COLLECTIVE BARGAINING AGREEMENT IN FOREIGN TRAFFIC

FRAME AGREEMENT

2012-

SHIPMASTERS
CHIEF ENGINEERS
NAVIGATION OFFICERS
MARINE ENGINEERS
LINER PILOTS
NURSES

1 Validity of Collective Agreement

The Collective Agreements for deck and engineering officers and nurses are in force between 1 March 2012 and 31 March 2014, as agreed by the parties in the Protocol of Understanding dated 16 November 2011 on collective agreements. The frame agreement contains a separate provision on the period of notice for termination of the agreement.

2 Revising the Collective Agreements

The parties note that the Collective Agreements have been updated and made current so that they reflect the contract revisions agreed upon by the parties in amending protocols to collective agreements between 2005 and 2011. In addition, the agreements have been modernised and legal references have been corrected to reflect the current status. The wage appendices of the main agreements are current including fringe benefits.

The parties have agreed that the main agreements and general agreements will not be re-printed in book format in the next few years. Instead, the potential revisions and wage increases stemming from collective agreement negotiations will be recorded in amending protocols. The electronic versions of the main agreements and general agreements are, however, always to be updated as changes occur.

In Helsinki 12 September 2012

The Finnish Shipowners' Association
The Finnish Engineers' Association
The Finnish Shipofficers' Union

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1. FRAME AGREEMENT ON TERMS AND CONDITIONS OF EMPLOYMENT OF OFFICER UNION MEMBERS WHO SERVE ON BOARD VESSELS ENGAGING IN

FOREIGN TRAFFIC

Scope

The Finnish Shipowners' Association on one side and the Finnish Shipofficers' Union and the Finnish Engineers' Association on the other hereby enter into the following Collective Agreement on the terms and conditions of wages and employment of shipmasters, navigation officers, line pilots and nurses who are members of the Finnish Shipofficers' Union and of chief engineers and marine engineers who are members of the Finnish Engineers' Association when working on board vessels owned by the aforementioned marine employer association members engaging in foreign traffic.

The provisions on marine working hours and holidays agreed upon between the relevant unions are a part of this Agreement.

The provisions of this Collective Agreement shall also apply when vessels surveyed for foreign traffic sail between ports in Finland.

General

Section 1 – Employment contract

In accordance with the Seafarer's Employment Contracts Act, the employment contract is to be made in writing. Ensuring this is the employer's responsibility.

A fixed-term employment contract may be concluded in accordance with the provisions of Chapter 1, Section 4 of the Seafarers' Employment Contracts Act if the nature of the work, the substitution of another employee, a traineeship, or some other comparable reason so requires or if the employer has some other justified reason, relating to the operation of the company or the work to be performed, for concluding a fixed-term contract. The parties conclude that the aim of this provision is to prevent the circumvention of the employee's protection against unilateral termination of employment and of the employee's benefits based on the duration of employment.

Section 2 - Virhe. Kirjanmerkkiä ei ole määritetty. Wages

The basic wages of officers are stated in the wage appendix of this Agreement.

The wages referred to in the wage appendix are monthly salaries, which are based on deadweight (DWT) or indicated power (kW), whichever is greater. If the vessel has two DWT records indicating capacity, the wages are based on the greater deadweight capacity, regardless of whether the vessel is operated as a closed vessel or not.

DWT refers to the vessel's load capacity in metric tonnes including the fuel when at Lloyd's Summer Free-Board, or if not available, a corresponding waterline indicator.

Calculation of wages

During the employment, an employee's wages are calculated and paid as monthly wages by calendar month. The wages shall also be calculated and paid as monthly wages for those calendar months that the employee has spent in full or in part on paid leave on shore. When employment in accordance with the Seafarer's Employment Contracts Act begins or ends in the middle of a calendar month, the wages for such months are calculated by dividing the monthly wages by 30 and multiplying the result by the number of days the employee has been employed during the month.

The employer shall provide the employee with a monthly statement that details the amount of wages and how they were calculated.

When going on leave, officers have the right to request their holiday pay in advance, however in compliance with regulations on tax withholding and other tax regulations.

In other respects, the payment of wages shall be in compliance with the provisions of Chapter 2 of the Seafarers' Employment Contracts Act and Section 13 and 15(1) of the Seamen's Annual Holidays Act.

When an employment relationship ends, the last wages payable shall be at the employee's disposal or withdrawable at the latest on the sixth (6) working day after the end of the employment. In exceptional cases, when the wages are not clear, for example because all the information needed for calculating the amount of the wage component are not available at the end of employment, the last wages shall be at the employee's disposal or withdrawable at the latest on the tenth (10) working day after the end of the employment.

Better employment contract

If officers are enjoying a better wage or other benefits than stated in this Agreement, these cannot be reduced based on this Agreement.

Section 3 - Allowances

In addition to the basic wages, officers are entitled to the following allowances:

a) Training and degree allowance

Training allowance

A separate training allowance is paid to sea captain and engineering students who attend classes or have a degree from a polytechnic and have earned a Deck Watchkeeping Officer or a Watchkeeping Engineer qualification. The amount of the allowance is stated in the wage table.

This allowance does not expire if the Deck Watchkeeping Officer or Watchkeeping Engineer earns a higher qualification.

The allowance is paid for both time spent working and on leave.

Degree allowance

Navigation officers and marine engineers who have completed sea captain or engineering degrees at a polytechnic are paid a separate Degree allowance monthly. The amount of the allowance is stated in the wage table.

The allowance is not paid to the navigation officer or marine engineer if they are receiving the MKK or YKK competency allowance in accordance with the wage table. The allowance is not paid to a shipmaster, a chief engineer or a chief navigation officer.

The allowance is paid for both time spent working and on leave.

b) Experience allowance

Officers (shipmaster, chief engineer, navigation officer/marine engineer) are paid 5% of their basic wages as experience allowance after 2, 4, 6, 8, 11 and 14 years of service as a marine officer. When calculating the length of service that entitles employees to experience allowances, time served as an officer under any flag and time served in the Finnish Navy and Finnish Coast Guard as an officer will be included. Time served with the same shipowner as a crew member is included in full when calculating experience allowances.

For the various employee groups, ship/marine service in this Agreement refers to service in international traffic in coastal or longer distance traffic or time served in international traffic under different flags.

An employee must provide reliable documentation on prior service overseas.

If employment of an officer is terminated due to issues beyond his or her control, such as shipowner bankruptcy, going out of business, sale or reasons stated in Section 4 in Chapter 12 of the Seafarer's Employment Contracts Act, the officer is entitled to include the experience allowances that were effective when employment was terminated.

When calculating **shipowner-dependent** experience allowances, in the length of service should be included the time during which the officer has been on annual holiday or compensatory leave and also the time during which the officer was not able to work due to:

- 1) annual holiday of other employees;
- 2) military reserve exercises or extraordinary military service, if the employee has returned to work as soon as such hindrance ended;
- an interruption referred to in paragraph 3, Subsection 2 of Section 3 of the Seamen's Annual Holiday Act;
- 4) a medical examination referred to in the Occupational Health Care Act (1383/2001) or the Act on Seamen's Medical Examinations (*Laki laivaväen lääkärintarkastuksista* 1171/2010) or ordered by the employer or as a result of any sickness or accident;
- 5) maternity leave, special maternity leave, paternity leave, or parental leave referred to in the Seafarer's Employment Contracts Act;
- 6) municipal or other public elective function or appearance as a witness in a court of law testimonial which the employee was not entitled to refuse according to the law, or refusal of which would only have been permitted for a special cause stated in the law;
- 7) an order issued by the authorities to prevent the spreading of a disease;
- 8) travel required by work, if these travel days are not otherwise counted as working days for the employee;
- for any other reasons if the employer is by law required to pay the employee remuneration for such time despite of his absence;
- 10) with the employer's consent, taking part in training required by work, however so that only 30 days at a time are counted as equivalent to working days.

c) Ocean allowance

Officers working on board vessels engaging in overseas traffic are paid a monthly ocean allowance in accordance with the wage appendix. The allowance is paid on board a) all vessels that operate in regular liner traffic to overseas ports, for the entire

duration of service, but for no more than 20 days where the vessel is not in operation or for another reason b) other vessels sailing to overseas ports, starting on the day when the vessel departs the last loading or unloading port in the European traffic area and heads to an overseas port and until the day the vessel arrives at the first loading or unloading port in the European traffic area and no more than 20 days after this. If, however, a vessel described above makes two or more continuous trips in overseas traffic, the allowance is paid as above also for the time in port after returning from the first trip. In this regard, repair and unrigging ports are comparable to loading and unloading ports.

Protocol entry:

Unrigging

If a vessel that has a hired crew remains inactive for more than 14 days, the vessel is considered to have arrived in an unrigging port.

Traffic areas

European traffic refers to traffic outside the Baltic Sea to ports in the White Sea, 11° W longitude in the West and the Mediterranean and its waters, but no further than Suez.

The aforementioned allowance must be paid under the principles stated in Section b), if the vessel operating in the Arctic Ocean has arrived at port east of 45° E latitude.

When a vessel operates exclusively between ports in North and/or South America and within the area limited to 30° W longitude, 60° S latitude and 170° W longitude, an increase of 125% in the ocean allowance is paid for the time when the vessel operates within the aforementioned area.

The increased allowance is paid starting from the day on which the vessel is within the abovementioned traffic area and begins to load for a port inside that area till the day on which the vessel departs the last port within the area.

d) War risk zone allowance

If the vessel operates in a war risk zone or an area designated to present a war risk, the provisions of the War Risk Zone Agreement (Appendix 8) shall be followed.

Section 4 – Fringe benefits

In instances were sufficient room and board could not be arranged for the officers, similar benefits must be arranged on land, or reasonable compensation equal to the value of these benefits is to be paid by the shipowner. The amounts considered reasonable compensation in Finland and abroad are stated in the wage appendix. Appropriate accommodation expenses shall be reimbursed based on an invoice.

When officers have the right to subsistence under the Seamen's Act and the officer is not treated in a hospital, compensation is paid in accordance with the wage appendix as subsistence.

During leave, meals and accommodation are compensated for in accordance with the wage appendix.

Section 5 – Annual holiday

Annual holiday is accrued in accordance with Seamen's Annual Holidays Act (433/1984).

Other general regulations

Section 6 – Bedding and linen

The terms of employment include free meals and complete bedding and cabin linen, including two towels. Dirty linen is replaced when necessary, but no less frequently than every 14 days, and towels and pillow cases are to be replaced weekly.

Cleaning of cabins

On vessels that have two or more catering staff members, the caterers are to clean the officers' cabins and other areas daily.

Section 7 - Cabins of officers

The cabins of a vessel on order for a Finnish shipowner must be designed so that they at minimum fulfil the requirements set out in the Act on Seafarer's Work and Living Environments and Food Provision (*Laki laivaväen työ- ja asuinympäristöstä sekä ruokahuollosta aluksella* 395/2012). The shipowner is to present the accommodation plan to the officer unions for the aforementioned vessels.

Protocol entry:

If a shipowner does not respond to requests from officers to repair officer accommodations, when the repairs are deemed necessary and can be implemented without unreasonable cost, the issue is to be resolved between the unions. The employer unions undertake to require a written report from shipowners in question if repairs have not been made within a reasonable time period.

Section 8 - Accidental and life insurance

Accidental insurance for time off

The employer is required to insure the seafarer for accidents that take place during the employees' free time and sports activities aboard a vessel under the same statutory conditions that apply to occupational accident insurance. Compensatory free time and holidays under the Seamen's Annual Holidays Act are also considered free time. The employer is also required to take out additional leisure-time insurance coverage for the seafarer for the indemnification of injuries deliberately caused by a third party, provided that the injured party, by his or her own act, has not decisively contributed to the incident causing the injury. If the employer has neglected these obligations, the employer shall nevertheless be responsible for ensuring that the seafarer or his or her assignee receives the accident indemnity referred to above.

Section 9 – 50th and 60th birthdays

An employee whose employment has lasted an uninterrupted minimum of three years is entitled to one extra day of paid leave for his or her 50th and 60th birthday, if the birthday occurs on a working day. The same benefit may be granted to an employee who has served on board a vessel in the Finnish merchant fleet for at least ten years, provided that his/her employment has continued for an uninterrupted period of six months immediately prior to the birthday.

Section 10 - Sudden illness, funeral and employee's own wedding

In case of a sudden illness of a family member, an employee is entitled to a short temporary paid leave of a maximum of three days. A similar leave of a maximum of two days shall also be granted to an employee for attending the funeral of a close relative or his or her own wedding.

In the situations referred to in this section, leave shall be granted on condition that it is feasible in each case considering the nature of the tasks of the employee in question.

The term close relative means an employee's spouse or cohabiting partner, registered partner, children, spouse's or cohabiting partner's children, registered partner's children, and parents as well as the parents of an employee's spouse, cohabiting partner or registered partner, and an employee's siblings.

Care of a child with a severe illness

An employee whose child has a serious illness or disability referred to in Chapter 10 Section 2 Subsection 3 of the Health Insurance

Act (government decision 1335/2004), has the right to be absent from work to participate in the care, rehabilitation, or care guidance of a child, after having in advance agreed on the absence with the employer.

Section 11 – Maternity and paternity leave

An employee entitled to maternity allowance has the right to receive wages for 78 weekdays starting from the beginning of the maternity allowance period (maternity leave).

An employee on paternity leave shall be paid for 12 days the difference between his wages and the paternity allowance under the Health Insurance Act.

Section 12 – Repatriation of mortal remains

The repatriation of the mortal remains of an employee who has died in foreign traffic shall be arranged and paid for by the shipowner in accordance with the Seafarers' Employment Contracts Act.

Section 13 – Travel reimbursement (travel at the employer's expense)

Travel arrangements should be discussed with the employer prior to travel.

As regards trips at the expense of the shipowner, officers are entitled to travel in the first or equivalent class when travelling by rail or ship and in tourist or economy class when travelling by plane.

Relevant travel expenses shall be reimbursed based on an invoice. Taxi fares are reimbursed for travel between the bus or train station or airport and port, if no public transport is available or when having to travel during a time of day when public transport is not available.

The employer pays the baggage fees for air travel up to 30 kg. The charge for weight exceeding 30 kg is paid by the employee.

The use of the employee's private car must be agreed separately. Kilometre allowances are paid in accordance with the Finnish Tax Administration regulations.

Holiday travel

An employee returning to work after an annual holiday,

compensatory free time or sick leave is entitled to reimbursement by the employer for a train, bus or a reduced-price air ticket for the return journey from the place of residence in Finland to the vessel. When a reduced price is not available, the employee shall be reimbursed for an economy class air fare.

Unless the employer and an employee have made some other agreement in advance, a seafarer, other than a passenger vessel employee, returning to work after an annual holiday, compensatory free time or a sick leave shall be reimbursed the taxi fare between the bus terminal, railway station or the airline city terminal (or airport if that is closer) in the place where the employee is returning to work and the port or the employee's home in his or her place of domicile in the following situations:

- There is no public transport connection available.
- The employee has been asked to return to the vessel at a time of day when no public transport is available.

Taxi fares are only reimbursed based on receipts and as indicated in the wage appendix per taxi journey.

The use of the employee's private car must be agreed upon separately. Kilometre allowances are paid in accordance with the Finnish Tax Administration regulations.

Reasonable travel expenses of a temporary replacement worker from the place of residence in Finland to the vessel and back once employment ends are paid by the employer (less than 6-month substitutions).

Section 14 – Participation in union activities

If a member of the Finnish Shipofficers' Union or the Finnish Engineers' Association is elected a member or a deputy member of the Board of the Finnish Shipofficers' Union, the Finnish Engineers' Association or STTK, the employer shall, where possible without causing difficulty, grant the elected employee unpaid leave from work in order to travel to necessary meetings, unless not applicable due to the following:

In each individual case, an agreement may be made with the employee in question to deduct the leave granted from previously earned compensation or other free time. It is also possible to use annual holidays for this purpose.

The officer unions pay the potential travel expenses of the person indicated above in Section 1.

Section 15 – Negotiation procedure

15.1 Negotiations between the parties

If it has been impossible to locally settle disputes arising from the implementation of this Collective Agreement, for example in accordance with the procedure referred to in the shop steward agreement, the organisations that are signatories to this Agreement shall, when either side so requests, attempt to settle the disputes through negotiations. The organisation representing the party that considers a settlement necessary shall present to the other party a justified written proposal to which the other party shall respond in the same manner without delay.

If either party to the Agreement considers the other party to have clearly breached this Agreement or provisions concerning seamen, no other measures shall be taken before the relevant signatory organisations have attempted to reach an understanding through negotiations.

If a dispute that has arisen from the implementation or interpretation of this Agreement has not been settled through negotiation, the dispute shall be resolved by the Labour Court.

If the issue in question does not fall within the competence of the Labour Court, the matter shall be referred to a five-member arbitration tribunal, composed in the manner stated below, for proceedings and a final decision.

15.2 Principle of continuous negotiations

If one of the parties to this Collective Agreement wishes to initiate a process of amending or supplementing the Agreement, it shall present to the other party a justified written proposal to which the other party shall respond in the same manner in writing without delay.

If the parties reach an agreement on amending or supplementing the Agreement, the amendment may enter into force in a manner agreed on by the parties despite the fact that the period of validity of the Collective Agreement has not expired.

In other respects, the negotiation procedure between the parties is subject to the provisions on the order of negotiation laid down in this Agreement.

The above provisions do not change the commitment to labour market harmony between the parties in accordance with the Collective Agreements Act. Thus, if negotiations in accordance with the principle of continuous negotiations are inconclusive, it shall not mean that the validity of the Collective Agreement provision which the proposed amendment concerned has expired, nor shall it mean the cancellation of the related commitment to labour market harmony.

15.3 Arbitral tribunal

For each separate case under dispute, both of the parties to this Collective Agreement shall choose two members for arbitration. The chairperson shall be a person appointed by the arbitral tribunal or, if no unanimity on the appointment can be reached, a person appointed by the National Conciliator. For each separate case, the arbitrators shall determine whether one of the parties shall pay the costs incurred by the arbitration meetings and proceedings in full or in part together with the other party and whether a party to the dispute shall be ordered to compensate the legal costs of the opposite party and what the compensation amount should be.

Applying this Agreement and the Collective Agreements Act, the arbitrators shall consider and resolve the matter in compliance with the current Arbitration Act.

Section 18 - Validity period

This Agreement shall be in force as the Collective Bargaining Agreement.

The Finnish Shipowners' Association

The Finnish Engineers' Association

The Finnish Shipofficers' Union

2. AGREEMENT SUPPLEMENTING THE FRAME AGREEMENT TERMS AND CONDITIONS OF EMPLOYMENT OF OFFICERS WORKING ON BOARD VESSELS ENGAGED IN FOREIGN TRAFFIC

Scope

In addition to the Frame Agreement, the following supplemental provisions shall apply to the terms and conditions of employment of officers who are members of the Finnish Shipofficers' Union and employed to work on board of vessels belonging to the Finnish Shipowners' Association members engaged in foreign traffic.

Section 1 – Wages

The basic wages of officers are stated in the wage appendix of this Agreement.

Section 2 - Allowances

a) Oil transport allowance

10% of the basic wage on board tanker ships that transport fuel oil,

crude oil or lubricants and/or comparable substances. The allowance is paid on board tanker vessels transporting compressed, liquid or liquefied gases, flammable liquids, substances that may self-ignite and create flammable gases when in contact with water, organic peroxides, oxidising substances, toxic substances, pollutants or other hazardous substances. When the vessel is in port, the allowance is paid for no more than 20 days after arriving in port. However, the allowance is always paid for the time when the vessel is fully or partially loaded and has to remain in port and/or roadstead.

b) Allowance for operating outside Europe

To shipmasters serving on board vessels that operate between ports outside Europe, a 20% increase in basic wages is paid for the time the vessel is in the aforementioned traffic area and the shipmaster serves on board.

This allowance is paid starting from the day on which the vessel begins loading in the first port outside Europe or departs the aforesaid port with ballast to another port outside Europe, to the day on which the vessel is unloaded in the last port outside Europe. This Collective Agreement provision shall apply to Arctic traffic to the east of 40 degrees longitude and on the Northern Sea Route, unless otherwise agreed with the shipowner.

c) Uniform allowance

If a uniform is to be worn, a monthly allowance is to be paid for vessels engaged in regular traffic. Use of a work jacket or similar piece of clothing does not entitle the employee to a uniform allowance.

On passenger vessels and if so agreed, instead of the uniform allowance, a uniform may be provided annually. When an employer required officers to wear a specific type of uniform, the uniform is to be maintained by the employer. A uniform refers to: coat, trousers and shirt.

d) Radio operator allowance

Officers are paid a monthly radio operator allowance in accordance with the wage appendix.

Section 3 – Annual holiday

A shipmaster is entitled to receive a 36-day annual holiday, which is to be taken at a time agreed upon by the shipowner and the shipmaster.

As a derogation to the provision in Section 14 Subsection 2 of the Seamen's Annual Holidays Act, shipmasters are to be paid for three days.

Substitute shipmasters earn annual holidays as described above for the period they serve as shipmaster on board including days off during that period.

If a shipmaster has been working on board a vessel for a minimum of 14 days in the calendar months during which employment began or ended, the shipmaster is entitled to receive holiday compensation over three days for these months. If the shipmaster has, in the months in question, been working for at least 44 days, the shipmaster is entitled to receive six days of holiday compensation.

Leave received abroad can be considered contractual leave only if agreed upon in each individual case.

A shipmaster who wishes to utilise the benefit of free travel home in accordance with Section 3 of the Seafarer's Employment Contracts Act must inform the shipowner of his or her intention of travelling home sufficiently in advance, so that a substitute can be sent to the vessel.

Section 4 - Keeping watch

A shipmaster cannot regularly participate in watchkeeping on vessels that have two navigation officers.

Section 5 - Transfers

If a shipmaster in permanent employment is transferred to another vessel belonging to the same shipowner for permanent service that has a lower wage grade than the one he/she served on earlier, the wages paid to the shipmaster shall be determined based on the vessel the transfer was made to.

Such a transfer in case of a shipmaster in permanent employment shall be subject to agreement by both parties.

If a shipmaster is temporarily transferred to other vessels belonging to the same shipowner, compensation paid to him/her while working as a replacement shall not be less than the shipmaster's regular wages during permanent duty, including seniority allowances for the first three months.

Waiting period

An officer is entitled to receive compensation for meals and accommodation in accordance with Section 4 of the Frame Agreement for any waiting time caused by the transfer, as well as the basic wages and seniority allowances that the officer received on the vessel from which he/she was transferred. If the transfer is of a temporary nature, the waiting period wages shall comply with what is stated in Subsection 3 of this section.

During the waiting period when the officer is receiving wages in accordance with this provision, the officer is required to perform other officer duties if asked to do so.

Section 6 - Free room and board

The terms of employment include free meals and complete bedding and cabin linen.

Section 7 – Reimbursement for personal property

The Ministry of Labour Decree (721/2009) and its amendments on reimbursing lost personal property in marine accidents must also be followed when the property was lost due to a fire on board the vessel or due to piracy or when the loss occurred as a result of a shipwreck-related accident.

Section 8 – Piloting

If the shipmaster pilots the vessel in waters where a marine or inland water pilot is generally used, compensation will be paid as agreed by the shipowner and shipmaster. This does not affect vessels that have a line pilot.

Section 9 – Manning of Ships

The shipowner is to negotiate on the number and competencies of crew for newbuildings and vessels acquired from aboard with the officer unions as early as possible.

Section 10 - Validity

This Agreement shall be valid as the Frame Agreement in force between the parties.

3. AGREEMENT SUPPLEMENTING THE FRAME AGREEMENT TERMS AND CONDITIONS OF EMPLOYMENT OF CHIEF ENGINEERS WORKING ON BOARD VESSELS ENGAGED IN FOREIGN TRAFFIC

Scope

In addition to the Frame Agreement, the following supplemental provisions shall apply to the terms and conditions of employment of chief engineers who are members of the Finnish Engineers' Association and employed to work on board vessels belonging to Finnish Shipowners' Association members engaged in foreign traffic.

Section 1 – Wages

The basic wages of chief engineers are stated in the wage appendix of this Agreement.

Section 2 - Allowances

a) Oil transport allowance

10% of basic wages on board tanker ships that transport fuel oil. crude oil or lubricants and/or comparable substances. allowance is paid on board tanker vessels transporting gases, flammable liquids, compressed, liquid or liquefied substances that may self-ignite and create flammable gases when in contact with water, organic peroxides, oxidising substances, toxic substances, pollutants or other hazardous substances. When the vessel is in port, the allowance is paid for no more than 20 days after arriving in port. However, the allowance is always paid for when the vessel is fully or partially loaded and has to remain in port and/or roadstead.

b) Reefer allowance

On specialty refrigeration vessels, the chief engineer is paid a reefer allowance, which is 10% of basic wages. On vessels that have a refrigeration capacity exceeding 20,000 j3, the chief engineer is paid an allowance of 5% of basic wages.

This provision does not apply if a refrigeration engineer, who does not participate in keeping watch, is on board.

Protocol entry: On vessels that are not specialty refrigeration vessels, only the refrigerated cargo capacity is considered to determine the amount of the allowance.

c) Liquefied gas allowance

On specialty liquefied gas vessels, the chief engineer is paid a liquefied gas allowance, which is 5% of basic wages. This provision does not apply if a refrigeration engineer, who does not participate in watchkeeping, is on board.

d) Allowance for operating outside Europe

Chief engineers serving on board vessels that operate between ports outside Europe are paid a 10% increase of basic wages for the time the vessel is in the aforementioned traffic area and the chief engineer serves on board.

This allowance is paid starting from the day on which the vessel begins loading in the first port outside Europe or departs the aforesaid port with ballast to another port outside Europe, to the day on which the vessel is unloaded in the last port outside Europe. This Collective Agreement provision shall apply to Arctic traffic to the east of 40 degrees longitude and on the Northern Sea Route, unless otherwise agreed with the shipowner.

e) Fire chief allowance

Chief engineers who serve as fire chiefs on board of the vessel and are responsible for the fire safety equipment are paid a monthly allowance in accordance with the wage appendix. This is a so-called fixed allowance.

f) Classification allowance

Chief engineers who have been granted by a classification association the right to issue specific classifications on machinery are compensated for the classifications they complete in accordance with the wage appendix per machine and an approved report.

g) Handheld fire extinguisher inspection allowance

Chief engineers who have been granted by the Finnish Transport Safety Agency (Trafi) the right to perform handheld fire extinguisher inspections are compensated for the inspections they complete in accordance with the wage appendix per extinguisher and an approved report.

Section 3 - Annual holiday

In addition to the provisions on annual holiday in the Frame Agreement, the following is in force regarding annual holidays for chief engineers not participating in watchkeeping duties as specified in Section 2 Subsection 1 (2) of the Seaman's Working Hours Act:

Chief engineers whose job on board has not been divided into watchkeeping shifts are entitled to a 36-day annual holiday. Chief engineers not participating in watchkeeping are entitled to three days of holiday compensation per month.

Substitute chief engineers earn annual holidays as described above for the period they serve as chief engineer without watchkeeping duty on board including days off during that period.

Section 4 – Validity

This Agreement shall be valid as the Frame Agreement in force between the parties.

4. AGREEMENT SUPPLEMENTING THE FRAME AGREEMENT TERMS AND CONDITIONS OF EMPLOYMENT OF NAVIGATION OFFICERS AND MARINE ENGINEERS WORKING ON BOARD VESSELS ENGAGED IN FOREIGN TRAFFIC

Scope

In addition to the Frame Agreement, the following supplemental provisions shall apply to the terms and conditions of employment of marine engineers and navigation officers who are members of the Finnish Shipofficers' Union and employed to work on board vessels belonging to Finnish Shipowners' Association members engaged in foreign traffic.

Section 1 - Wages

The wage tables of marine engineers and navigation officers are listed on the wage appendix of this Agreement.

Marine engineers who have certification as chief engineers and navigation officers who have sea captain certification earn a 5% increase on top of the basic wages listed in the wage appendix.

Chief electricians are paid in accordance with the marine engineer I wage table.

Section 2 - Allowances

a) Oil transport allowance

10% of basic wages on board tanker ships that transport fuel oil, crude oil or lubricating oil and/or comparable substances. The allowance is also paid on board tanker vessels transporting compressed or liquefied gases, gases dissolved under pressure, flammable liquids, substances that may self-ignite and create flammable gases when in contact with water, organic peroxides, oxidising substances, toxic substances, pollutants or other hazardous substances. When in port, the allowance is paid for no more than 20 days after arriving in port. However, the allowance is always paid for the time the vessel is fully or partially loaded and has to remain in port and/or roadstead.

b) Uniform allowance

If a uniform is to be worn, a monthly allowance is to be paid for vessels engaged in regular traffic. Use of a work jacket or similar piece of clothing does not entitle the employee to a uniform allowance.

When an employer requires marine engineers to wear a specific type of uniform, the uniform is to be maintained by the employer. A uniform refers to: coat, trousers and shirt.

c) Watchkeeping allowance

During a watch specified in Subsection 1 of Section 3 of the Seamen's Working Hours Act, a shift employee on marine watch during evening and night hours earns watchkeeping allowance as follows:

 on cargo vessels, the navigation officer/marine engineer receives for each watchkeeping hour between 18.00 and 06.00 13 minutes of compensation and 2) on passenger vessels, the navigation officer/marine engineer receives compensation for evening shift hours (18.00–24.00) and night shift hours (00.00–06.00) in accordance with the wage appendix.

d) Liquefied gas allowance

On specialty chemical and liquefied gas vessels, the chief navigation officer/marine engineer I is paid a liquefied gas allowance, which is 5% of basic wages. This provision does not apply if a refrigeration engineer, who does not participate in watchkeeping, is on board.

e) Cargo handling supervision allowance (navigation officers)

Navigation officers are paid separate hourly compensation in accordance with the wage appendix for the time spent monitoring and leading the work for which the crew is paid cargo handling allowance and additionally if navigation officers, in exceptional circumstances, participate in cargo loading, securing and/or detachment, the compensation is 1/164 calculated from the wages on which overtime remuneration is based.

f) Radio operator allowances (navigation officers)

Navigation officers are paid compensation for radio operator responsibilities in accordance with the wage appendix.

g) Automation allowance (navigation officers)

Vessels where the engine room may be unmanned due to the machinery and alarm system, and where the bridge has alarm equipment, the navigation officer is paid a monthly automation allowance in accordance with the wage appendix. The allowance is not paid for those days when the engine room is manned the entire time.

h) Line pilot competency (navigation officers)

A pilot allowance is paid to navigation officers of cargo vessels, if the navigation officer has completed line pilot certification or another similar qualification for a domestic channel or shipping line, and the vessel operates regularly at least once a calendar month in that channel. The pilot allowance is paid in accordance with the wage appendix, provided that the vessel is not required to use a public pilot.

i) Reefer allowance (marine engineers)

Marine engineers are paid a 10% reefer allowance for working on

board special refrigeration vessels. This provision does not apply if the vessel has a special refrigeration engineer on board.

j) Maintenance allowance (marine engineers)

Marine engineers are paid a monthly maintenance allowance in accordance with the wage appendix. This is a so-called fixed allowance.

k) Preventive maintenance allowance (marine engineers)

Vessels that are equipped with machinery and alarm systems that allow the engine room to be unmanned, a marine engineer who does not have watchkeeping duties is paid a monthly allowance in according to the wage appendix. The allowance is not paid for those days for which the marine engineer receives a watchkeeping allowance.

I) Ropax allowance

On ro-ro vessels, which are registered as passenger vessels and transport less than 70 passengers, the cargo vessel wage tables are adhered to. If a vessel of this type transports 70 or more passengers but less than 300 passengers, the lowest wage table (0-3 y) is applied exclusively. However, if a vessel of this type transports 300 or more but less than 500 passengers, the two lowest wage tables (0-3 y and 3-5 y) are followed. If a vessel of this type transports 500 or more passengers, the passenger vessel wage tables are used.

Section 3 - Stop turn

When a navigation officer/marine engineer is ordered to remain on board the vessel when in port after regular working hours (stop turn), compensation is paid per stop turn in accordance with the wage appendix.

The time between Saturday afternoon and Monday morning includes two stop turns and two consecutive holidays include four stop turns. When the vessel is in port for a so-called extended weekend, the time between Friday night and Monday morning includes four stop turns, two of which are considered working day turns and two are holiday stop turns.

With vessels in operation, one navigation officer/marine engineer must always be available. In special circumstances, the shipmaster may grant exceptions to this rule at the request of the navigation officer/marine engineer.

If the navigation officer/marine engineer on stop turn is working overtime throughout the stop turn shift, no stop turn compensation is paid. Stop turn compensation is also not paid if the navigation

officer/marine engineer on stop turn is ordered to remain on board due to the provisions in Section 10 of the Seamen's Working Hours Act.

Section 4 - Stand-by allowance

- a) If an employee is ordered to remain on board the vessel during his or her free time for stand-by duty under Chapter 4, Section 6 of the Seafarers' Employment Contracts Act or for some other related important reason, the employee shall receive 1/320 of his/her monthly wages for each commencing hour on working days and 1/160 of his/her monthly wages for public holidays and Sundays. Instead of stand-by compensation, work performed during the stand-by time is compensated with overtime remuneration. The employer shall aim to notify the employees of stand-by duty well in advance before the end of regular working hours.
- b) If an employee is ordered to come to the vessel during his or her free time for performing a task, the employee shall receive overtime remuneration for two hours of overtime work on a weekday if the employee is not entitled to stand-by compensation under the provisions of the first paragraph above.

Section 5 – Keeping watch

A navigation officer acting as the watchkeeping officer cannot be assigned responsibilities nor can he or she assume responsibilities that may interfere with the safe navigation of the vessel.

The navigation officer acting as the watchkeeping officer is responsible for the safe navigation of the vessel, even if the shipmaster is present on the bridge, until the shipmaster has clearly stated that he or she is to take command and this is clearly understood by both parties.

Navigation officers cannot be ordered to assume duties that are generally the crew's responsibility. This does not affect the navigation officer's obligation to direct work.

Section 6 – Marine engineer without watchkeeping duties

Marine engineers without watchkeeping duties refer to day engineers whose work is not divided into watchkeeping shifts.

If a day engineer assumes watchkeeping duties, compensation for the first day is equal to what has been agreed on for regular working hours.

When a vessel leaves port or arrives in port on a Saturday, a Sunday or a public holiday, the compensation is given as free time for time at sea and as overtime for time in port.

Working hours of marine engineers without watchkeeping responsibilities

The regular working hours for days at sea and the days of departure and arrival is 8 hours in a 24-hour period on regular working days, Sundays and public holidays. Marine engineers are entitled to work 8 hours on the aforementioned days.

The working hours of day engineers follow the general day worker schedule, e.g. 07.00 – 16.00 or 08.00 – 17.00.

On board vessels where marine engineers' working hours are not divided into watchkeeping shifts, marine engineers earn 20 minutes of free time for each hour of on-call shift or part thereof at sea.

The on-call compensation is also paid for meal and coffee breaks. One or two half-hour coffee breaks add up to one hour or part thereof.

On-call shifts are to be conducted as follows:

- a) on ships with two engineering officers, the chief engineer and marine engineer I both assume on-call shifts.
- on ships with more than two marine engineers, the chief engineer does not participate in on-call shift rotation.

Protocol entry:

The on-call shift rotation is active during days at sea and days of departure and arrival.

In addition to marine engineer I, another engineer free of watchkeeping duties can be hired on board, if he or she has chief engineer certification for at least a similar vessel.

If possible, additional persons can be employed on board the vessel as marine engineer students, if they have earned at least a watchkeeping engineer qualification.

On vessels that have more marine engineers (I) than required by the manning provision, the basic wages of the marine engineer I are to be one wage group higher than that of a watchkeeping marine engineer I on a similar vessel (does not apply to electrical engineers).

Section 7 - Transfers

If a permanently employed navigation officer or marine engineer is promoted or transferred to a vessel that belongs to a higher group owned by the same shipowner, the wages paid to him/her in the new position must at least equal the wages paid in the previous position including seniority allowances, regardless of whether the position is to be temporary or permanent.

If a navigation officer or marine engineer is permanently transferred to a lower position or a similar position on a lower-class vessel, wages are to be paid for the new position as stated in the wage appendix table, including seniority allowances.

A permanently employed navigation officer or marine engineer, who is relieved of his/her duties on a vessel without having requested this and transferred to another vessel belonging to the same shipowner, is entitled to wages, including seniority allowances, based on the position from which he/she is being transferred from during any waiting period. In addition, the aforementioned employee is to receive compensation for meals and accommodation, in accordance with fringe benefit compensation, during the waiting period.

NB! The transfer of a navigation officer or a marine engineer in permanent employment shall be subject to agreement by both parties.

Protocol entry:

If the employment of a navigation officer or a marine engineer is terminated on a vessel, due to the sale or unrigging of the vessel, the navigation officer or marine engineer is required to accept a similar position with the same shipowner, if such a position is offered (a similar position refers to a position where at least the same wages are to be paid for two months as were paid in the position from which he/she is being transferred from). This means that, upon transfer, the navigation officer or marine engineer forfeits the compensation that he or she may be entitled to based on the Seafarer's Employment Contracts Act.

A navigation officer or a marine engineer may be granted leave using previously earned free time.

If a navigation officer or a marine engineer began waiting for a transfer at the suggestion of the shipowner and a position outlined here is not assigned, he or she is entitled to compensation in accordance with the Seafarer's Employment Contracts Act.

During the waiting period when the navigation officer or the marine engineer is receiving wages in accordance with this provision or the agreement for passenger vessels or passenger and car ferries, the officer is required to perform other duties that can be considered similar to his job description, if asked to do so.

Section 8 – Number of navigation officers

Three navigation officers should be on board vessels that operate in overseas or European traffic areas and exceed 500 grt. Exceptions can be made to this provision, if a third navigation officer cannot be obtained without unreasonable delay or the vessel does not have a cabin meeting the standards of the Act on Seafarer's Work and Living Environments and Food Provision (*Laki laivaväen työ- ja asuinympäristöstä sekä ruokahuollosta aluksella*) for the third navigation officer. Written notification of this must be sent to the Finnish Shipofficers' Union.

Section 9 - Supervision in port

At least one navigation officer supervises loading and unloading work, in accordance with maritime best practices, unless the shipmaster relieves him or her from this responsibility in special circumstances.

Section 10 – Handover of newbuilding

At minimum, the wage and fringe benefits applicable to the vessel being received under this Agreement are to be applied to handover inspectors of newbuildings, in addition to the other terms where applicable.

Section 11 – Validity

This Agreement shall be valid as the Frame Agreement in force between the parties.

5. AGREEMENT SUPPLEMENTING THE FRAME AGREEMENT TERMS AND CONDITIONS OF EMPLOYMENT OF LINE PILOTS WORKING ON BOARD VESSELS ENGAGED IN FOREIGN TRAFFIC

Scope

As regards line pilots, the agreements between the Finnish Shipofficers' Association and the Finnish Shipofficers' Union on terms and conditions of employment of navigation officers on board vessels and passenger vessels engaged in foreign traffic and on ferries shall be adhered to where applicable with the following exceptions:

The basic wages of line pilots are as follows (also see the wage appendix):

- a) time served as a line pilot of less than 6 years x): basic wages are the same as those of a navigation officer I for a vessel of a similar size.
- b) time served as a line pilot of 6-12 years x): basic wages are the same as those of a chief navigation officer for a vessel of a similar size and
- c) time served as a line pilot of over 12 years xx): basic wages 5% higher than the wages of a chief navigation officer of a vessel of a similar size.

Line pilot allowance

After two years of service as a line pilot, the basic wages are increased by the amount a) stated in the wage appendix and, if the pilot has line pilot certification for operating both between Turku/Naantali and Sweden and Helsinki and Sweden, by the amount b) stated in the wage appendix.

Footnotes:

- x) No more than two years of line pilot trainee service is included in service time.
- xx) Time served as a line pilot trainee is not included in service time.

Section 1 – Better employment agreement

If a person within the scope of this Agreement has better terms and conditions of employment than stated in this Agreement, they cannot be revised in a manner that is unbeneficial to the employee based on this Agreement.

Section 2 – Cabins of line pilots

On newbuildings, the cabins of line pilots must meet the navigation officer I standards.

Section 3 – Period of validity

This Agreement shall be valid as the Frame Agreement in force between the parties.

6. AGREEMENT SUPPLEMENTING THE FRAME AGREEMENT TERMS AND CONDITIONS OF EMPLOYMENT OF NURSES WORKING ON BOARD VESSELS ENGAGED IN FOREIGN TRAFFIC

Scope

In addition to the Frame Agreement, the following supplemental provisions shall apply to the terms and conditions of employment of nurses who are members of the Finnish Shipofficers' Union and employed to work on board vessels belonging to the Finnish Shipowners' Association members engaged in foreign traffic.

Section 1 - Wages

a) Guaranteed wages (see wage appendix) include overtime remuneration, with the working hours included in wages during a working period listed in the table following this Agreement.

While the employee is on board, 100% of guaranteed wages are paid including seniority allowances.

While the employee is on shore (free time, annual holiday, sick leave, maternity leave, etc.), 80% of guaranteed wages are paid including seniority allowances. In addition, compensation for fringe benefits is paid.

- b) Any talks to personnel other than his or her shipowner's employees given by a health care worker/nurse shall be subject to agreement between the shipowner/management and the health care worker/nurse. A lecture fee of 1/60 of guaranteed wages for each hour of the talk (45-60 min) is paid.
- c) in addition, on passenger vessels that cannot be included in the second register, a separate allowance is paid in accordance with the wage appendix.

Section 2 – Experience allowances

Time included in the calculation of eligibility for experience allowance comprises:

- a) duration of employment as a nurse on board a vessel belonging to the same shipowner
- b) duration of employment as a nurse on board a vessel belonging to another shipowner
- c) duration of employment in another capacity than a nurse on board a vessel belonging to the same

shipowner

When calculating experience allowance based on Sections b) and c), a maximum total of six years can be included.

When calculating the time that can be included as the basis of the experience allowance, the entire duration of employment is considered. Shipowners under shared management are to be considered a single shipowner.

In order for employment with another employer to be considered, the employee must present valid documentation of previous employment.

Section 3 – Regular working hours

Regular working hours during a working period are 8 hours, on average, during a calendar day and no more than 56 hours a week. The parties agree that as a result of this Agreement, regular working hours are not to exceed 40 hours a week.

Regular working hours cannot be divided into more than three periods a day (a 24-hour period).

The employee must be allowed an adequate rest period of no less than six hours of continuous rest within a 24-hour period.

Work is primarily to be organised so that the employee receives no less than eight hours of uninterrupted rest during a 24-hour period.

4 - Section Overtime

Guaranteed wages include overtime remuneration, with the number of hours included in guaranteed wages stated in the table following this Agreement, as well as compensation for standing by to treat urgent cases occurring outside the working hours.

Overtime compensation (see wage appendix) is paid for hours exceeding the time included in guaranteed wages.

Overtime on Sundays and public holidays is primarily compensated for in pay. However, overtime remuneration is only to be paid for the number of hours worked on Sundays and public holidays that exceed the daily working hours included in the guaranteed wages.

Potential overtime remuneration is paid in money or time off, if so agreed with the employee. In this case, 5.7 weekday hours and 4 hours during a Sunday or public holiday are equal to one day off.

Section 5 – Rotation

5.1 As a derogation to what is stated in the Seaman's Working Hours Act (296/1976) on overtime remuneration in the form of compensation, its use and the compensation, the following shall be complied with:

5.2 The rotation system to be followed is agreed upon between the employer and employees individually on each vessel (1:1 incl. Annual holiday + ½ annual holiday or 1:1 + entire annual holiday). The regularity of the rotation may differ in different times of the year

and by vessel type and lines. However, rotation is to be no less than 1:1 incl. annual holiday on average.

5.3 The periods accruing holidays/working periods follow the rotation system being used and are stated in the table appendix. Unless otherwise agreed, change of rotation days are considered half-days.

For each day off, one accrued day of leave (half a day for change of rotation days) is deducted.

5.4 Sick leave, training or other similar leave (maternity leave, paternity leave, parental leave, etc.) is not included in the work or leave periods. Paid leave is not accrued, and no earned leave is deducted for this time period.

5.5 If it is agreed that earned leave will be compensated for in wages upon termination of employment, 1/30 of the employee's

leave wages are to be paid for each day off.

5.6 The length of the working period is agreed upon individually on each vessel.

5.7 The employer prepares a proposal on the details of the rotation system, which will be agreed upon with the nurses of the vessel in question and following the above guidelines.

5.8 In addition to accrued days of leave, expired annual holiday days earned under the Annual Holidays Act and the Collective Agreement are to be used in order to implement the rotation system. However, the provisions in the Seamen's Annual Holiday Act are to be followed regarding annual holiday pay, the port where leave is granted and the timing of when leave is granted.

5.9 Any overtime compensation in excess of the overtime remuneration included in guaranteed wages is compensated for in pay or as time off, if so agreed with the employee. When the rotation so requires, these overtime hours can be changed into days off. In this case, 5.7 weekday hours and 4 hours on a Sunday or a public holiday are equal to one day off.

5.10 A register must be kept of working hours during the working periods and annual holidays and days off included in off-duty periods as required by the Seamen's Working Hours Act and the

Seamen's Annual Holidays Act.

Section 6 - Annual holiday

After employment exceeding five years, the duration of the annual holiday is 16 working days for a full holiday credit period.

The basis for calculating annual holidays is 80% of guaranteed wages including potential seniority allowances.

Section 7 - Validity

This Agreement shall be valid as the Frame Agreement in force between the parties.

ROTATION OF NURSES

1:1 ROTATION INCL. ANNUAL LEAVE

1:1 ROTATION + ½ ANNUAL LEAVE

7274440742			
WORKING PERIOD LENGTH/DAY INC GUARANTEED WAGES ACCRUAL/DAY	CL. HOLIDAY	IN	
	HOURS		
1.0 1.5 2.0 2.5 3.0 3.5 4.0 4.5 5.0 5.5 6.0 6.5 7.0 7.5 8.0 8.5 9.0 10.0 10.5 11.0 11.5 12.0 12.5 13.0 13.5 14.0 1:1 ROTATION + FULL ANNUAL LEAVE	10.50 15.75 21.00 26.25 31.50 36.75 42.00 47.25 52.50 57.75 63.00 68.25 73.50 78.75 84.00 89.35 94.50 105.00 110.25 115.50 120.75 126.00 131.25 136.50 141.75 147.00	0.90 1.35 1.80 2.25 2.70 3.15 3.60 4.05 4.95 5.40 5.85 6.30 6.75 7.20 7.65 8.10 9.00 9.45 9.90 10.35 10.80 11.25 11.70 12.15 12.60	
WORKING PERIOD LENGTH/DAY INC	CL. HOLIDAY	IN	

	NGTH/DAY INCL. HOLIDAY IN ACCRUAL/DAY	
COARAINTEED WAGES F	HOURS	
1.0	11.00	1.0
1.5	16.50	1.5
2.0	22.00	2.0
2.5	27.50	2.5
3.0	33.00	3.0
3.5	38.50	3.5
4.0	44.00	4.0
4.5	49.50	4.5
5.0	55.00	5.0
5.5	60.50	5.5

6.0	66.00	6.0
6.5	71.50	6.5
7.0	77.00	7.0
7.5	82.50	7.5
8.0	88.00	8.0
8.5	93.50	8.5
9.0	99.00	9.0
9.5	104.50	9.5
10.0	110.00	10.0
10.5	115.50	10.5
11.0	121.00	11.0
11.5	126.50	11.5
12.0	132.00	12.0
12.5	137.50	12.5
13.0	143.00	13.0
13.5	148.50	13.5
14.0	154.00	14.00

7. AGREEMENT FOR PASSENGER VESSELS AND PASSENGER AND CAR FERRIES

Scope

The Finnish Shipowners' Association on one side and the Finnish Engineers' Association and the Finnish Shipofficers' Union on the other hereby agree that on board passenger vessels and ferries that adhere to the agreements between the aforementioned associations pertaining to Finnish vessels engaging in international traffic and having shipmasters and chief engineers, navigation officers and marine engineers serving on them the terms and conditions of employment in this Agreement shall also apply.

Passenger vessels and ferries refer to vessels that have been registered as such, in accordance with current regulations.

Section 1 – Passenger vessel allowance

- a) On board a passenger vessel operating in regular traffic, a monthly passenger vessel allowance is paid in accordance with the wage appendix.
- b) in addition, on passenger vessels that cannot be included in the second register, a separate allowance is paid in accordance with the wage appendix.

Section 2 - Line pilot allowance

A shipmaster and a navigation officer who have line pilot certification on a passenger vessel are entitled to the relevant line pilot allowance.

Section 3 - Seasonal traffic

On passenger vessels to be used for seasonal traffic, the shipowner, the shipmaster and the navigation officer are to, at the beginning of their employment, agree upon the wage benefits and other terms of employment for the unrigging time.

In the event that an agreement referred to above in Subsection 1 has not been made, employment is considered to continue and the shipmaster is entitled to basic wages including potential seniority allowances. This service time is to be considered when calculating the time to be included in earning seniority allowances.

Section 4 - Rotation

The shipmaster/chief engineer is entitled to one day off for each 24-hour period on a Saturday or a Sunday when the vessel was at

sea. This also applies to Midsummer Eve and Christmas Eve when it falls on a weekday.

For time off, one day is deducted for every other weekday except Saturdays, Midsummer Eve, Christmas Eve, New Year's Eve, Independence Day and Labour Day.

On passenger vessels and ferries, different practices have been generally agreed upon earning and using leave than what is stated in Subsections 1 and 2 of this section. Agreements of this nature must be made in writing between the shipmaster/chief engineer and the shipowner.

When preparing the agreement, the traffic area of the vessel, traffic conditions, flexibility of route schedule and other factors that affect the responsibilities of the shipmaster/chief engineer and their ability to obtain sufficient rest while the vessel is in operation are to be considered.

In the event that annual holidays are to be included in free time under the rotation system, the rotation must include one continuous holiday period that meets or exceeds the length requirement defined in the Seamen's Annual Holidays Act, unless otherwise desired by the shipmaster/chief engineer.

In the event that the design or implementation of the rotation system does not satisfy both parties, the shipowner is to negotiate on the issue with the officer unions.

Section 5 - Wage table

On ro-ro vessels which are registered as passenger vessels and transport less than 70 passengers the cargo vessel wage tables are adhered to. If a vessel of this type transports 70 or more passengers but less than 300 passengers, the lowest wage table (0-3 y) is applied exclusively. However, if a vessel of this type transports 300 or more but less than 500 passengers, the two lowest wage tables (0-3 y and 3-5 y) are followed. If a vessel of this type transports 500 or more passengers, the passenger vessel wage tables are applied.

Section 6 – Period of validity

This Agreement shall be valid as the Frame Agreement in force between the parties.

8 GUARANTEED WAGES AGREEMENT

Scope

The guaranteed wages agreement shall be applicable to the terms and conditions of employment of shipmasters, chief engineers, marine engineers and navigation officers working on vessels entered in the Register of Merchant Vessels following the Act on Enhancing the Competitiveness of Ships Engaged in Sea Transport (1277/2007), unless otherwise agreed upon with the Finnish Engineers' Association or the Finnish Shipofficers' Union.

The Agreement complies with the Collective Agreement for foreign traffic (later referred to as the Frame Agreement and the amendments that supplement it) and the aforementioned amending protocols to Collective Agreement with the exceptions and additions set out below.

The purpose of this Agreement is that the officers complete their regular duties and safety tasks in a manner that makes it possible to plan the tasks and working times as appropriately and flexibly as possible, based on the needs of the vessel.

When agreeing upon the use of labour, the highest officers supervising the work on the vessel must always place the overall safety and efficiency of the unit first.

Section 1 - Working Hours

Working hours are determined by the tasks on board the vessel. The shipmaster/chief engineer of the vessel plans the work and safety tasks of the vessel together with the other officers in compliance with the regulations pertaining to rest time and ensuring that the vessel is prepared for operation when necessary.

A separate plan is prepared for unusual circumstances outside of normal operation.

The fact that the working hours are not specified in detail is taken into consideration in the wage system. Rest time is determined in accordance with the Seamen's Working Hours Act.

The parties to the Agreement will agree upon the working hours and wage alternative applied on board each vessel.

Section2 - Rotation

The 1:1 rotation system (one period of work, one period of leave) is primarily adhered to on board the vessel on a pro rata basis, so

that one working period day on board the vessel entitles the employee to one day of leave, including the annual holiday days in accordance with Seamen's Annual Holidays Act. The additional annual holidays in accordance with the main agreement have been included in the wage table. Change of rotation days are split between the parties. For shipmasters and chief engineers, a change of rotation day is a full working day.

If more earned days of leave accrue than allowed under the rotation system, the excessive days off are primarily compensated for in wages or, by mutual agreement, as time off.

Arranging additional time off cannot result in unreasonable inconvenience to the employer. Therefore, the agreed rotation system should primarily be adhered to.

When paying out the accrued leave days upon termination of employment or otherwise exceptionally during employment, the pay indicated in the wage table including experience allowance is divided by 30 in order to determine the amount to be paid for a day of leave. When paying out earned leave days upon the end of fixed-term employment, the number of days off is multiplied by 0.9.

Section3 – Wages

According to this Agreement, monthly wages of officers are guaranteed wages for both working an leave periods, and they include all the allowances under the Frame Agreement and agreements supplementing it, with the exception of the following:

- experience allowance as in the main agreement,
- 2) For the period of annual holiday, an 18% increase and a holiday bonus will be paid as follows:

13 days of leave for 15 days, 15 days of leave for 17 days, 18 days of leave for 21 days,

- stop turn is paid in accordance with the main agreement.
- 3) 4) Section 3 of the main agreement is adhered to as is for the meal and accommodation allowance,
- 5) 6) 7) ocean allowance,
- allowance for operating outside Europe,
- liquefied gas allowance,
- 8) 9) cargo handling supervision allowance,
- E0 allowance,
- 10) uniform allowance.
- potential other allowances and reimbursements paid by the shipowner.

Guaranteed wages are divided into five different classes based on the overtime hours included in the wages. In addition, guaranteed wages differ for service on board tankers, ro-ro vessels and other vessels. The working hours included in guaranteed wages are as follows:

a) 25 hours of overtime/month b) 50 hours of overtime/month	12 hours/day 12 hours/day
c) 60 hours of overtime/month	13 hours/day
d) 70 hours of overtime/month	14 hours/day
e) 80 hours of overtime/month	14 hours/day

Guaranteed wage tables (see wage appendix)

Overtime compensation is paid for working hours that exceed the hours included in guaranteed wage classes. The hourly overtime remuneration payable in cash for overtime done on a weekday shall be at least 1/102 and, on a public holiday, at least 1/63 of the basic wages and potential allowances defined in the employee's Frame Agreement and its supplemental agreements.

Section 4 – Sick leave, training and other similar leave

When the employer is required by law or the agreements to pay wages to the employee (e.g. sickness, injury, training, etc.), no leave is accrued or used under the working hours and rotation system in this Agreement.

Section 5 – Additional terms

As a derogation to the provisions in the Seamen's Working Hours Act (296/76) that entered into force on 1 June 1976 and following Section 16 (251/87) of this Act, it has been agreed that Sections 4, 5, 6, 7, 12 and 14 of the Act and Articles 2.1 Day in port, 2.2, 2.3, 2.4, 4.1, 4.2, 4.3, 4.4, 6.1.3, 6.2 and 6.3 on working hours in the main agreement are replaced by the provisions of this Collective Agreement.

Section 6 - Validity period

This Agreement shall be valid as the Frame Agreement in force between the parties.

THE FINNISH SHIPOFFICERS' UNION

Wages for international traffic 1 March 2012

DWT/	IHV	Shipmaster	Chief Navigation Officer	Navigation Officer I-II
Under	12999	3648.49	1987.55	1806.54
13000	-29999	3761.96	2064.76	1806.54
30000	-79999	3939.46	2190.08	1860.16
80000	-159999	4110.70	2290.27	1952.94
160000-		4287.77	2401.21	2059.26
ALLOWANCES II	N EUROS			
<u>Shipmasters</u>	ocean allowance,			96.94
	occari anowarice,			JU.J T
	uniform allowance,			19,98

radio operator

allowance 47.92

meal and accommodation allowance see navigation officers

passenger vessel

allowance 195.97

Navigation Officers

ocean allowance, 78.61
70.89
uniform allowance, 19.98
watchkeeping 1.01

allowance		
and marros		1.59
cargo handling supe	rvision allowance,	4.09
radio operator allowance		47.92
automation allowand	ce	16.45
meal and accommoder if no meals or accommoder arranged	dation allowance commodation have been - Finland - abroad - accommodation allowance	28.91 54.41 according to invoice
Fringe benefit allowance - during compensat illness	ory free time, annual leave and (- meal allowance (- accommodation allowance	21.18 14.17 7.01
Stop turn allowance - weekdays - Sundays - and public holidays - weekdays in Finlar - Sundays and publi	nd ic holidays in Finland	23.84 28.68 38.79 47.92
passenger vessel allowance		41.57
line pilot allowance		85.96 94.99
line pilot allowance (fixed allowance)	68.22
taxi expenses		41.25

Training and Degree allowance

Training allowance: A separate training allowance is paid to sea captain and engineering students who attend classes or have a degree from a polytechnic and

have earned a Deck Watchkeeping Officer or a Watchkeeping Engineer qualification.

54.99

This allowance does not expire if the Deck Watchkeeping Officer or Watchkeeping Engineer earns a higher qualification.

The allowance is paid for both time spent working and on leave.

Degree allowance: Navigation Officers and Marine Engineers who have completed Sea Captain or Engineer degrees at a Polytechnic, are paid a separate Degree allowance monthly.

97.00

The allowance is not paid to the Maritime Officer or the Marine Engineer if they are receiving the MKK or YKK competency allowance. The allowance is also not paid Chief Officer, Chief Engineer or Chief Navigation Officer.

The allowance is paid for both time spent working and on leave.

PASSENGER VESSELS 1 March 2012

Shipmaster

DWT	IHK	03 y	35 y	5 y
	12999	4074.84	4140.15	4207.20
13000	-29999	4181.61	4249.31	4317.66
30000-		4288.43	4358.27	4427.24
Chief Navigation	Officer			
	12999	2216.84	2271.28	2325.98
13000	-29999	2272.79	2328.56	2384.22
30000-		2329.18	2386.18	2444.00
Navigation Office	er I-II			
	12999	1905.50	1955.22	2007.04
13000	-29999	1948.93	2000.39	2054.02
30000-		1992.28	2046.36	2103.42

On passenger vessels that cannot be included in the second register, a separate allowance is paid. The allowance is EUR 91.01 monthly starting on 1 March 2012.

<u>Nurse</u>

Guaranteed wages	2782.11
Overtime compensation	
- weekday hour	18.65
- Sunday and public holiday hours	30.04

Starting on 1 January 1998, the basis for calculating free time is 80%.

On passenger vessels that cannot be included in the second register, a separate allowance is paid. The allowance is EUR 91.01 monthly starting on 1 March 2012.

Deck or engineering officers discharging security officer (SSO) duties in accordance with ISPS are paid a separate allowance

as follows:

- a) passenger vessels (SOLAS definition) €115.97 /month
- b) tanker and cargo vessels that have certification for hazardous cargo €57.00 / month
- c) other cargo vessels €23.18 /month

The allowance is not paid on board a vessel that employs separately a navigation officer or a marine engineer who has no watchkeeping duties.

GUARANTEED WAGES APPENDIX 1 March 2012 RO-RO ETC. VESSELS

			50	
		25 hours	hours	70 hours
<u>Shipmaster</u>				
	-12999	3648.49	3648.49	3648.49
13000	-29999	3761.96	3761.96	3761.96
	-79999	3939.46	3939.46	3939.46
	-159999	4110.70	4110.70	4110.70
160000-	100000	4287.77	4287.77	4287.77
Chief Navigation	Officer (MKK)			
	40000	0040.40	0500.00	0770 70
40000	-12999	2313.49	2566.09	2772.70
	-29999	2405.09	2667.57	2882.79
	-79999	2551.69	2830.31	3059.51
	-159999	2668.87	2960.82	3200.30
160000-		2799.16	3105.71	3356.62
Navigation Office	er I-II (MKK)			
	-12999	2091,32	2319,43	2506,00
13000	-29999	2091,32	2319,43	2506,00
30000	-79999	2157,80	2393,24	2585,62
80000	-159999	2271,86	2519,77	2723,36
160000-		2398,41	2660,52	2875,50
Navigation Office	er I-II			
	-12999	1993.20	2210.72	2388.26
13000	-29999	1993.20	2210.72	2388.26
	-79999	2056.44	2280.90	2464.26
	-159999	2165.15	2401.41	2594.90
160000-		2285.63	2535.71	2740.14
As from 1 March 2	2012, navigation offic	ers on the 00-04 watc	ch are paid	€6.58 /day

If the vessel utilises some other watchkeeping system, the allowance is paid to the navigation officer

when the vessel is in E0 mode.

who takes on the longest hours of the aforementioned watch duty.

GUARANTEED WAGES APPENDIX 1 March 2012 TANKER VESSELS

<u>Shipmaster</u>	_ 25 hours	50 hours	70 hours
-12999	4013.33	4013.33	4013.33
13000 -29999	4138.16	4138.16	4138.16
30000 -79999	4333.39	4333.39	4333.39
80000 -159999	4521.79	4521.79	4521.79
160000-	4716.53	4716.53	4716.53
Chief Navigation Officer (MKK)			
- -12999	2540.74	2819.15	3046.15
13000 -29999	2641.35	2930.30	3167.22
30000 -79999	2802.83	3110.04	3361.57
80000 -159999	2931.59	3253.42	3516.34
160000-	3074.99	3412.52	3688.55
Chief Navigation Officers (MKK) natural gas/chemical tanker			
- -12999	2641.78	2920.19	3147.43
13000 -29999	2746.48	3035.64	3271.91
30000 -79999	2913.52	3221.18	3472.48
80000 -159999	3047.45	3367.14	3636.54
160000-	3196.01	3533.76	3809.61

Navigation Officer I-II (MKK)

- -12999	2296.19	2547.33	2752.62
13000 -29999	2296.19	2547.33	2752.62
30000 -79999	2369.79	2628.44	2840.63
80000 -159999	2494.81	2768.11	2991.49
160000-	2634,27	2922,85	3158,70
Navigation Officer I-II			
- -12999	2189.03	2427.89	2623.26
13000 -29999	2189.03	2427.89	2623.26
30000 -79999	2258.12	2505.36	2706.78
80000 -159999	2377.75	2637.70	2850.75
160000-	2510.51	2785.76	3009.78

As from 1 March 2012, navigation officers on the 00-04 watch are paid when the vessel is in E0 mode. **6.58**

If the vessel utilises some other watchkeeping system, the allowance is paid to the navigation officer who takes on the longest hours of the aforementioned watch duty.

FINNISH ENGINEERS' ASSOCIATION

Wages for international traffic 1 March 2012

DWT/	IHV	<u>Chief</u> Engineer	Chief Engineer without watchkeeping	<u>Marine</u> Engineer <u>I</u>	<u>Marine</u> Engineer <u>II/III</u>
Less than	12999	2413,35	3283,42	1987,55	1806,54
13000	-29999	2503.60	3385.70	2064.76	1806.54
30000	-79999	2612.11	3545.78	2190.08	1860.16
80000	-159999	2679.14	3699.63	2290.27	1952.94
160000	-	2824.42	3859.09	2401.21	2059.26

ALLOWANCES IN EUROS

Chief Engineer

Chief Engineer				
		ocean		
	;	allowance		88.41
	1	fire chief		
		allowance		47.92
		classification		20.07
	•	allowance		29.87
	ı	handheld		
	•	extinguisher		
		inspection		
	;	allowance		8.69
	,	meal and accommodation	Se.	Marine
		allowance		engineers
			_	J
	i	passenger		
	•	vessel allowance		147.74
Marine Enginee	_			
		ocean		
	•	allowance,		78.61
				70.89
	ı	uniform		
		allowance,		19.98
		watchkeeping		4.04
	;	shift allowance		1.01
				1.59
	1	maintenance		
	•	allowance		47.92
		Marine Engineer without		40.45
		watchkeeping duties		16.45
	-	preventive		
		maintenance		
	•	allowance		
	Meal and accommod	dation allowance		
	- if no meals or according for employees	ommodation have been arranged		
		- Finland		28.91
		- abroad		54.41
		-		according
	,	accommodation		to invoice

accommodation

to invoice

allowance

Fringe benefit a		
illness	nsatory free time, annual leave and	21.18
	(- meal allowance	14.17
	(-	14.17
	accommodation	= 0.4
	allowance	7.01
Stop turn allowa	ance	
 weekdays 		23.84
- Sundays or po	ublic holidays	28.68
- weekdays in F		38.79
•	public holidays in	
Finland		47.92
Passenger vess	sel allowance	41.57
Taxi expenses		

Training and Degree allowance

Training allowance: A separate training allowance is paid to sea captain and engineering students who attend classes or have a degree from a polytechnic and have earned a Deck Watchkeeping Officer or a Watchkeeping Engineer qualification.

The allowance is paid for both time spent working and on leave.

Degree allowance: Navigation Officers and Marine Engineers who have completed Sea Captain or Engineering degrees at a polytechnic, are paid a **97.00** separate Degree allowance monthly.

The allowance is paid for both time spent working and on leave.

PASSENGER VESSELS 1 March 2012

Chief Engineer

DWT/ IHV	03 y	35 y	5 y
-12999	3641.84	3706.93	3773.13
13000 -29999	3736.59	3804.72	3871.33
30000-	3833.09	3902.48	3970.81

Marine Engineer I without watchkeeping -12999 2321.89 2376.27 2430.67 13000 -29999 2381.86 2436.25 2492.79 30000-2438,18 2496,01 2555,14 Marine Engineer I 2216.84 2271.28 2325.98 -12999 13000 -29999 2272.79 2328.56 2384.22 2329.18 2386.18 2444.00 30000-Marine Engineer II/III -12999 2007.04 1905.50 1955.22 2054.02 13000 -29999 1948.93 2000.39 30000-1992.28 2046.36 2103.42

On passenger vessels that cannot be included in the second register, a separate allowance is paid. The allowance is EUR 91.01 monthly as from 1 March 2012.

Deck or engineering officers discharging security officer (SSO) duties in accordance with ISPS are paid a separate allowance

as follows:

- a) passenger vessels (SOLAS definition) €115.97 /month
- b) tanker and cargo vessels that have certification for hazardous cargo €57.00 / month
- c) other cargo vessels €23.18 /month

The allowance is not paid on board a vessel that employs separately a navigation officer or a marine engineer

without watchkeeping duties.

GUARANTEED WAGES APPENDIX 1 March

2012

RO-RO ETC. VESSELS

		25 hours	50 hours	60 hours	70 hours
Chief Engineer	•				
	-12999	3283.42	3283.42	3283.42	3283.42
13000	-29999	3385.70	3385.70	3385.70	3385.70
30000	-79999	3545.78	3545.78	3545.78	3545.78
80000	-159999	3699.63	3699.63	3699.63	3699.63
160000-		3859.09	3859.09	3859.09	3859.09

Marine Engineer I (YKK)

13000 30000 80000 160000-	-12999 -29999 -79999 -159999	2313.49 2405.10 2551.69 2668.87 2799.16	2566.09 2667.57 2830.31 2960.82 3105.71	2669.40 2775.20 2944.90 3080.56 3231.18	2772.70 2882.79 3059.51 3200.30 3356.62
Marine Engine	er II (YKK)				
13000 30000 80000 160000-	-12999 -29999 -79999 -159999	2091.32 2091.32 2157.80 2271.86 2398.41	2319.43 2319.43 2393.24 2519.77 2660.52	2412.73 2412.73 2489.44 2621.56 2768.03	2506.00 2506.00 2585.62 2723.36 2875.50
Marine Enginee	<u>er II</u>				
13000 30000 80000 160000-	-12999 -29999 -79999 -159999	1993.20 1993.20 2056.44 2165.15 2285.63	2210.72 2210.72 2280.90 2401.41 2535.71	2299.53 2299.53 2372.58 2498.15 2637.93	2388.26 2388.26 2464.26 2594.90 2740.14

€17.19

GUARANTEED WAGES APPENDIX 1 March 2012

Effective March 1 2012, E0 allowance is

TANKER VESSELS

		25 hours	50 hours	60 hours	70 hours	
Chief Engineer					_	
_	-12999	3611.76	3611.76	3611.76	3611.76	
13000	-29999	3724.28	3724.28	3724.28	3724.28	
30000	-79999	3900.36	3900.36	3900.36	3900.36	
80000	-159999	4069.59	4069.59	4069.59	4069.59	
160000-		4245.00	4245.00	4245.00	4245.00	
Marine Engine	er I (YKK)					
_	-12999	2540.74	2819.15	2932.68	3046.15	
13000	-29999	2641.35	2930.30	3048.77	3167.22	
30000	-79999	2802.83	3110.04	3235.80	3361.57	
80000	-159999	2931.59	3253.42	3384.88	3516.34	
160000-		3074.99	3412.52	3550.54	3688.55	
Marine Engineer I (YKK) natural						
gas/chemical ta	<u>anker</u>					
_	-12999	2641.78	2920.19	3033.83	3147.43	
13000	-29999	2746.48	3035.64	3153.77	3271.91	
30000	-79999	2913.52	3221.18	3346.83	3472.48	
80000	-159999	3047.45	3367.14	3501.85	3636.54	
160000-		3196.01	3533.76	3671.70	3809.61	

Marine Engine	er II (YKK)				
_	-12999	2296.19	2547.33	2649.96	2752.62
13000	-29999	2296.19	2547.33	2649.96	2752.62
30000	-79999	2369.79	2628.23	2734.55	2840.63
80000	-159999	2494.81	2768.11	2879.80	2991.49
160000-		2634.27	2922.85	3040.79	3158.70
Marine Enginee	<u>er II</u>				
	-12999	2189.03	2427.89	2525.57	2623.26
13000	-29999	2189.03	2427.89	2525.57	2623.26
30000	-79999	2258,12	2505,36	2606,08	2703,66
80000	-159999	2377,75	2637,70	2744,25	2850,75
160000-		2510,51	2785,76	2897,78	3009,78
Effective March 1 2012, E0 allowance is			€17.19		