



FLÅM PORT

PORT AUTHORITY

22.09.2021 Approved by the Municipal Council case 91/21

Cruise
Prices, terms and conditions
2022



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Director's notice

After 17 months without, the cruise industry finally returned in July. While the industry is ramping up capacity utilization, Flam Port is ready to return to normal – perhaps a normal a tad different to the one we knew.

World Heritage NOx TIER regulations

For all cruise ships, independent of year of construction, the NOx TIER II rule as stated in MARPOL rule VI/13 apply to enter the World Heritage Area. This apply for cruises to Flam, Gudvangen, Geiranger and Hellesylt.

The Norwegian Maritime Administration can dispensate from this regulation for any ship committed to comply with TIER III within 2023 based on a written application.

As an effect of this regulation, cruise booking to Flam is substantially lower than earlier years.

Environmental responsibility

Port calls to Flam is sharing our exceptional Fjord landscape with the rest of the world. With the scenery come a special responsibility to preserve our area by minimizing pollution. Flam Port stimulate to this transition under the principle of Polluter Pays. To meet this ambition Flam Port use the Environmental Port Index (EPI) to differentiate fees. It is our clear intention that this program over time have a zero net price effect for the cruise segment. Based on market data for improved EPI scores, the price system related to EPI is adjusted accordingly for 2022.

Shore Power

Flam Port has been granted state funding for Shore Power for cruise ships. Under the current market environment, an investment decision for this strategically important infrastructure has not yet been made. Under the right conditions, we hope to have this facility in place for the 2023 or 2024 season.

Social responsibility

Our systems have rich capacities in the shoulder and winter season. We want to stimulate to a continued extension of the cruise season by offering lower prices outside the summer months.

Price adjustments

Based on current bookings we have calculated a price increase in the cruise market of 6% for 2022. That said, the increase is from a low level, which remain significantly below comparable ports. We will guide a total price growth of 5% for 2023, where the current trends for social and environmental differentiation will continue.



Tor Mikkel Tokvam, Port Director

Return to operations

First and foremost we need to return to operations, and it seems 2022 will be the year we will be able to welcome you all back!

Flåm, 22.09.2021, Tor Mikkel Tokvam, Port Director



1 Prices

Below follow the prices for cruise ships in 2022. For terms, conditions and explanatory text, please see chapter 2 and 3.

1.1 Fairway dues

Price type	Unit	Interval	Price	e per unit	EPI
Fairway due	GT	-	kr	0.02	No
* Fairway due, minimum price	per call	-	kr	200.00	No

1.2 Mooring fees

Price type	Unit	Interval	Price	per unit	EPI
Use of mooring infrastructure	GT	-	kr	0.08	Yes
Mooring and unmooring assistance	GT	-	kr	0.07	Yes

1.3 Quay fees

Price type	Unit	Interval	Price pe	er unit	EPI
Quay fee, 0 - 30 000 GT	GT	0 - 30 000	kr	0.80	Yes
Quay fee, summer, 01.06 - 31.08	GT	30 000 - 999 999	kr	0.80	Yes
Quay fee, 01.09 - 31.05	GT	30 000 - 999 999	kr	0.40	Yes

1.4 Passenger fees

Price type	Unit	Interval	Price	per unit	EPI
Passenger fee (Cruise terminal)	per pax	-	kr	10.00	Yes
Passenger fee (Tender quay)	per pax	-	kr	20.00	Yes

1.5 Port Security fees

Price type	Unit	Interval	Price	per unit	EPI
ISPS - fee	per pax	-	kr	10.00	Yes

1.6 Waste disposal fees

Price type	Unit	Interval	Price	per unit	EPI
Waste, administration cost	per call	-	kr	400.00	No

Price list for delivering different kind of waste will be available by contacting the office at Flam Port minimum 24 hours prior to arrival.

1.7 Other services

1.7.1 Freshwater delivery

Price type	Unit	Interval	Price	per unit	EPI
Freshwater	m3	-	kr	21.00	No

1.7.2 Equipment

Price type	Unit	Interval	Price	per unit	EPI
Man lift / Cherry picker rental	per hour	min. 2 hours	kr	500.00	No

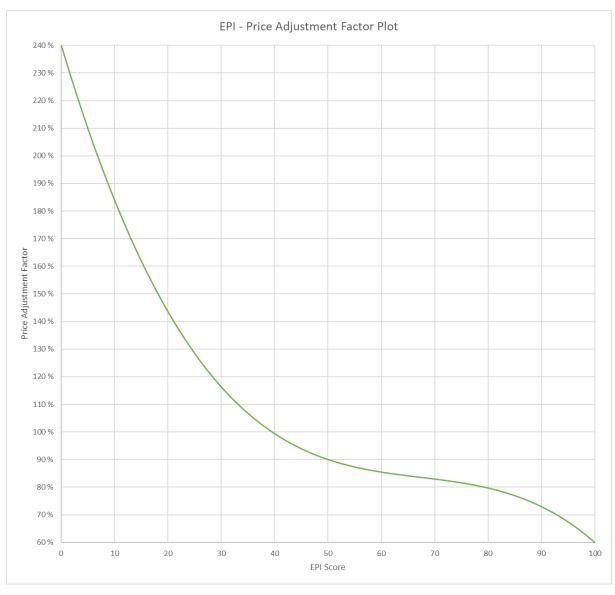


1.7.3 Personnel / Diver service

Price type	Unit	Interval	Pric	e per unit	EPI
Worker, base cost	per hour	min. 2 hours	kr	700.00	No
ROV + ROV driver	per hour	min. 2 hours	kr	1 000.00	No
Diver + assistant, base cost	per hour	min. 2 hours	kr	2 500.00	No
Overtime mon-fri 16:00 - 08:00				50 %	No
Overtime fri-mon 16:00 - 08:00				100 %	No

1.8 Environmental Port Index (EPI) – price adjustment factor

Price adjustment type	Price Adjustment Factor Formula
EPI	$2.4 - 4.6 \cdot 10^{-6} \cdot EPI^3 + 9.3 \cdot 10^{-4} \cdot EPI^2 - 6.5 \cdot 10^{-2} \cdot EPI$





2 Regulations relating to Fairway dues

2.1 Authority

Fairway dues are established by Aurland Municipality as <u>Regulation for collection of fairway dues in Aurland municipality</u>, legally based in <u>the Harbour Act § 36</u>. In accordance with local regulations § 2-2 Flam Port can claim Fairway dues and enforce the fairway regulations.

2.2 Purpose

The purpose of fairway dues is to cover costs incurred by the Municipality when exercising public authority pursuant to the Harbour Act and associated regulations, as well as the costs of making provisions for safety and navigability in the municipality sea area.

2.3 Collection of Fairway dues

The Fairway dues apply to use of the fairways and shall be collected in the area covered by the dues. Calculation and collection shall be in accordance with these regulations.

2.4 Duty

The master of a vessel arriving in the port district has a duty to inform the port with relevant information for calculation and collection of fairway dues.

2.5 Basis of calculation

The basis of calculation for Fairway dues is the vessel's gross tonnage (GT) pursuant to the International Convention on Tonnage Measurement of Ships of 23 June 1969.

2.6 Obligation to pay

Ship owner, shipping company and agent are jointly and severally liable for the payment of Fairway dues cf. the Harbour Act § 40.



3 Terms and conditions

These terms and conditions are restricted to Cruise ship related activities only. Other customers, please see the regular prices, terms and conditions available in Norwegian only at www.flamport.com.

3.1 Port Services to shipping

3.1.1 Pre Arrival Report (PAR)

At least 24 hours before arrival, a PAR including the ship's ETA shall be sent to Flam Port, and for applicable vessels a report to Norwegian Safe-Sea Net shall also be made.

3.1.2 Mooring fees

Mooring fees are calculated from the vessel's gross tonnage (GT). For vessels which have not been measured or have no valid measurement certificate, Flam Port will determine the vessel's tonnage on a discretionary basis.

All ships using Flam Port's cruise quay will pay Mooring fees according to the current pricelist. Mooring fees does not apply for ships at anchor using Tender Quay facilities.

Mooring fees are subject to EPI – indexing for pricing, see chapter 3.1.9.

3.1.3 Quay fees

Quay fees are calculated from the vessel's gross tonnage (GT). For vessels which have not been measured or have no valid measurement certificate, Flam Port will determine the vessel's tonnage on a discretionary basis.

All ships using Flam Port's cruise quay will pay Quay fees according to the current pricelist. Quay fees does not apply for ships at anchor using Tender Quay facilities.

The fees are paid for every commenced 24-hour period of berthing time. Berthing time is calculated from the time when the vessel moors alongside the quay until departure from the quay.

The minimum dues are for one 24-hour period. Time in excess of 24 hours of 6 hours or less is calculated as ½ of a 24-hour period and ½ fees are paid.

Quay fees for laid up vessels are subject to price negotiations.

A vessel that moors alongside another vessel that is alongside the quay shall pay Quay fees as though it was moored to the quay.

Quay fees are subject to EPI – indexing for pricing, see chapter 3.1.9.

3.1.4 Port Security fees

Flam Port takes established security and anti-terrorism precautions pursuant to the Regulations relating to Security and Terrorism Preparedness in Norwegian Ports and the EEA regulation 725/2004.

The security access fee is the vessel's payment towards covering the capital and operating costs of security measures, terrorism preparedness and associated infrastructure in the port in a normal situation at security level 1. If the security level is increased, the vessel will have to cover any extra costs for implementing security measures in connection with its arrival.

ISPS fees are applicable for all cruise ships using Flam Port's Quay and Tender Quay facilities. At the main Cruise Quay, security personnel services are included. At the Tender Quay, the Cruise ship must use their own personnel.



The basis for calculating the ISPS fee is the passenger list delivered through SafeSeaNet, corresponding to the number of passengers on board. Crew and visitors are not included in the calculation. The same vessel will only pay for one passenger list per 24 hour period. Time in excess of 24 hours of 6 hours or less is calculated as ½ of a 24 hour period and ½ fees are paid.

ISPS fees are subject to EPI – indexing for pricing, see chapter 3.1.9.

3.1.5 Passenger fees

Passenger fees are set and collected for all of Flam Port's public quays.

The basis for calculating the passenger fee is the passenger list delivered through SafeSeaNet, corresponding to the number of passengers on board. Crew and visitors are not included in the calculation. The same vessel will only pay for one passenger list per 24 hour period. Time in excess of 24 hours of 6 hours or less is calculated as ½ of a 24 hour period and ½ fees are paid.

Passenger fees are subject to EPI – indexing for pricing, see chapter 3.1.9.

3.1.6 Waste disposal fee

Pursuant to the Regulations relating to Pollution Control, Flam Port has established a reception scheme for garbage and cargo leftovers from ships.

Costs incurred for reception and management of waste from ships shall be covered by collecting waste disposal fees from ships visiting the Port. The amount of the fee will be calculated on the basis of a minimum cost, with addition on the basis of the amount delivered, and relevant prices for delivery are offered upon request.

3.1.7 Freshwater delivery

Flam Port offer connection for freshwater delivery at the cruise quay. The fresh water supply is within the Municipality's Quality Measurement System. Quality is controlled and monitored according to law. The freshwater quality in Flam has a long-term track record for exceptional quality. Certificates are available on request. Delivery capacity at Quay ranging from 50 – 100 m³/hour.

3.1.8 Combined port calls – guay and anchor

For combined port calls using both the Cruise Quay and anchor using Tender Quay facilities, prices for the use of the cruise quay apply for the port call.

3.1.9 Environmental Port Index surcharges and discounts

Flam Port invoices visiting cruise ships with a surcharge/discount on Quay fees, ISPS fees and Passenger fees, based on the EPI score.

EPI was introduced to give an economic incentive for sustainable and environmentally friendly cruise operations and to make it less profitable to visit the port with polluting ships. EPI is registered by the ship or its agent via the portal to DNV within 72 hours after departure.

If EPI is not reported within 72 hours after departure, the fees will be calculated on the basis of zero (0) points.

The calculation of prices with EPI indexing is done by:

- Inserting the EPI index score from the ship arrival in the formula in chapter 1.8. The output from the formula is the price adjustment factor.
- Multiplying the price adjustment factor with the relevant base prices for Mooring, Quay, ISPS and Passenger fees.



3.1.10 Information and handling of goods and cargo traffic

Immediately after departure and without having to be prompted, the customer shall provide the information about goods and cargoes that Flam Port needs in order to compile statistics for Statistics Norway and collect cargo fees.

Cargoes and goods that are placed on quays shall be transported away as quickly as possible, unless Flam port consents to them staying. The customer is responsible for removing packaging, garbage, cargo leftovers etc. from the quay immediately after the ship has left the port.

3.1.11 Cargo fees

The following goods and cargo traffic are exempt from cargo fees:

- Passengers and baggage
- Provisions, oil and ships' necessities for own use

Cargo fees for cargoes apply to all cargoes that are transported by ship, to or from the port, and are moved across Flam Port's public quays. Cargoes transported by ship across Flam Port's public quays incur cargo fees in accordance with prices offered on demand. This applies with the exception of the goods and cargo traffic mentioned above.

The cargo fees cover storage on the quay area for up to 48 hours before loading/after unloading. After that time, additional fees apply in accordance with the applicable prices on demand.

Cargoes arriving in the port in transit for onward transport in a vessel, incur cargo fees when they come in. However, cargoes in transit to foreign destinations incur cargo fees when they go out. Flam Port can carry out random inspections of cargoes and demand submission of cargo manifests and/or other relevant documents.

3.1.12 Cancellation fees

When cruise ship arrivals are cancelled the following regulations apply.

- For cancellation within 24 hours before estimated time of arrival, 100% of Quay fees are charged. No EPI adjustments apply. Direct costs that accrue due to cancellation will be charged to the ship.
- For cancellation within 48 hours before estimated time of arrival, 50% of Quay fees are charged. No EPI adjustments apply. Direct costs that accrue due to cancellation will be charged to the ship.

For cancellations earlier than 48 hours before estimated time of arrival, no cancellation fees apply, except any direct costs that accrue due to cancellation.



3.2 General terms and conditions

3.2.1 Scope of application

All terms and conditions stipulated in port arrival regulations, price lists and general terms and conditions of business for Flam Port in this document are binding for all port services to cruise ships offered by Flam Port and performed for its port users.

Any variation of the terms and conditions must be separately agreed in writing between the customer and Flam Port.

3.2.2 Definitions

Definitions of important names and terms in this document are below.

- Flam Port: Legally named Aurland Hamnevesen KF.
- The Customer: User/lessee of the port's goods, services, and infrastructure
- Harbour services:
 - Ensuring that the fairways are navigable.
 - Exercising public authority in the fairways.
 - Providing infrastructure for ships that want public quay space.
 - Providing infrastructure for loading, unloading and transhipment of goods.
 - Providing all the goods and services that Flam Port offers to its port users.
 - Renting out premises and areas.
- Regulations relating to Fairway Dues: Forskrift om innkrevjing av farvassavgift, Aurland kommune, Vestland.
- Pricelist: Chapter 1 of this document.

3.2.3 Form of organization

The form of organization is a municipal enterprise venture.

Flam Port run port activities, manages and operates all municipal port infrastructure, exercises public authority, and carries out other public administration connected with vessels, goods, and passengers in the port.

The company and its activities are subject to, and comply with, the Harbour Act and associated regulations, as well as the relevant procedural regulations. The regulations relating to reception of garbage from ships and security (ISPS) also apply.

3.2.4 Price conditions

The customer shall pay dues, fees, rental and any other relevant charges in accordance with the current pricelist. All prices in Chapter 1 are stated in Norwegian kroner (NOK) and exclude value added tax and other taxes or duties unless otherwise stated. If a price is quoted in a currency other than NOK, the Customer bears the exchange rate risk between NOK and the quoted currency in the period between issue of the offer and the date of payment.

3.2.5 Terms of offer

When Flam Port make an offer to the customer it is deemed to be non-binding until the customer's acceptance of the offer is received by Flam Port.

All offers made by Flam port are quoted in Norwegian kroner (NOK) and exclude value added tax and any other taxes or duties unless otherwise stated.



3.2.6 Payment terms

Amounts receivable from customers invoiced by Flam Port fall due for payment twenty-one (21) calendar days from invoice date, unless otherwise agreed.

Flam Port issues invoices using EHF (Norwegian electronic trade format) or in PDF format. Invoice charges apply for paper invoices.

The invoice charge appears separately on the invoice. The customer is obliged to provide the correct invoice address and keep Flam Port informed of any changes to the invoice address. Re-invoicing because of the customer breaching its duty to provide information, does not exempt the customer from its duty to pay on time in accordance with the original invoice.

If the customer does not pay on time, Flam Port is entitled to claim statutory delayed payment interest and a late payment fee pursuant to the statutory debt collection rules, cf. chapter 3.2.9.

If a mistake in any invoice or other demand for payment by Flam Port is to be claimed against Flam Port, the claim must be lodged without undue delay.

3.2.7 Provision of security

Flam Port can demand advance payment, bank guarantees or other relevant security for the port services that are to be supplied. Without giving prior notice, Flam Port is entitled to cancel port services already being supplied or refuse permission to sail, until all obligations to make payment or provide security have been fulfilled.

3.2.8 Value Added Tax (VAT)

VAT is determined pursuant to the Norwegian VAT Act and regulations. All prices stated are deemed to be exclusive of VAT unless otherwise stated in the pricelist, offer, lease agreement or regulations relating to Fairway Dues.

3.2.9 Statutory debt collection

Overdue procedural fees determined pursuant to the Harbour Act are grounds for enforcement and execution proceedings. Any such claim is directed to the owner/applicant. For claims by the Municipality against the shipping company pursuant the Harbour Act § 36, the Municipality has a lien pursuant to the rules relating to maritime lien in the Act of 24 June 1994 No. 39, the Norwegian Maritime Code.

In the event of delayed payment, delayed payment interest falls due pursuant to Act No. 100 of 17 December 1976 relating to Interest on Overdue Payment.

3.2.10 Civil Law rules

Port services that do not generate dues pursuant to the Harbour Act, follow normal civil law rules.

3.2.11 Price adjustments

The prices given in the Pricelist apply for one (1) calendar year at a time, unless otherwise decided by the appropriate decision-making body within Flam Port's organization. Adjustments may be made to the current Pricelist if circumstances arise that are detrimental for Flam Port and were not known about when the pricelist was adopted by the governing body.

3.2.12 Complaints

If the customer wishes to hold Flam Port liable for compensation for injuries, delays or other claims related to the provision of harbour services the claim shall be lodged with Flam Port without undue



delay. Objections and claims cannot be asserted later than three (3) months after the customer learned, or should have learned, about the circumstances giving rise to the claim.

3.2.13 Disputes, choice of law and venue

The Parties' rights and obligations pursuant to the present regulations shall be governed in their entirety by Norwegian law. Sogn of Fjordane District Court is the venue for all legal disputes relating to Flam Port and interpretation of the present regulations.

Questions & Answers

For questions, comments or information regarding your port stay in Flam, please do not hesitate to contact us.



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