

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CANADA-NOVA SCOTIA OFFSHORE PETROLEUM BOARD
AND THE DIVER CERTIFICATION BOARD OF CANADA
CONCERNING THE CERTIFICATION OF COMMERCIAL DIVERS**

PREAMBLE

WHEREAS the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) has statutory responsibilities under the *Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation (Nova Scotia) Act* (NS Accord Act) and the *Canada-Nova Scotia Offshore Petroleum Accord Implementation Act* (federal Accord Act) collectively the Accord Acts;

WHEREAS the CNSOPB has responsibilities under the *Nova Scotia Offshore Area Petroleum Diving Regulations* (Diving Regulations) pursuant to the Accord Acts respecting the safety of diving operations conducted in the Nova Scotia Offshore Area in connection with the exploration or drilling for or the production, conservation, processing or transportation of petroleum by reviewing the qualifications of divers and issuing diving certificates and granting authorizations for diving programs;

WHEREAS acknowledging the specialization required to review applications for diving certificates, the CNSOPB determined, along with other regulators with responsibilities for ensuring the safety of offshore petroleum activities such as the National Energy Board and the Canada-Newfoundland and Labrador Offshore Petroleum Board, that it would be appropriate to rely on an organization established by industry stakeholders that would certify the qualifications and competency of commercial divers;

WHEREAS the Diver Certification Board of Canada (DCBC) is a federally incorporated, non-profit organization established for the purposes of accrediting diver training and certifying the qualifications of commercial divers;

WHEREAS the Parties wish to clarify and coordinate their respective roles and responsibilities as they relate to the certification of commercial divers for work in the Nova Scotia Offshore Area;

THEREFORE the Parties agree to coordinate their respective roles and responsibilities respecting the certification of divers as described below.

1. INTERPRETATION

1.1 Definitions

In this Memorandum of Understanding (MOU):

“Chief Safety Officer” means the person designated as the Chief Safety Officer pursuant to the Accord Acts;

“Diving Operation” has the meaning set out in Section 2 of the Diving Regulations;

“Diving Program” has the meaning set out in Section 2 of the Diving Regulations;

“Diving Safety Specialist (DSS) has the meaning set out in Section 26 of the Diving Regulations or Section 26 of the CSA Z-275.4 Standard;

“Diving Supervisor”, “Unrestricted Surface-supplied Diver” and “Bell Diver”, has the meaning set out in the CSA Standard Z-275.4;

“Nova Scotia Offshore Area” means the lands and submarine area within the limits described in Schedule I of the Accord Acts;

“Parties” means the signatories to this MOU.

1.2 In this MOU, any reference to a standard or regulation is a reference to that standard or regulation as it may be amended from time to time

2. PURPOSE

The purpose of this MOU is to coordinate the roles and responsibilities of the Parties respecting the certification of commercial divers.

3. ROLES AND RESPONSIBILITIES

3.1 Diver Certification Board of Canada

3.1.1 Quality Management System

- a) The DCBC shall maintain and continuously improve a quality management system, encompassing all the policies, procedures and work instructions necessary to fulfill its stated mission;
- b) The quality system shall be compliant with the ISO 9001 standard for quality management systems; and
- c) The quality system shall be certified by a properly accredited registrar.

3.1.2 Occupational Diver Training Institution Accreditation

- a) As part of its quality management system, the DCBC shall identify standards that an occupational diver training institution must meet in order to receive and maintain accreditation by the DCBC and develop procedures for processing accreditation applications; and
- b) These standards and procedures shall include those of the CSA Standard Z-275.5 (Occupational Diver Training).

3.1.3 Certification of Divers, Diving Supervisors and Diving Safety Specialists

- a) As part of its quality management system, the DCBC shall identify standards that occupational Divers, Diving Supervisors and Diving Safety Specialists (DSS) must meet in order to receive DCBC certification, and develop procedures for processing certification applications;

- b) These standards and procedures shall include those of the CSA Standard Z-275.4 (Competency Standard for Diving Operations) and the Nova Scotia Offshore Area Petroleum Diving Regulations;
- c) The standards and procedures for certification of DSSs, and any proposed revisions thereto, shall be submitted to the Chief Safety Officer for review; and
- d) The DCBC shall issue certificates at the appropriate level of competency.

3.1.4 Reporting Requirements

The DCBC shall:

- a) Produce an annual report to the CNSOPB, due by February 28 of each year, including the following information for the preceding year:
 - i. The names of all DSSs who achieved certification, as well as those whose certificates expired, or were revoked,
 - ii. The names of any Unrestricted Surface-supplied and Bell Diving Supervisors whose certificates were revoked,
 - iii. The names of all Diver Training Institutions that received accreditation as well as those whose accreditation expired, or was revoked,
 - iv. An update on the auditing status of accredited institutions, showing the dates of the initial audit and the dates the intermediate and renewal audits are due, and whether these audits have been completed,
 - v. A list of all initial, intermediate and renewal audits carried out on diver training institutions, along with a brief summary of any nonconformities identified,
 - vi. The financial status of the DCBC (unaudited),
 - vii. An accounting for funding received from industry and government agencies, and for fees and costs paid or recoverable from divers, and
 - viii. Such other information as may be requested by the CNSOPB.
- b) Upon request by the CNSOPB, produce any documents and information related to an application by a Diver Training Institution, occupational Diver/Diving Supervisor, or DSS, for the purposes of inspection, or verification.

3.1.5 Fees

The DCBC shall collect accreditation and certification fees, as appropriate.

3.2 Canada-Nova Scotia Offshore Petroleum Board (CNSOPB)

3.2.1 The CNSOPB has the authority to:

- a) Review the standards and procedures followed by the DCBC respecting the accreditation of Diver Training Institutions and certification of commercial Divers, Diving Supervisors and DSSs for the purposes of verifying adherence to the provisions of this MOU;
- b) Conduct audits, or appoint a qualified third-party to carry out such, at DCBC's premises, to verify whether its practices are consistent with:

- i. The CSA Standards Z-275.5 (Occupational Diver Training) and Z-275.4 (Competency Standard for Diving Operations),
 - ii. The Nova Scotia Offshore Area Petroleum Diving Regulations,
 - iii. The ISO 9001 Standard for quality management systems, and
 - iv. DCBC's own policies and procedures, as well as established industry best practices;
- c) Inspect and copy any documents related to an application or certificate;
 - d) Accept a certificate of diving competency issued by the DCBC as an equivalent confirmation of the competency of a commercial Diver as a certificate issued by the CNSOPB.

3.2.2 The CNSOPB will share a portion of the costs for the operation of the DCBC in accordance with a separate agreement developed by their assigned officials.

3.2.3 The Chief Safety Officer has issued a notice to operators that when reviewing applications for a diving program, a diver certificate issued by the DCBC will be accepted pursuant to paragraph 155(1)(a) of the federal Accord Act and paragraph 147(1) (a) of the NS Accord Act, as an equivalent confirmation of the competency of a diver as a certificate issued by the CNSOPB.

4. OTHER

4.1 This MOU becomes effective on the date of the later signature.

4.2 The Parties shall meet at the request of either Party to review the provisions of this MOU. Any necessary additions, deletions or changes shall be made in writing and signed by the parties or their designated representatives.

4.3 This MOU will remain in effect until suspended or terminated by written notice. Either Party wishing to suspend or terminate this MOU shall submit a written notification to that effect to the other party, which shall be with sufficient notice to prevent unreasonable disruption to its activities, but in any event no less than six (6) months.

4.4 This MOU is not intended to be a legally binding instrument or give rise to any legal rights not otherwise held by the Parties.

4.5 This MOU replaces and supersedes the 2011 MOU between the Parties.

5. PRINCIPAL CONTACTS

The CEO shall be the DCBC contact for the Board and the Chief Safety Officer shall be the contact at the Board for DCBC.


6. NOTICES

6.1 The address for service of notices to the Board is:

Canada-Nova Scotia Offshore Petroleum Board
TD Centre
18th Floor, 1791 Barrington Street
Halifax, Nova Scotia B3J 3K9
ATTENTION: Chief Safety Officer


- 6.2 The address for service of notices to the DCBC is:
Diver Certification Board of Canada
Suite 206, Tower 1
7001 Mumford Road
Halifax, Nova Scotia B3L 4N9
ATTENTION: Chief Executive Officer

IN WITNESS THEREOF the Parties have signed this MOU on the dates indicated below:



Stuart Pinks
Chief Executive Officer
Canada-Nova Scotia Offshore Petroleum Board

February 22, 2013
Date



Keith Landra
Chief Safety Officer
Canada-Nova Scotia Offshore Petroleum Board

25 Feb 2013
Date



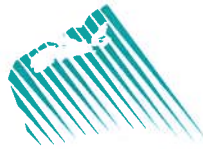
Jonathan Chapple
Chairman
Diver Certification Board of Canada

4 FEBRUARY 2013
Date



David Parkes
Chief Executive Officer
Diver Certification Board of Canada

1 February 2013
Date



File No. 30,045

March 7, 2014

Mr. David Parkes
Chief Executive Officer
Diver Certification Board of Canada
Suite 206, Tower 1
7001 Mumford Road
Halifax NS B3L 4N9

Dear Mr. Parkes:

RE: REPORTING REQUIREMENTS – MOU BETWEEN THE CNSOPB AND DCBC

Section 3.1.4 Reporting Requirements of the Memorandum of Understanding (MOU) between the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) and the Diver Certification Board of Canada (DCBC) concerning the certification of commercial divers states that the DCBC will produce an annual report to the CNSOPB due by February 28 of each year. It is my understanding that this report cannot be published until the Board of Directors approves the audited financial statements at the DCBC AGM.

The CNSOPB is in agreement to change the due date for this annual report to April 30th of each year. This change will be updated in the next formal review of the MOU. A copy of this letter will be attached to the MOU.

Sincerely,

Stuart Pinks, P. Eng.
CEO

CBE/kas