

Notice of Change to Controlled Documents #4--- 25 Oct 2010

Change to Safety Management Manual

Chapter 9: Non-Conformities Sections 2 - 4

Topic: Significant changes in office personnel responsibility for addressing, reviewing and closing non-conformities.

Summary of Change: Masters will continue to report nonconformities in NS5 and to the president as usual. Only change for ships is to immediately report any issue involving Port State, regulatory agencies or class issues.

All Chapters	All Topics
Old Version: Revision #6	<p>2.0 Responsibility</p> <p>It is the responsibility of the DPA to ensure that a system for the effective reporting of non-conformities is in place and an investigation and analysis is implemented. The DPA is responsible for monitoring this system and ensuring that the proper individuals are informed of any action required of them. The master is required to report to the Company any operational non-conformities, accidents, or hazardous conditions. It is the responsibility of the master and Company operations manager to determine if the non-conformity needs to be entered into the NS-5 system as a formal non-conformity. Once the determination has been made to enter it as a formal non-conformity, a corrective action report is created and tracked until the non-conformity has been cleared.</p> <p>3.0 Reporting</p> <p>TDI-Brooks maintains a system of reporting non-conformities and corrective actions. Non-conformities may be generated through audits, internal audits, incident reports (SOP-GEN-007L), routine maintenance/inspections, and observations. This reporting system is designed to improve the Company SMS, not to assign blame or avoid responsibility. The continuous improvement of the SMS can only be achieved through the reporting system.</p> <p>It is important to issue reports that contain enough</p>

information and are constructive. Reports that are derogatory will not be tolerated. A written report should be submitted to the master or party chief immediately. The reports should be forwarded to the operations manager as soon as practical. Non-conformity reports that are classified as a major non-conformity need to be submitted immediately. The operations manager/designated person will review all reports and assign various action items to the appropriate personnel.

- Non-conformity and observation reports should include information confirming that it is a non-conformity with specific references to the SMM or other code or regulation that is in violation, and specifics of the issue (date, time, location, personnel, equipment, and activity). Also any information to the cause that resulted in the non-conformity and any other linked events/issues.
- Accident reports, depending upon the severity, may require additional reporting for both TDI-Brooks and regulatory agencies. The additional requirements for TDI-Brooks are in the SOP describing the requirements and protocols for accident/incident investigations (**SOP GEN-007L**).
- Hazardous occurrences/near-misses are reported on the TDI-Brooks incident report form found in **SOP-GEN-007L**.
- Corrective actions are reported and tracked. Any non-conformity that is determined to require a formal report and will trigger a corrective action report.

4.0 Processing Non-conformities

The procedure for processing and tracking non-conformities is detailed. The DPA will ensure that non-conformities, observations, accidents, and hazardous occurrences identified within the SMM are processed. The DPA or designee will monitor the non-conformities, observations, accidents and hazardous occurrences identified.

This vessel is subject to third party external audits and internal audits. All non-conformities and observations will be processed and tracked in the same manner described below.

- The auditor will provide a report of the audit, including all non-conformities and observations to the Company, and office personnel enter these into a tracking system. The DPA or their designee will generate corrective action reports.
- The assigned personnel will enter all non-conformities and observations into a tracking system.
- The DPA or designee will review proposed corrective actions.
- The operations manager will review corrective actions to

	<ul style="list-style-type: none"> • The master will review all corrective actions that have been completed by ship’s personnel in a tracking system following review by the operations manager/DPA or their designee • Corrective actions that require non-shipboard personnel to complete will be entered into a tracking system by office personnel • Verification of external audits will vary depending upon the client requirements. Typically the client requires their auditor to verify the processing of non-conformity issues <p>Any other non-conformities that are judged to require entering into a tracking system will be processed in an identical manner to those generated in audits. These include non-conformities identified in Section 1 of this document.</p> <p>The DPA will review the status of non-conformities and observations in the tracking system monthly.</p> <p>Corrective action reports resulting from critical non-conformity reports must be entered into a tracking system for immediate action. Corrective action reports to non-critical non-conformity reports or observations should be entered into the tracking system within a reasonable time frame. It is the goal of TDI-Brooks to complete corrective actions within 90 days after the non-conformity report is issued.</p>
<p>New Changes: Revision #7</p>	<p>2.0 Responsibility</p> <p>It is the responsibility of the DPA and HSE Manager to ensure that a system for the effective reporting of non-conformities is in place and an investigation and analysis is implemented. The HSE Manager with assistance from the NS5 System Administrator is responsible for monitoring this system and ensuring that the proper individuals are informed of any action required of them.</p> <p>The Master is required to report to the Company any operational non-conformities, incidents, accidents, or hazardous conditions. Any event that involves the Port State, regulatory agencies or class issues needs to be immediately reported by the master to the office and entered into NS5.</p> <p>3.0 Reporting</p> <p>TDI-Brooks maintains a system of reporting non-conformities</p>

and corrective actions **in the NS5 tracking system**. Non-conformities may be generated through audits, internal audits, incident reports (**SOP-GEN-007L**), routine maintenance/inspections, and observations. This reporting system is designed to improve the Company SMS, not to assign blame or avoid responsibility. The continuous improvement of the SMS can only be achieved through the reporting system.

It is important to issue reports that contain enough information and are constructive. Reports that are derogatory will not be tolerated. A written report should be submitted to the Master or Party Chief immediately to **report within the NS5 system**. The reports should be forwarded to the **DPA or HSE Manager and Port Captain** as soon as practical.

It is the responsibility of the **DPA, HSE Manager and Port Captain to review these reports and determine if any formal corrective action is required. If so, the incident will be assigned to someone who will be responsible for following up on the resolution of the issue, documenting and closing out the corrective actions in NS5.**

The corrective action plan should be in place within 30 days of the initial report and Implementation of the corrective action plan will be within 90 days of the initial report. Extensions to that date are allowed on the condition that the reason for the delay is documented in the corrective action report.

- Non-conformity and observation reports should include information **explaining why** it is a non-conformity with specific references to the SMM or other code or regulation that is in violation, and specifics of the issue (date, time, location, personnel, equipment, and activity). Also any information **related to the potential cause of the non-conformity** and any other linked events/issues.
- Accident reports, depending upon the severity, may require additional reporting for both TDI-Brooks and regulatory agencies. The additional requirements for TDI-Brooks are in the SOP describing the requirements and protocols for accident/incident investigations (**SOP GEN-007L**).
- Hazardous occurrences/near-misses are reported on the TDI-Brooks incident report form found in **SOP-GEN-007L**.

4.0 Processing Non-conformities

The procedure for processing and tracking non-conformities is detailed. **The DPA and HSE Manager or their designees** will ensure that non-conformities, observations, accidents, and hazardous

occurrences identified within the SMM are processed. The DPA and HSE Manager or their designees will monitor the non-conformities, observations, accidents and hazardous occurrences identified.

The vessels and shore side operations are subject to third party external audits and internal audits. All non-conformities and observations will be processed and tracked in the same manner described below.

- The auditor will provide a report of the audit, including all non-conformities-and observations to the Company, **and office personnel will enter all non-conformities-and any observations the company determines merits further review into the NS5 tracking system.** The DPA, HSE Manager or their designee will generate corrective action reports.
- ~~The assigned personnel will enter all non-conformities and observations into a tracking system.~~
- The DPA, HSE Manager or designee will review and proposed corrective actions within thirty (30) days.
- The operations Manager will review corrective action to ensure that non-conformities or observations have been adequately resolved.
- The Master will review all corrective actions that have been completed by ship's personnel in a tracking system following review by the DPA and the HSE Manager.
- Corrective actions that require non-shipboard personnel to complete will be entered into a tracking system by office personnel (office audits)
- Implementation of the Corrective Action plan should be implemented within ninety (90) days
- Verification of the effectiveness of the correctives action plan will occur on board with an office visit from shore side personnel **or third party auditors.** Verification of shore side operation/procedures will be accomplished via the internal/external audit process.

Any other non-conformities that are judged to require entering into a tracking system will be processed in an identical manner to those generated in audits. These include non-conformities identified in Section 1 of this document.

The DPA and HSE Managers or their designees will review the status of non-conformities and observations in the tracking system monthly.

Corrective action reports resulting from critical non-conformity reports must be entered into a tracking system for

	<p>immediate action. Corrective action reports to non-critical non-conformity reports or observations should be entered into the tracking system within a reasonable time frame.</p> <p>Corrected by dates or target dates for corrective action may be changed as long as there is a documented reason for doing so. This documented reason must be inserted within the NS5 tracking system. This change must be agreed on by either the DPA or HSE Manager or their designees.</p>
<p>Reason for the change</p>	<p>The HSE Manager is often offshore and requires assistance from more personnel to fulfill the responsibilities stated in the SMM.</p>