MLN 2.6

Revision No 3



DEPARTMENT OF ECONOMIC DEVELOPMENT

MLC Title 2.6 Seafarer compensation for the ship's loss or foundering

This MLN provides guidance on compliance with Isle of Man (IOM) regulations which give effect to MLC 2006 Title 2.6. Implementation of these guidelines will be taken as evidence of compliance with the Isle of Man regulations.

The guidelines do not preclude the shipowner from demonstrating an equivalent or higher standard as an "alternative method" of evidence of compliance.

Documents referred to in this notice: MLN 4.2 Shipowner's Liability

Most regulations and notices are available on the Isle of Man Government website: <u>www.iomshipregistry.com</u> or by contacting <u>marine.survey@gov.im</u>

- 1. Shipowners shall provide adequate compensation to seafarers who are required to have a SEA for unemployment resulting from the ship's loss or foundering.
- 2. Unless otherwise stated in a collective agreement, compensation may be limited to two month's wages and is payable:
 - a) for each day the seafarer remains unemployed;
 - b) at the same rate as stated on the SEA for either the seafarer's basic or consolidated wage.
- 3. Commencement of payment begins on the day when the seafarer becomes in fact unemployed i.e. the termination of the employment agreement.
- 4. Seafarers are entitled to adequate compensation for injury arising from the ship's loss or foundering (see also MLN 4.2).
- 5. Seafarers are entitled to adequate compensation for the loss of personal effects (e.g. clothing, tools etc...) resulting from the ship's loss or foundering where 'adequate compensation' is regarded as the industry average based on Protection & Indemnity (P&I) and Collective Bargaining Agreement (CBA) allowances.
- 6. Shipowners shall provide financial security for these indemnities.
- 7. The seafarer's right to seek any other legal remedies is not affected by these guidance notes or related Isle of Man regulations.