

Strengthening of ClassNK's System of Compliance

Amended Rules

Conditions of Service for Classification of Ships and Registration of Installations
Regulations for the Issue of Statutory Certificates

Reason for Amendment

ClassNK continuously endeavors to ensure that all its operations are conducted in accordance with a system it has established to ensure compliance with various national and international laws and regulations, international conventions and treaties as well as societal norms and common practices.

In recent years, the United Nations and some national governments have imposed certain types of sanctions upon ships owned or operated by countries, organizations, or individuals which have been designated as being threats to the peace and safety of international society. Moreover, any individuals or organizations, etc. seen as using their ships to provide assistance to those subject to such sanctions may also find themselves being subjected to similar sanctions. Under such circumstances, the classification and survey services that the Society provides to its clients are highly unlikely to be considered acceptable exemptions permitted under such sanctions.

There has also been in recent years an increased international focus on the problem of substandard ships. Although the Society has undertaken efforts to reduce the number of such ships, reports have been received about ships repeatedly ignoring requests made by Society surveyors related to improving ship conditions. This, in turn, has actually led to the detention of some substandard ships by PSC authorities.

The continued registration of the types of ships referred to in the previous two paragraphs not only damages the social credibility of the Society, but also negatively impacts the reputation of ClassNK ships as a whole.

In addition to the above, the Society clearly states its position on intellectual property rights, such as patents, etc. granted for ship construction or installation manufacturing processes.

Accordingly, for the reasons given above as well as from the general viewpoint of ensuring compliance, relevant requirements are amended to clearly specify that ship classification or installation registration may be refused or revoked, and the issuance of relevant statutory certificates may be suspended in cases where the Society deems that providing such services will be to its detriment. Furthermore, relevant requirements are also amended to state the Society position on matters related to intellectual property rights.

Outline of Amendment

- (1) Specifies that the Society may refuse to provide ship classification or installation registration services, and revoke existing ship classifications or installation registrations with respect to ships subject to any type of sanction, and that in such cases the issuance of any relevant new statutory certificates is to be suspended.
- (2) Specifies that in cases where a ship or installation is suspected of not being maintained

or operated in accordance with the Society's Rules and Regulations and this is confirmed through surveys for detecting non-compliance, the Society may refuse or revoke the relevant ship classification or installation registration. In such cases, the issuance of any relevant new statutory certificates is to be suspended.

- (3) Specifies the Society's position with respect to intellectual property rights such as patents issued for ship construction or installation manufacturing processes, etc. to clearly state that such matters are of no direct concern to the Society and that Society assumes no liability or responsibility with respect to such matters.

Amended Requirements

Conditions of Service for Classification of Ships and Registration of Installations 1.4, 3.1
Regulations for the Issue of Statutory Certificates 1.1