

The Republic of Palau
Palau International Ship Registry
“The Reliable Flag to Prosperity”

MARINE NOTICE 12-016 SEAFARER’S EMPLOYMENT AGREEMENT

To: ALL SHIPOWNERS, MANAGERS, MASTERS, REGISTRATION OFFICERS AND RECOGNIZED ORGANIZATION

Subject: SEAFARER’S EMPLOYMENT AGREEMENT

1. Purpose

1.1 This Marine Notice provides guidelines to the Palau’s terms and conditions for seafarers to work on a ship under the Maritime Labour Convention (MLC 2006), having due regard to seafarers rights to fair terms of employment, decent working and living conditions, elimination of fatigue amongst seafarers and the safety of life, ship and cargo and protection to the environment.

2. Reference

2.1 The Maritime Labour Convention 2006 (MLC 2006) Regulation 2.1

3. Applicability

3.1 This Marine Notice is applicable to all vessels registered with the Republic of Palau with the exception of fishing vessels and non-commercial yachts.

4. Definitions

4.1 *Wages*: is the pay, however composed, for normal hours of work and does not includes overtime working hours payments, bonuses, allowances, paid leave or any other additional remuneration.

4.2 *Hours of rest*: any period outside the hours of work

- 4.3 *Hours of work*: any period when the seafarer is engaged in any business of the vessel or is required to do work on account of the ship.
- 4.4 *Overtime*: any period worked in excess of the normal hours of work.
- 4.5 *Seafarer's Employment Agreement*: includes both a contract of employment and the articles of agreement.
- 4.6 *Shipowner*: means the owner of the vessel or another organization or person, such as the manager, agent or bareboat charter, who has assumed the responsibility for the operation of the ship from the owner and, on assuming such responsibility, has agreed to take over the duties and responsibilities imposed on shipowners in accordance with MLC 2006, regardless of whether any other organization or persons fulfill certain of the duties or responsibilities on behalf of the shipowner.
- 4.7 *Master*: the person designated by the Company as having overall responsibility of the vessel.

5. General Requirements

- 5.1 The shipowner shall ensure that every seafarer whom he employs or engages shall enter into a seafarer employment agreement which should be signed by both the seafarer and the owner or a representative of the owner.
- 5.2 The shipowner and the seafarer concerned shall each have a signed original of the seafarer's employment agreement.
- 5.3 The seafarer signing the SEA shall be given an opportunity to examine and seek advice on the agreement before signing, as well as such other facilities as are necessary to ensure that they have freely entered into an agreement with a sufficient understanding of their rights and responsibilities.
- 5.4 Measures shall be taken to ensure that clear information as to the conditions of his employment can be easily obtained on board by a Seafarer, including the vessel's Master, and that such information, including a copy of the SEA, is also accessible for review by Maritime Labor Inspectors authorized by the Ship Registry Administration and authorized officers in ports that the vessel visits.
- 5.5 Where a Collective Bargaining Agreement (CBA) forms all or part of the SEA, the CBA must be onboard the ship with relevant provisions in English.
- 5.6 A seafarer and an owner shall provide for minimum notice period for the early termination of a SEA. The duration of these minimum periods shall be determined after consultation with the ship owner's and seafarer's organizations concerned, but

shall not be shorter than 7 days. However, a Seafarer may terminate the SEA without penalty and with immediate notice on valid compassionate reason.

- 5.7 The seafarer's employment agreement shall contain at least the following particulars:
- a. The seafarer's full name, date of birth or age, and birthplace;
 - b. The owner's name and address;
 - c. The place where and date when the SEA is entered into;
 - d. The capacity in which the Seafarer is to be employed;
 - e. The amount of the Seafarer's wages or, where applicable, the formula used for calculating them;
 - f. The amount of paid annual leave or, if based on a formula, shall be calculated on the basis of a minimum 2.5 calendar days per month of employment as per Republic of Palau Maritime Regulations, Chapter 7, Section 7.10;
 - g. The termination of the agreement and the conditions thereof;
 - h. The health and social security protection benefits to be provided to the Seafarers by owner;
 - i. The Seafarer's entitlement to repatriation; and
 - j. Reference to the collective bargaining agreement, if applicable

6. Contact:

- 6.1 In order to obtain further information, contact information is provided below:

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