

May 30, 2018

Agreement on wages and working conditions for MDN employees in connection with Mærsk Innovator yardstay in the UK and Innovator Resource Pool

MAERSK DRILLING NORWAY AS (MDN)
MAERSK EMPLOYEES ASSOCIATION (MAF)

PROTOCOL

Present at the negotiations:

For company: Astrid H. Ivesdal and Hilde F. Svendsen

For the union: Frode Larsen, Jørn B. Hansen and Bår Inge Pedersen

Reference is made to the discussion protocol dated 18 January 2018 in connection with the announcement that Mærsk Innovator is expected to terminate a contract with ConocoPhillips in Norway in the summer of 2018 for further assignment to Nexen on the UK shelf. As agreed in the said protocol, a further agreement is hereby drawn up whereby parts of the Norwegian crew will remain on board during rigmove and in the UK in connection with the yardstay and training of new crews.

The yardstay will be at Invergordon (Queens Dock) in Scotland (UK) from mid-July. It is expected that approximately 70 MDN employees will work in the UK for about six weeks. Request for work outside Norway beyond this period will be on a voluntary basis.

MDN and MAF agree that all MDN employees who are asked to work at Mærsk Innovator during the yardstay in the UK will maintain their employment as if in normal operation on the NCS and that the current Collective Agreement and Basic Agreement between Industri Energi and the Norwegian Shipowners' Association with the changes and additions as mentioned in the said Agreement are to be regarded as wages and employment contracts. The work regulations for offshore employees in MDN will also be applicable.

MDN employees are expected to be accommodated aboard Mærsk Innovator, and transport between rig and airport in Arberdeen will be arranged by MD UK for those it may concern.

Changes to the Collective Agreement:

Section 1 is replaced by: The provisions apply to employees employed in Maersk Drilling Norge AS on the drilling rig Mærsk Innovator during the period they work at Mærsk Innovator outside the Norwegian Continental Shelf.

Section 3.3, paragraph 7; 1st sentence is replaced by: Waiting time (leisure time) only applies when accommodation during the yardstay is the rig or workshop area, and then payable with an hourly wage (monthly salary / 146) per. hour.

Reference is made to the explanation stated to the protocol dated 28 May 2014 from the central settlement.

Section 3.3, 7th paragraph; 2nd sentence is replaced by: If waiting time is entitled pursuant to Clause 3.3, 7th paragraph, 1st sentence; the waiting time is calculated from the time fixed for departure or after 14 days from the time the period of stay started.

Section 3.3, 7th paragraph, 3rd sentence is replaced by: In case of brief interruptions (less than 1/3 of the period of stay) during the period of stay, no waiting time will be due at the start of a new period of stay.

It is further agreed that where the agreement refers to a heliport, the yard will be considered as a place of attendance related to the stay at the workshop.

Clause 14.6 is replaced by: The employer provides transportation to the employee's domicile as soon as possible. The expenses incurred in connection with travel from the rig to home and possible return are covered by the employer.

The parties also agree on the following:

Employees affiliated to Mærsk Innovator who are not asked to work during yardstay in the UK or are not relocated to other rigs directly when the rig goes to the UK will be transferred to the "Innovator Resource Pool".

Transfer to the "Innovator Resource Pool" will apply from the end of time off after the last trip to Innovator before the rig is transferred to UK and until new fixed rotation in the course of November 2018. Furthermore, employees who have been assigned to operations in UK will be deployed in the "Innovator Resource Pool" after finishing their time off period and until new permanent position is awarded during November 2018.

The employees in this Resource Pool will maintain their 2-4 rotation, where the starting point for the rotation will be Wednesdays, but with one (1) day flexibility at both ends. They may be used on all rigs operated by MDN in Norwegian waters or other rigs where MDN has agreements with MAF.

A final settling of accounts will be made when the employee re-starts in fixed rotation, where too much work during the settlement period compared to 1/3 is compensated for by lost leisure time pursuant to the Collective Agreement.

Employees who are affiliated with "Innovator Resource Pool" may also be sent on courses during the a scheduled period of stay under this agreement, ref. Collective Agreement between Industri Energi (IE) and Norwegian Shipowners' Association (NR) Section 9.2.

The Safety Service and the trade union will have the opportunity to visit the rig during the yardstay in the UK. This must be clarified in advance with the HR department in MDN. If an MDN employee is involved in an occurrence requiring investigation (Level 1 & 2), the MAF requires to be informed and the opportunity to have an observer present.

The company has shared crew lists with the trade union.

Taxation

The company considers the tax conditions as a result of the rig's shipyards in the UK. Individual employees should not be treated inferior to their personal taxes than if they worked in Norway (own memo).

This agreement may be terminated by both parties with one month's notice.

Forus, May 30, 2018

for MAERSK DRILLING NORGE AS

Jakob Korsgaard
CEO

for MAERSK EMPLOYEES
ASSOCIATION

Frode Larsen
Leader local union