

*Agreement*

*between*

*Føroya Skipara- og Navigatørfelag FSN*  
*(The Faroese Union of Shipmasters and Navigators)*

*and*

*Frakt og Sand Sp/f*

*Sandgrevstur P/F*

*Sekstant Sp/f*

*Vermland Sp/f*

*2016*

## **§ 1**

### **Scope of the agreement**

1. This Agreement only applies to members of Føroya Skipara- og Navigatørfelag (FSN) og Frakt og Sand Sp/f, Sandgrevstur P/F, Sekstant Sp/f og Vermland Sp/f.
2. This agreement does not solely apply to vessels in the offshore industry, but nevertheless the special terms of such an agreement shall be based on this Agreement.

## **§ 2**

### **Employment**

1. Masters and mates are employed in accordance with the applicable statutory provisions as well as the terms set forth in this Agreement.
2. This Agreement shall not amend existing pay and holiday arrangements or any other terms and conditions of employment for any member of FSN in the event that these arrangements, terms or conditions are better than the provisions herein.

## **§ 3**

### **Illness, Accidents and Bereavement Compensation**

1. If the master / mate has to sign off due to ill health or accident for which the shipping company is liable in accordance with the Seafarers' Act (Parliamentary Act on Seafarers No.4, dated January 15, 1988 with subsequent amendments) any such person is entitled to their wages and sick leave pursuant to article 2.
2. Sick leave is paid as stated below:

Less than 5 years employment period	3 months
After 5 years employment period	4 months
After 7 years employment	5 months
After 10 years employment	6 months
3. If master or mate die while in employment, his spouse or children under 18, for whose maintenance he was responsible, are entitled to bereavement compensation for up to 3 months. If the deceased was employed by the shipping company for 5 years as an officer they are entitled to bereavement compensation for up to 4 months. After 7 years 5 months and after 10 years 6 months. Any time off accrued shall be considered in addition to the above.

#### **§ 4**

##### **Insurance of Personal Property**

1. In the event of shipwreck or other damage, such as fire, the shipping company's insurance shall compensate the master / mate for loss of personal property in accordance with the Seafarer's Act in force.

#### **§ 5**

##### **Period of Notice**

1. The period of notice from a shipping company is 1 month to the last day of a month during the first 6 months of employment. After 6 months employment it is 3 months to the last day of a month. The period of notice is extended by 1 month every third year of employment up to a maximum of 6 months. Masters / mates shall give 1 month's notice to the last day of a month. The compensation stipulated in Article 41 of the Seafarers's Act may be set off against this period of notice.
2. If a shipping company terminates the employment of a master or mate while abroad the shipping company shall pay for his travel home. The foregoing does not apply when employment is terminated due to an master or mates failure to comply with the contract of service.
3. Master and mates are bound to sign on to any vessel as decided by the company and to be transferred from one vessel to another.
4. When masters or mates resign while at home and before they are due to sign on again their term of employment and with it their wage entitlements end when the time off they have accrued has been settled unless the shipping company is able to assign them to one of the company's other vessels within the period of notice stipulated in article 1.
5. Masters or mates who leave employment before their period of notice has ended shall pay the shipping company a sum equivalent to the wages for half of their period of notice.
6. Should the provisions in 4 and 5 generate any travel expenses to and from a vessel the shipping company shall pay for any such expenses.
7. Repeat termination of employment, meaning any termination of employment repeated monthly and the forfeiture of any wage demands.

8. The use of intoxicants while working or in transit to the vessel may result in immediate dismissal and the forfeiture of any wage demands.

## **§ 6**

### **Professional Secrecy**

1. A master and mate are bound to secrecy regarding all matters concerning the shipping company such as freightage, consignor, consignee and other particulars. Breach of secrecy may result in a notice of discharge.

## **§ 7**

### **Partners**

1. Once masters and mates have been with a shipping company for over half a year they may, by agreement with said company, bring their partner on board for a maximum of 3 months per year.
2. If a partner remains on board for more than 3 months the vessel shall receive payment for board. The shipping company is not liable for any travel expenses, insurance or any other responsibility what so ever.
3. The above provisions are contingent upon conditions on board allowing for any such arrangement and the vessel is not in any industry which requires anyone on board to have special skills.

## **§ 8**

### **Working Hours, Days Off and Holidays**

1. Working hours are arranged by the master.
2. Working hours are 1 to 1 meaning that master and mates are entitled to 30 days off for every 30 days on board. Working hours are 6 weeks on board and 6 weeks off +/- 1 week. Otherwise the crew may in consultation with the shipping company decide among themselves when a crew change shall be made.
3. Master and mates are entitled to 26 continuous days off per 30 days signed on.
4. Shipping companies shall schedule time off in such a way that after 10 weeks signed masters and mates are entitled to free transport and holiday pursuant to article 1 with the same fixed monthly wages as while signed on. Shipping companies are not liable for any expenses accruing from more frequent changes.

5. If the number of days off pursuant to the Act on Paid Holidays amended the change shall be converted into the numbers of days off per 30 working days and added to or subtracted from the total number of days off. Days off are calculated as:  
Days off = +/- number of days off / (average number of days signed on per year) x 30
6. When sailing in Faroese waters the period signed on may be shorter as per agreement with the shipping company.
7. The first day off is the day after seafarers return to their home country. The last day off is the day before they leave their home country.
8. For periods signed on exceeding 10 weeks, 1/3 day off per day is accrued during the first 14 days and 2/3 day off per day for subsequent days.

## **§ 9**

### **Overtime**

1. Masters and mates are not subject to overtime payment whilst being signed on as this is covered by the fixed wage and employment terms.
2. In addition shipmasters and mates receive a holiday supplement, pursuant to the Faroese Act on Paid Holidays in force, currently 1.5 %

## **§ 10**

### **Course Activities**

1. Masters and mates are obliged to have all documents and courses updated which are compulsory for working on board the ship.
2. The shipping company pays the course fees. The company also pays travel and accommodation expenses either per agreement or bill.
3. For course expenses exceeding DKK 20,000 in the last two years there shall be a system for reimbursement in case seafarers give notice or are subject to summary dismissal. It shall, however, not exceed one month's wages. Course expenses are course fees, travel, accommodation and board.

## **§ 11**

### **Salary Scheme**

1. The Salary Scheme is attached to this Agreement and shall be considered as an integral part hereof.

2. The master shall be the highest paid individual on board, receiving a wage which shall be at least 5 % higher than the second highest paid position on board.
3. Increments will be calculated from the date of appointment until the day of receiving notice. However, increments which have been earned with the shipping company, will be included if the person concerned has left the company on grounds for which he is not at fault or in case of continuing education and similar activities.

## **§ 12**

### **System for Officers without the Necessary Sailing Experience**

1. The time signed on is 2:1 meaning that for every 30 days on board officers get 15 days off. The parties may agree to apply to a different system.
2. Shipping companies shall schedule time off so that after 3 months signed on officers are entitled to free transport and holidays pursuant to article 1 with the same fixed monthly wages as while signed on. Shipping companies are not liable for any expenses accruing from more frequent changes.
3. The wage is DKK 27.936 per month including pension under the 2:1 system. If the parties agree to use a different system, salaries should be adapted accordingly. Henceforth, the amount will rise by the same percentage points as the Salary Scheme.
4. Officers are entitled to training in all relevant aspects on board; the shipping companies shall facilitate such training.
5. The terms of employment in this article only apply until officers have accrued sufficient sailing experience for their first licence STCW II / 2 for officers. Any officers who continue their employment after this point, shall be considered re-employed under the terms, conditions and wages stipulated in the general provisions of the Main Agreement.

## **§ 13**

### **Board-Wages**

1. DKK 110 shall be paid per day during service on board when the vessel is home and meals are not provided.
2. DKK 360 shall be paid per day during service on board when the vessel is abroad in return for a receipt.

3. If a master / mate is unable to stay at home or on board under fitting circumstances while the vessel is undergoing repairs, suitable board shall be paid by the owner ashore.

#### **§ 14**

##### **Transfer between Vessels**

1. When master / mates are transferred between vessels they shall receive their regular wages during any waiting period.
2. When an individual is away from home he is entitled to full board and accommodation paid for by the shipping company.

#### **§ 15**

##### **Declared Areas of War**

1. If vessels arrive in areas declared in danger of war FSN and the shipping company shall discuss the matter immediately.

#### **§ 16**

##### **Relieve**

1. When mates cover higher ranking position they shall be entitled to any wages and time off corresponding to the said position.

#### **§ 17**

##### **Payment of Wages**

1. Masters and mates are entitled to receive wages earned by the 1 of the following month at the latest.
2. If wages are paid after the 10 of the month 1.5 % shall be added to the wages. Subsequently 1.5 % shall be added for each additional month for any unpaid wages.

#### **§ 18**

##### **Membership Fees**

1. FSN and Frakt og Sand Sp/f, Sandgrevstur P/F, Sekstant Sp/f og Vermland Sp/f shall deduct the membership fees applicable at any given time from the wages of the shipmaster and mate and to transfer there fees to FSN upon settlement.

## **§ 19**

### **Security Fund**

1. FSN shall notify Frakt og Sand Sp/f, Sandgrevstur P/F, Sekstant Sp/f og Vermland Sp/f whether parts of the wage are to be transferred to a security fund or not. Such notification shall also specify the percentage of the wages payable.

## **§ 20**

### **Arbitration**

1. Should any disagreement arise regarding the interpretation of this Agreement the parties shall first of all try to settle the disagreement through direct negotiations.
2. Any disputes regarding the interpretation of this Agreement shall be referred to the Faroese Permanent Court of Arbitration (Fasti Gerðarrætturin).

## **§ 21**

### **Special Agreements**

1. FSN and Frakt og Sand Sp/f, Sandgrevstur P/F, Sekstant Sp/f og Vermland Sp/f agree that masters may enter special agreements directly with the shipping company.
2. The following preconditions apply to such special agreements:
  - a) That the basic principles are the same as in the Main Agreement
  - b) That when all its particulars are taken into consideration the agreement is, overall, not worse than the Main Agreement
  - c) That, notwithstanding any special agreement, members still have a duty to pay the membership fees applicable at any given time to FSN
  - d) That the termination of such agreement follows the Main Agreement

## **§ 22**

### **Validity and Notice**

1. This Agreement enters into force on April 1, 2016 and may be terminated by either party with 3 months notice. However by March 1 2017 at the earliest.



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Føroya Skipara- og Navigatørfelag

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Frakt og Sand Sp/f

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Sekstant Sp/f

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Sandgrevstur P/F

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Vermland Sp/f