager.
 - iii The decision by the GM in respect of all emergency slipping (together with conditions attached), must be strictly complied by the owner. Any such failure to comply with the GM's approval (and relevant conditions) may result in the said vessel being ordered by FSHIL to be removed from the slipway.
- g) FSHIL will endeavor that all confirmed booking dates are maintained, however, will not be responsible or liable if dates are moved subject to whether, emergency slipping or any other factors or situations where FSHIL has no control. In such situations, the owner(s) will be promptly notified.

2.2 USAGE OF THE SLIPWAYS, WHARVES

a) Acceptance by FSHIL

Upon acceptance of the Owner's formal application as set out in **Clause 2.1**, FSHIL agrees to the Owner:

- i. Using the Slipway at the times and for the period set out in the application or as otherwise agreed in writing.
- ii. Using the associated utilities, such as electricity and water, essential for carrying out work on the Slipway, which are separately available at the prescribed charges.

b) Obligation of the Owners

- i. Whilst the Owner's vessel is on the Slipway and during the process of using the slipway, that owner or the agent, on his or her behalf, must comply with the safety and security requirements of FSHIL, either as outlined in this agreement or as directed by the Works Manager, Works Supervisor or the GM of FSHIL to ensure the safety of the vessel, at all times, whilst work is carried out at Slipways or at the repair Wharves.
- ii. The Slipway and all areas to which the owners have access to should not be used for any other purpose other than for work on the vessel.
- iii. The Owner's vessel shall NOT be allowed to use the Slipway longer than the period stated in the owner's application unless prior approval by FSHIL in writing.
- iv. On completion of each scope of the works, an inspection or survey shall be carried out by the Owners nominated officials and FSHIL representative. Notwithstanding this, the Owner's nominated officials may carry out an inspection from time to time during the performance of the works. Any unsatisfactory work must be advised immediately for necessary corrective action. This can be done verbally followed by a written letter to FSHIL not later than following day.
- v. All works and variations must be directed to the Estimation section for quotation by the owner. Any new works or variations directly communicated to the Works Team or the Contractors will not be carried out unless instructed from the estimation section.
- vi. All works on the slipway to be carried out by FSHIL, unless prior approval by FSHIL in writing.

c) Permit while at the Slipways

For the period the Owner's vessel is on the Slipway, the Owner shall have a Permit to enter the Slipway for the purpose of ensuring the completion of the work it wishes to have carried out on the vessel. The permit will be issued by Human Resources Office for the duration of their stay on the Slipway.

3. FSHIL SLIPWAYS SERVICES

a) Hire of Other Slipway Services

The Owner shall have the option to hire from FSHIL Slipways assets held by FSHIL and any other facilities, which the Owner requires in the course of carrying out work on a vessel on the Slipway.

Details of such equipment and facilities available and prescribed charges may be obtained from the Senior Estimator, FSHIL Slipway.

b) When Equipment are Not Available

To the extent FSHIL does not have available for use equipment required by the Owner, FSHIL shall have the option of obtaining such equipment independently and hiring to the Owner.

c) Connection and Supply of Services

FSHIL shall be responsible for the connection and supply of electricity and water required by the Owner whilst using the Slipway.

The Owner must sign off on the opening and closing meter readings for water and electricity with the FSHIL representative. Failure to comply will result in charges being made from the reading done by FSHIL Representative.

4. FSHIL SLIPWAYS- CHARGES AND PAYMENTS

a. Fees

The Owner or Agent of the vessel, who booked the use of the Slipway, shall be liable to FSHIL for the following charges associated with the services provided by FSHIL under these Terms and Conditions:

- i. A fee for use of the Slipway facility;
- ii. The cost of utility services, mobile cranes, hoists and other FSHIL Slipway facilities;
- iii. Assets and services used by the Owner while using the Slipway;
- iv. The cost of erecting and dismantling the cradle structure necessary to hold the vessel on the Slipway;
- v. The cost for clean up and rubbish removal; and
- vi. The cost for storage of containers, machinery, equipment or any other material on FSHIL Slipway premises.

b. Amendment to the Fees and Charges

The charges may be varied by FSHIL upon giving **thirty (30)** days prior notice to the Owner. Any amended charges will become effective upon the expiry of that notice period and will apply to any use of the Slipway commencing after that date.

c. VAT Charges exclusive

All charges payable by the Owner or Agent pursuant to these Terms and Conditions are exclusive of VAT which, if applicable, is payable by the Owner or Agent.

d. FSHIL prerogative on Payment of Fees and Charges by Owners

- i. FSHIL shall be entitled to stipulate to an Owner or an Agent, when and in what form charges pursuant to these Terms and Conditions are payable. In some circumstances, there may be a requirement for payment of charges in advance and/ or by irrevocable letter of credit.
- ii. All payments must be paid in full prior to the vessel being de-slipped unless prior arrangements have been made and approved by Accounts Department.
- iii. All local owners and agents are required to issue an official Local Purchase Order duly signed by the authorized personnel in circumstances whereby the vessels are de-slipped without full payment.
- iv. Any Local Purchase Order issued by the owner(s) and or agents does not guarantee a full credit term with FSHIL unless approved by executive management.

e. Interest Rate on Unpaid Fees and Charges by Due Date

If any charges under the Term and Conditions remain outstanding after the due date for payment:

- i. The Owner will be liable to pay FSHIL interest on such outstanding charges for the period from the date the charges become due and remain unpaid until the date such charges together with all interest thereon is paid to FSHIL in full.
- ii. This Interest will be charged at the rate of 1.5 % per annum.

f. Performance Bond

As security for the amounts payable by the Owner, pursuant to **Clause 4.0** and the due and proper performance by the Owner of its obligation under these Terms and Conditions, including compliance with the environmental law provisions set out in **Clause 9.0**, FSHIL may request the provision by the Owner of a performance bond.

If FSHIL so requested, the Owner must supply the bond before its vessel shall be allowed onto the Slipway.

Such performance bond will be provided from a registered trading bank in Fiji in an unconditional form acceptable to FSHIL and will be for such amount as FSHIL considers reasonably necessary to cover the charges payable by the Owner hereunder and the cost to FSHIL for the breach by the Owner of any clause of these Terms and Conditions.

g. Period for Charges

Charges may be raised for the entire period specified in the Slipway bookings, and any extension of the actual time spent on the Slipways.

h. Rate of Charges

The rate of charges is set out in **Part IV Schedule I** hereof.

i. Charges for Weekends

The daily charges will apply for Saturday, Sunday and Public Holidays irrespective of whether any work is carried out on vessel whilst on the Slipway.

j. Credit Accounts

Vessel Owners or agent who operates a credit account with the FSHIL may be slipped in accordance with the terms of such credit account.

k. Cases in which No Refunds are made

No refunds will be made in respect of vessel, which at the request of her Owner or Agent is de-slipped prior to the expiry of the time specified in the booking.

5. RESTRICTIONS ON AVAILABILITY OF THE SLIPWAYS

5.1 RESTRICTIONS ON AVAILABILITY

a) Acceptance by FSHIL

Subject to **Clause 2.0**, the Slipway will be available for use upon the acceptance of applications by FSHIL. However, the availability of the Slipway for commercial use, whether or not pre-booked, may be interrupted at any time at FSHIL's discretion due to:

- i. Reasons of national interest, national security, or at the request of Government or Local authority in the case of an actual or potential major accident, crisis or natural disaster; or
- ii. Any other emergency relating to FSHIL, its business and its customers.

b) Consequences of Interruption

Such interruption may involve postponement, cancellation, or termination of any period of use previously agreed to. This may include the necessity to remove a vessel from the Slipway prior to the end of the booking period. In any case, involving postponement or cancellation by FSHIL, FSHIL will repay the owner any registration fee held by it. In the case of termination of use by FSHIL, the charges to the Owner will reflect the period of use by the Owner less any registration fee already paid.

c) FSHIL not Liable

FSHIL will not be liable for kind of damages, expense, or loss incurred by the owner as a result of postponement, cancellation or termination of use by FSHIL for the reasons set out in **Clause 5.1**. In any such case, FSHIL will use its reasonable endeavours, on re-application by the Owner, to make available the Slipway as soon as practicable.

d) Refund of Fees

The Owner will not be liable for any charges under these Terms and Conditions and shall be entitled to a refund or any charges paid to the extent its vessel is unable to use the Slipway at the time it has booked them as a result of another vessel being unable to leave due to the state of the wind, weather or tide. In such circumstances, the Owner who is unable to use the facility shall not have any other claim against FSHIL whatsoever.

e) Force Majeure

Neither party shall be liable to the other for the delay or failure in the performance of its obligations under the Contract, if and to the extent such delay or failure in performance arises from any cause(s) beyond the reasonable control of the party affected (hereinafter referred to as "Force Majeure"), including, but not limited to, acts of God; acts of government or

government authorities; compliance with laws, regulations or orders; storm, flood or earthquake; war (declared or not), rebellion, revolution or riots; strike or lockouts.

The parties hereto shall consult and agree upon appropriate measures to be taken in order to eliminate, mitigate, or minimize the unfavorable consequences of such Force Majeure.

The Contractor will not be liable for delays due to breakdowns of slipway, which is beyond its control, the nature of breakdowns, are mechanical, electrical and structural.

5.2 RESTRICTION ON VESSELS DIMENSIONS

a) Maximum Dimensions

The maximum dimensions vessels (based on cradle dimension) which can be accommodated on the slipway are:

	Slipways Capacities (Displacement or Dead weight)			
Vessel Descriptions	1000 Tonne	500 Tonne	200 Tonne	100 Tonne
Length O/A	57 meter	46 meter	23 meter	21 meter
Beam (Extreme)	13meter	11 meter	7 meter	5 meter

b) Correct Dimensions

The above dimension and weight include allowance for cradles, etc and may vary with hull configuration. On Application for the Use of the Slipways, the Owner must:

- i. Provide to the Works Supervisor a current certified dimension plan in English, showing all hull protuberances, openings and special requirements and this must be made available to the Works Supervisor on the lodgment of a completed application form to use the Slipway and prior to such use.
- ii. Guarantee that the details of the dimensions of its vessel contained in its application to FSHIL are true and correct.
- iii. Endorse that the plan submitted as being suitable, correct, current and certified, if and when a vessel of a particular class is to use the Slipway, and a plan bearing the name of a vessel other than the designated vessel is submitted. Such a plan must be endorsed as being suitable, correct current and certified as such on behalf of the Owner by either the Owner, the master of the vessel or the agent of the vessel Owner.

Failure to provide a docking plan or General Arrangement of the vessel, liberates FSHIL Slipway from any damage or costs. Slipping will be done at the sole risk of the owner.

6. SLIPPING PROCEDURES

6.1 TRANSFER ON TO SLIPWAY

a) Co-operation with Foreman Slipway

The Master, Officer, and Crew of a vessel using the slipway shall render assistance with mooring and positioning of the vessel, if required, in the manner directed by the Foreman Slipway. If Tugs

are required to assist in the movement of a vessel, the owner shall be responsible in arranging a tug at the owner's expense.

b) Under Control of the Foreman Slipway

Each vessel shall be placed in position on the Slipway by and at the expense of the owner. The vessel shall, however, be held under the control of the Foreman Slipway whose directions must be implicitly and promptly obeyed as soon as any warp shall have made fast to any part of the slipway on the instruction of the Foreman Slipway and that situation shall continue until such warp is withdrawn on his instruction.

c) Qualified Assistance

There shall be sufficient number of qualified personnel on board every vessel while entering or leaving the Slipway for the purpose of warping the vessel in and out of the slipway attending to such orders as may be given by the Works Manager/.Works Supervisor/Foreman Slipway. If, in the opinion of the Works Manager/.Works Supervisor/Foreman Slipway, the number of qualified personnel is insufficient, the Foreman Slipway may refuse to work on the vessel until the master or the Owner provides such additional qualified personnel, as the Works Manager/.Works Supervisor/Foreman Slipway considers necessary.

d) The Vessel being slipped

A vessel shall not be taken onto the Slipway unless:

- i. It is in an upright position and with the fuel tanks either pressed up or empty.
- ii. The receipt from FSHIL as evidence that the appropriate charges have been paid, is produced for inspection by the Works Manager/.Works Supervisor/Foreman Slipway.

e) Liability

FSHIL is not liable for any injuries, death etc caused to personnel rendering assistance in the process.

6.2 REMOVAL FROM SLIPWAY

a) Completion of Repair Work

As soon as FSHIL considers the vessel is repaired (of which the Senior Estimator shall be the sole judge) or otherwise pursuant to **Clause 5.1** and, any event, prior to the end of the period for which the Slipway is booked, the Owner shall, upon FSHIL's or the Senior Estimator request, immediately prepare the vessel for removal via Slipway.

At the time of de-slipping of the vessel, works manager or works supervisor of FSHIL and the vessel owner or Representative must be present at the slipway to ensure that the handover is completed. The invoice template must be signed by the customer indicating the acceptance of the final price for the works done. The vessel shall only be released when the invoice template has been signed and required final payment arrangement has been made with accounts. The delay in signing of the invoice template will result in charges being paid for extra number of days the vessel is on the slipway.

b) Directions by the Works Manager

Every vessel shall be under the direction of the Works Manager while on the Slipway and when entering or leaving the Slipway. During such times, the Master or other person in-charge of the vessel and any Contractors shall attend to and obey the directions of the Works Manager with respect to these Terms and Conditions.

c) Circumstances when Fees will be Chargeable

The Owner or Agent shall pay FSHIL Fees and Charges under the following circumstances:

- i. Should wind and weather or tide hinder a vessel being removed, then the vessel may be allowed to remain on the Slipway until it is safe to be removed. The owner shall be liable to pay FSHIL, prior to removal, for extra time the vessel is on the slipway.
- ii. The Owner shall be liable for the full booking fee chargeable in respect of the booking period notwithstanding that the Slipway may be exited by the Owner prior to end of the booking period, except to the extent FSHIL is able to recover charges from another customer.

6.3 DEFAULTS BY OWNER

a) In the event:

- i. Of the failure of the Owner's ship to leave the Slipway during the agreed booking period other than for the reasons set out in **Clause 6.2**, the default penalty rate as mentioned in **part iv, schedule 1** will apply: or
- ii. Any other material default by the Owner under these Terms and Conditions as determined by FSHIL: or
- iii. The Owner being placed in liquidation or receivership or having a Winding Up Order issued against it ;

then without affecting any other remedies available to FSHIL under this contract or at law, FSHIL may remove the Owner's ship from the Slipway at the expense of the Owner and shall be entitled to a possessory lien against the ship until all charges, cost and losses incurred by FSHIL in respect of the Owner and its ship under Terms and Conditions have been recovered in full. Such charges shall include the cost of hiring a sub-contractor to complete work required on a vessel to enable it to be de-slipped.

7. SECURITY

a) Coverage

All persons associated with the vessel or the work undertaken on it during the course of these Terms and Conditions applying are, upon entering the FSHIL Slipway, subject to the provisions relating to security, as contained in **Part II** of these Terms and Conditions.

b) Compliance

As manager of the Slipway facilities, FSHIL is responsible for ensuring that all Owners, Contractors and employees comply with all the directions of FSHIL and the Works Manager relating to security on the Slipway.

c) List of Owner's Contractors and Workers

The Owner of any vessel booked for use of the Slipway must ensure that the Works Manager at FSHIL has the complete list of crew for the vessel, who will be using these facilities at least forty-eight (48) hours prior to the proposed date of use. The list is to be updated progressively for any crew changers, which may take place during the period of use.

d) Failure to Comply

Failure to comply with **this clause** may result in the refusal of access for persons to the FSHIL Slipways.

8. SAFETY AND WORK PRACTICES

a) Owner's Responsibility

The Owner, whether through the vessel's master or its representative, shall be responsible for the maintenance of safe and environmentally acceptable work practices by the vessel's staff, agents and contractors on or about the vessel and the Slipway, whilst the vessel is on the Slipway. The Owner is to ensure that, at all times, whilst its vessel is on the slipway that its employees and/ or sub-contractors are fully aware of and abide by all the requirements of the Health and Safety Act.

b) Owner's Liability

The Owner shall be liable for any injuries or damage incurred to its property or its employees or its contractors or sub-contractors or for anyone working on its vessel during the period that its vessel is on the Slipway.

c) FSHIL Overall Responsibility

FSHIL will at all times, monitor and ensure that the owner, contractors and Sub contractors maintain safety at work practices and standards in FSHIL Slipways. For that reason, FSHIL through the Works Manager or the Works Supervisor shall have the right to intervene and at the Owner's expense, require work to cease or other appropriate action to be taken if, in FSHIL's opinion, such work practices and/ or standards are unacceptable. **Part III** of these Terms and Conditions contain safety rules, which must be followed in relation to use of the Slipway.

d) On-Site Supervisors

Contractors of the Owner are to have an on-site supervisor who is to make himself known to the Works Manager and/ or the Works Supervisor in order to establish a liaison between FSHIL's staff and contractors to deal with safety and other issues.

9. ENVIRONMENTAL LAW

a) Interpretation

In this clause "Environmental Law" means any statute, regulation or by-law relating to the environmental and planning document produced by a Minister of State or local authority and any lawful requirement of any regulatory body.

b) Policy

FSHIL's environmental policy is to comply, at all times, with the requirement of any Environmental Law.

c) The Owner shall, at all times, comply with the requirements of Environment Law. If, in the opinion of FSHIL any Environment Law is being or is about to be breached, FSHIL may intervene, and, at the Owner's expense, require work to cease or other appropriate actions to be taken. The Owner shall comply with the directions of FSHIL while using the Slipway.

d) Discharge of Contaminant – Illegal

The Owner shall not discharge any contaminants into water, onto land or into air or adjacent to Slipway, unless expressly authorized by FSHIL in writing, prior to such discharge. The term "contaminant" shall include oils, paints, sewerage waste, rubbish, pollutants and any other materials or objects deemed by FSHIL to be contaminants.

e) Report and Actions

The Owner or any Contractor shall notify the Works Manager or Works Supervisor immediately of any unauthorized discharge of any contaminant. In event of an authorized discharge, the Owner or the Contractor shall take immediate steps to remedy or mitigate the effects of the discharge.

This will include:

- i. Immediate capturing and removing any such contaminants, from the FSHIL Slipways; and
- ii. Disposal of them in a lawful manner. Such contaminants will, at all times, remain the property and responsibility of the Owner.

The Works Manager or Works Supervisor may require operations on the Slipway to be halted or modified at any time, if he considers that unauthorized or unacceptable discharges of contaminants are occurring or are likely to occur.

f) Stock of Contaminants

The Owner shall, prior to use of FSHIL's facilities, provide such information as FSHIL may require to enable FSHIL to verify the existence of any contaminants and that these Terms and Conditions will be complied with whilst the Owner's vessel is on the Slipway. Such information shall include details of the vessel's anti-fouling paint.

g) Inspections

The Owner shall, if requested, allow FSHIL to inspect the vessel in relation to environmental matters prior to it being placed on the Slipway. Furthermore, if FSHIL considers it necessary it may carry out test on or around the Slipway to determine if contaminants have been discharged from a vessel. The Owner shall pay the costs of any such test.

h) Compliance Requirement

The Owner and any Contractors shall comply with the following specific requirements when carrying out work:

- i. Subject to **Clause 9 (c)** above, any discharge on the Slipway are prohibited. Any unauthorized discharges authorized under **Clause 9 (c)** to be captured and removed in a manner acceptable to FSHIL at the Owner's expense.
- ii. Intakes or discharges of uncontaminated water used for cooling refrigeration plants or other equipment are to connect directly to the harbor unless otherwise directed by the Works Supervisor. No additives are permitted.
- iii. Surplus paint, thinning or other agents are to be removed from the FSHIL Slipways at the Owner's expense.
- iv. The introduction of surplus paints, thinning or other agents or any other contaminant into drainage systems may result in an immediate and permanent ban on the Owner and the individual(s) responsible.
- v. Any person undertaking abrasive blasting or spray painting operations are responsible for providing and displaying suitable warning notices at least twenty-four (24) hours before commencing throughout the operations until completion and otherwise for complying with the relevant Environmental Law. FSHIL Slipway staffs will advice on the location of the notice and any adverse influences (e.g. high winds).

- vi. Any spillage of contaminants is to be reported to FSHIL immediately as they occur. The Owner or Contractor must take immediate steps to remedy or mitigate the effects of any spillage. A follow-up written report signed by the Owner or the Contractor's Chief Executive may be required and if so, shall be made available to the Works Manager/Works Supervisor within twenty-four (24) hours of the accident. The Owner shall be responsible for the cost of the cleanup of any spillage caused by the Owner or the Contractor. FSHIL will not be liable to any damages, fines, etc arising from the above.

10. REFUSE HANDLING AND DISPOSAL

a) Littering

Neither the Owner nor any of its employees, agents or contractors shall throw, discharge or place, any sewage, garbage or refuse in or about FSHIL Slipways.

As often as the Works Supervisor may so require the master of a vessel on the Slipway shall cause to be removed from FSHIL Slipways and associated premises all chips, dirt, refuse or rubbish of any sort arising from the repair, cleaning or other work on the vessel. If the master does not do that, the Works Supervisor may arrange for the work to be done and the cost of it shall be charged to the Owner.

b) Owner Responsibility

It is the responsibility of the Owner to ensure that all legal requirements in respect of garbage handling and disposal are met, including those of relevant authorities. All costs incurred in removal of garbage are the responsibility of the Owner.

Note: As a subsidiary of Fiji Ports Corporation Limited, FSHIL is in compliance to Sea Ports Management Regulation (Part 10 – Control of Pollution).

11. DANGEROUS GOODS

a) Possession of Dangerous Goods

The Owner must promptly advise the Works Manager or the Works Manager/Works Supervisor of explosive or dangerous goods carried on board the vessel.

b) Entry Refused

FSHIL may refuse entry to or direct the removal of a vessel from the Slipway or impose such conditions as they in their discretion see fit if there is on board any explosive (within the meaning of the Explosives Act, Cap 189) or dangerous goods. The references to the enactment include any amendment to any regulations made pursuant to them.

c) Certificate of Tests

No Owner or other person shall use the Slipway for a vessel, which has been carrying as cargo any fuel, oil petroleum oil, petroleum spirit or other inflammable oils or gases until a "Certificate Test" means a certificate given by a competent analyst in respect of an oil or fuel tank or other part of a vessel or barge which has been carrying any of the aforementioned oils or fuels as cargo that contain inflammable vapor and found the space or spaces to be free of it.

12. GENERAL TERMS

a) Other Vessels

FSHIL may, at any time while a vessel is in a facility, permit the Slipway (to the extent space is available) to be used for other vessels belonging to other Owners.

b) Shifting Weights

No cargo, fuel, water, ballast or any other weights on board a vessel shall be shifted or discharged without the permission of the Works Manager or Works Supervisor.

c) Working Hours

The Owner will comply with the instructions of the Works Manager and/ or Works Supervisor from time to time on working hours on the Slipway so as to ensure that they are in compliance at all times with any law/ regulation as it applies to the Slipway.

d) Alteration or Destruction / Dismantling of a Vessel.

No person shall carry out any major structural alteration to a vessel in the Slipway or break up or scuttle a vessel in the Slipway without FSHIL's permission and then only on such conditions as FSHIL may determine.

e) Loss or Damage to FSHIL Slipways Property

Any Owner who has a vessel on the FSHIL Slipway is liable for loss or any damage to any FSHIL Slipways assets, if such loss or damage is caused by any employee or agent of the Owner including any Contractor or Sub Contractor. The Owner will be also liable for any loss of business or potential business incurred, if any assets are damaged by the Owner, its agent or servants.

13. CONTRACTORS

a) Contractors prohibited without Prior Consent

During the period the vessel is under the FSHIL's control, the Owner shall not permit any other work to be carried out on the vessel by any third party or the crew unless the written consent of the FSHIL has been obtained, before the works starts. All the works carried out by the third party or the crew must be disclosed to FSHIL including the cost of the works.

b) Obligations of Contractors

If the Owner is permitted by FSHIL to use Contractors to carry out work on the Owner's vessel while on the Slipway, the Owner shall be fully responsible and liable for the actions of such contractors, in particular, ensuring that are at their obligations under these Terms and Conditions.

c) Notice

At least forty eight (48) hours prior to the date booked for use of the Slipway, the Owner must notify the Works Manager at FSHIL of the names of any Contractors and sub-contractors previously approved by FSHIL and the individual work which they will be carrying out. The Owner must also provide within that period specified lists of employees of those Contractors and sub-contractors who will be working in the FSHIL Slipways.

d) Business Licenses

Any Contractor/Supplier may not work in FSHIL Slipways unless they have applied for and been granted a Business license in the prescribed form from the **Human Resources Office** at FSHIL. This process includes the Contractor agreeing to comply with Conditions of Use relating to its license within these Terms and Conditions. No employee of a Contractor or sub-contractor may work in the

FSHIL Slipways unless that person has received a security clearance from FSHIL, as referred to in the Business Licenses.

e) Revocation of the Licenses

FSHIL reserves the right, at any time, to revoke the license of a Contractor to work in the FSHIL Slipways and to request that the Contractor leave the FSHIL Slipway in the event FSHIL deems the Contractor to have been in breach of any of these Terms and Conditions or the terms of its Contractor's License. FSHIL also receive the right to require the removal of any specific employee or agent of the Owner or a Contractor whom FSHIL considers to be in breach of any of these Terms and Conditions, as far as they apply to the Owner.

f) Contracted/ or Sub-Contractors Works

FSHIL will levy a **30% surcharge** on the entire Owner's contracted or sub-contractors works. The owner must declare all the contracted or sub contractor cost in writing to FSHIL.

14. RISK, INDEMNITY AND INSURANCE

a) Owners Risks

The vessel is at the Owner's risk at all times. No liability shall be accepted by FSHIL for any loss and / or damage suffered by the Owner or its contractors or sub-contractors (whether the loss is in respect of the vessel itself or any consequential loss including loss of profits) (howsoever caused), unless arising as a direct result of gross negligence or willful default on the part of FSHIL, its agents, its employees or its contractors.

b) Owner to Indemnify FSHIL

The vessel is at the Owner's risk at all times. The owner agrees to indemnify and save harmless the FSHIL, its agents, its employees or its contractors and / or sub-contractors from and against all actions, claims, losses and expense for which the owner's use of the Slipway or resulting from the Owner being in breach of any of these Terms and Conditions or failing to comply with any instructions of the Works Supervisor.

c) Insurance Cover

The Owners or its contractors or agent are to have valid and up-to-date insurance covering any damages, injuries or death of its employees. A Copy of the insurance policy must be submitted to the Works Manager for verification and record (any forms part of the license requirement).

15. STATUTES

Compliance with Statutes

The Owner is to ensure that its employees, contractors and subcontractors comply with all relevant statutes, regulations, by-laws, and other whilst its vessel is using the Slipway.

16. VARIATIONS TO TERMS AND CONDITIONS

FSHIL reserves the right to vary the Terms and Conditions herein at any time upon giving thirty (30) days notice to the Owner(s).

17. Removal of Items and Equipments

Vessel Owners / or agents requiring to remove Equipment, Items, Scrap Metals etc. must request for a permit in order to be able to remove such items out of the premises. When removals are subcontracted, it is the responsibility of the owners to utilize companies that have Business licenses with FSHIL in order for such companies to obtain access into the FSHIL premises.

PART II SECURITY

18. OPERATIONAL ASPECT:

- a) **GM FSHIL** has overall responsibility for the security of the FSHIL Slipways and the protection of its assets situated in and adjacent to the FSHIL Slipways. FSHIL will strictly enforce these and other security requirements published from time to time to ensure property security at the FSHIL Slipways.
- b) FSHIL (through its GM) has overall powers to issue directives as and when deemed appropriated for the purpose of maintaining adequate security over all or any FSHIL properties.
- c) Notwithstanding **Clause 18 (a) and (b)** above, the owners or any users of the slipway are to ensure that its properties are generally maintained in a secured manner.
- d) **Supply of Names and use of Gate Passes**
 - i. Every person in the FSHIL Slipway area or who is entering or leaving or about to enter or leave the FSHIL Slipways, or being required to do so by the **Security Officer** or by any authorized person shall supply to the office of the Human Resources Officer his or her true name and residential address and an explanation of his or her presence or intended presence in the area.
 - ii. FSHIL will issue gate passes to authorized vehicles and names supplied and at all times whilst entering or leaving or using the slipway area, gate passes must be displayed by vehicles and individuals.
- f) **Removal of Persons / Vehicles**

If any person or vehicle fails to comply with any of the conditions herein or for that matter, display the gate passes, FSHIL have absolute authority to remove that person or vehicle from the slipway area or from the part of the area.

PART III SLIPWAY AND SAFETY RULES

19. OPERATIONAL ASPECT:

- a) FSHIL is to ensure that the Slipway area and its assets are in compliance with the safety practice and standards required under the Health, Safety and Environment Act and likewise articulated in this agreement.
- b) FSHIL will also monitor and ensure that the Owner and / or contractors and / or sub- contractors comply with practices and standards as directed from time to time by the GM and generally with the Health and Safety Act.
- c) The Owner must ensure that its employees, agent, contractors and / or sub-contractors comply or adhere to with the safety standards and practices as imposed under the Health and Safety Act and as articulated in this agreement and direct from time to time by the GM and/ or Works Manager and/ or Works Supervisor.

- d) GM FSHIL may take such actions or issue directive as it considers necessary to owners and/ or users of FSHIL Slipways to ensure proper safety rules are complied within the FSHIL Slipways.
- e) Failure by the owners or any users of FSHIL Slipway to comply or take heed of any safety practices or standards imposed by FSHIL or directives as given from time to time or the provisions of the Health and Safety Act shall render the owner or any such user of FSHIL Slipway liable for any damage or loss incurred as a result of its conduct.

20. SURFACE PREPARATION

a) Water Blasting

High – pressure water blasting is the preferred method of preparing surfaces for painting.

b) Abrasive Blasting

Where an abrasive blasting process is used, every effort must be made to contain the dust and hence, the pollution of the atmosphere. Consequently, the following precautions are to be taken:

- i. The area being blasted is to be screened with tarpaulins or plastic sheeting, secured to confine the dust.
- ii. Spray jet nozzles are to be erected to dampen down any dust drift which may escape.
- iii. The removal of grit and waste matter is the responsibility of the Contractors and must be dealt with at the end of each working day, in accordance with **Clause 4 of Part I** of these Terms and Conditions. This will prevent a build up, damage to equipment and the possible blocking of drains in the event of heavy rain.
- iv. The material used in abrasive blasting is to be grit; the use of sand is prohibited.

c) Protective Equipment

These Slipways, due to the nature of work carried out on them, are considered to be a construction site. Appropriate protective equipment must be worn at all times by all persons working in and around those areas including onboard vessels in these areas.

d) Scaffolding

All scaffolding is to be erected in accordance with Standard Construction Practice recommended under OHS requirements.

e) Removal of Supporting Blocks

Keel blocks, bilge blocks or shores are not to be removed except by employees of FSHIL who are specifically authorized to do so by FSHIL. This will be done upon request and at the cost of the Ship owner. Replacement of damage Keel Blocks, Bilge Blocks or Centre Keel pads will be at the owners cost.

21.0 VEHICLES

a) Insurance

Persons authorized to bring private vehicles into FSHIL Slipways must ensure that the respective vehicles have adequate cover for any loss or damage incurred whilst in use on FSHIL property.

b) FSHIL shall not be responsible for accident or damage to vehicles whilst being used on FSHIL property.

c) Speed Limits

Vehicles drivers are to comply with all traffic signs displayed in FSHIL Slipway. The speed limit is 5 km/hr.

d) Parking

Parking is only available in authorized areas. The Property Officer will advise these. A “tow away” system is used to remove vehicles parked in unauthorized areas.

22.1 EMERGENCY SERVICES

22.1 IN THE EVENT OF FIRE

- a) In the event of a firm alarm sounding, the Duty Security Guard at the Main Gate is to be informed and he is to promptly contact the Fire Service and direct them to Slipway.
- b) The Owner, its vessel’s crew, and contractor’s will comply with the FSHIL Slipways fire procedures issued to them prior to or following entry to the FSHIL Slipways.

23. LIVING ON BOARD

All vessel owners/agents must provide FSHIL a list of crew who will be living on board while on slipway. The list to be submitted to slipway foreman for dissemination to security and HR.

24. ACCESS

All users of FSHIL Slipway, including Master and crew of vessels, must use the main gate to FSHIL Slipways and are not permitted access through any other property. FSHIL will give reasonable Notice to any change to the main entranceway in the future.

25. FSHIL BUSINESS LICENCE

Under the Sea Ports Management Act, 2008 – Section 23

- i.) FSHIL as a subsidiary of Fiji Ports Corporation Limited has establish a new system for the FSHIL facility users and Identification passes that will improve and secure its Ports facilities and entry under the existing FPCL Port User License concept.
 - ii.) All FSHIL facility users, contractors, subcontractors, suppliers and business entity who benefit financially from utilizing the slipway facilities must apply for the Business License. License procedure and application forms can be obtained from the Human Resources Office.
 - iii.) The above License are approved renewed annually. For License fees details refer to Part VI Schedule 1 of the Terms and Conditions.
- a) Licenses to the Owner/Contractors to use FSHIL Slipway, Wharves and Associated facilities are issued at the entire discretion of FSHIL and on conditions deemed appropriate.
 - b) Renewal of any license to use FSHIL Slipway, Wharves and Associated facilities is also at the entire discretion of FSHIL
 - c) Failure to observe the terms and conditions herein and / or directives issued by FSHIL from time to time, may result in the immediate cessation of work at the Slipway area or revocation of the Owner/Contractor’s license at FSHIL’s discretion.

26. **HEALTH AND SAFETY ACT REQUIREMENTS**

It is the responsibility of the Owner(s), agent, and/or contractors to adhere to terms and conditions herein or relevant laws, in particular, the Health and Safety Act requirements. FSHIL will not be responsible for any breach of these laws by owners, agents, and / or contractors.

PART IV SCHEDULE 1

DEFAULT PENALTY RATE

The default penalty rate as mentioned in Clause 6.3 will apply as follows:

- First day - Twice the daily rate**
- Second day - Three times the daily rate**
- Thereafter - Four times the daily rate**

PART V SCHEDULE 1

HEALTH AND SAFETY ACT

It is the responsibility of all the owners and contractors and any other parties using the FSHIL facilities to ensure that their management, supervisor and workmen are aware of and abide by all the requirements of the health and Safety Act. Failure to adhere to such requirements will render the Owner, its employees, servants and / or contractors and / or sub-contractors liable for damages, losses and injuries sustained whilst using FSHIL Property.

PART VI SCHEDULE 1

SCHEDULES OF CHARGES FOR USE OF SLIPWAY FACILITIES (charges are VAT exclusive)

Vessel Length	Basic Slipping Fee	Charge for 24 hours or Part Thereof
1-20 Meters	\$26 per Meter	\$13.65 per meter per day
21-50 Meters	\$32.50 per Meter	\$23.40 per meter per day
51-80 Meters	\$41.60 per Meter	\$31.20 per meter per day

OTHER SERVICES

SERVICES

CHARGES (VEP)

Vessel requiring berthing	\$8.50 per meter per day
Garbage Disposal	\$200 per skip
Electricity/Water Connection & Disconnection Fee	\$40 per time

Water	\$2.35 per cubic meter
Electricity	\$0.40 per 60 kHz x per unit
Gangway	\$300 per day
Business Licence	\$150.00 per annum
ID Passes	\$15.00 per annum

Service charges for engineering, steel, painting, electrical and timber works can be obtained from Estimation office after the scope of works has been provided.

PART VII SCHEDULE 1

**FIJI SHIPS & HEAVY INDUSTRIES LIMITED
[FSHIL SLIPWAYS]**

CONTACTORS/ SUB CONTRACTORS CHARTER

This charter should be read in conjunction with the Terms and Conditions of Slipway, Usage. The following regulations must be strictly adhered to at all time on FSHIL’s Slipways premises:

1. In order to provide the best service to our customers FSHIL Slipways is open 24 hours a day, 7 days a week. All contractors must be available for work on vessels is completed on time. All work is to be carried out to accepted quality standards.
2. A Contractors License must be produced upon request to the Security Officers prior to commencement of all works. The validity of such will be for 24 hours a day for one fiscal year. Entry may be permitted at the discretion of Works Manager, Senior Estimator or Security Officers if the license cannot be produced. If the license is not produced within the first 12 hours, all works may be stopped and contractors may be asked to leave the FSHIL Slipway premises.
3. Consumption of alcohol, kava or any intoxicants is strictly prohibited. Personnel under the influence will not be permitted to enter FSHIL Slipways and Security Officers reserve the right to remove such persons on the premises.
4. Proper protective equipment and footwear must be worn at all times when working in the Slipways. Sandal, thongs and flip-flops are not permitted.
5. Environmental policies in terms of littering, discharging, piling, dumping or storage of contaminants, rubbish, refuse, pollutants must be addressed promptly. Works Manager or Works Supervisor may arrange for appropriate disposal and clearing of respective areas and forward such costs to be paid by the contractor on site
6. Under no circumstances will any employee of the contractor be allowed to enter or loiter around any other vessel apart from that when they are contracted to. Likewise, all offices, changing room and workshops are out of bounds for security reasons.

7. Safe work practices must be used with appropriate consideration to personnel and environmental safety. Safety rules are mandatory at all times. Failure to observe these rules could result in the immediate cessation of work.
8. Contractors vehicles will be permitted entry upon issue of Vehicle Passes. Parking is only allowed in designated areas, any other request may be considered at the discretion of the Security Officers on duty. All vehicles entering FSHIL Slipways are doing so at the sole risk of its owners.
9. All scaffolding “A” frame ladders, planks, machinery and equipment engaged in repair works at FSHIL Slipways must meet safety standards.
10. The Works Manager, Works Supervisor and Security Officers reserve the right to demand the removal of any equipment that may pose danger, safety risk, and health hazard or have detrimental effect to personnel or FSHIL assets.

The above general conditions become effective upon entry to FSHIL slipways. Further details of conditions are stipulated in the Contractor’s License and in the Terms and Conditions of Slipway, Usage, which is available at the Slipway Office

FSHIL reserve the right to revoke a Contractor’s license without prior notice in the event of a break of any of its terms and conditions.