PYA Template for Seafarers' Employment Agreement for use on Pleasure Vessels Not Engaged in Trade Comprehensive version - With notes

This agreement is made between:

The "**Seafarer"**:
Name ……
Date and place of Birth ……
Address ……

and
The **"Employer":**
Name ……
Date and place of Birth [if applicable] ……
Address ……

Where the Seafarer is employed by an Employer who is not also the Yacht Owner, the following is to be completed by the Yacht Owner, otherwise should be deleted:

The ' **Yacht Owner**'
[person or legal entity in the Certificate of Registry of the Yacht]
Name ……
Date and place of Birth [if applicable]……
Address ……

The following have been mutually agreed:

1. **Seafarer's Capacity**
The **Seafarer** is employed as ……[***insert capacity***] on board the **Vessel** ……[***insert Vessel's name***], of ……..GT, currently under …… flag and registered at ……..[Port of Registry], with registration No, or IMO No or Hull No …… [***insert flag and Registration or IMO nr. or Hull No.***] [hereinafter the '**Vessel**'].

The **Seafarer** may be required to work on other vessels operated by the **Yacht Owner** (hereinafter "**Additional Vessels**"), which are :

Additional Vessels details:
……

Any change in this capacity must be agreed in writing, dated and signed by both parties to this Agreement.

Note: The capacity in which you are employed and the date this capacity started affect your rights and the date of when your rights begin and end. Also, the Flag of the Yacht affects some of your rights, so it needs to be stated not left blank. If the Yacht is not registered yet, then at least the jurisdiction must be agreed in para 14 below and remember to include the intended flag in the flag state field above. For further info on SEAs see MLC Standard A2.1

2. **Period of Employment**
Options *[Please choose one of the Options and delete the others]*

Defined period Agreement
Employment will commence on ……[***insert date***] and will end on …… [***insert date***], unless, it is terminated before that date under para. 6 below. If the **Vessel** is at sea at the time of termination of the Agreement, the **Seafarer**'s employment will continue until the **Vessel**'s arrival in the next port, at which point it will terminate. This section must be read in conjunction with sections 6, 7 and 10.

Indefinite period Agreement
Employment will commence on ……[***insert date***] and continue until terminated in accordance with and subject to section 6. This section must be read in conjunction with section 6, 7 and 10.

Voyage Agreement
The **Seafarer** will be employed for a voyage from ……[***insert place***] to ……..[***insert place***], subject to sections 6 and 10 below.

Note: The dates on which your employment starts and ends are important because they affect your rights. Any change to the period of employment, should be mutually agreed and be recorded in writing.
Please note that under MLC employment starts when the Seafarer leaves home and ends when he/she returns there. Required under MLC Standard A2.1.4(g).

2a. Trial Period *[This is optional, please strikethrough if not applicable].*

The first.....[***insert number***] of weeks/days of employment will be a Trial Period (hereinafter the "**Trial Period**").

During the Trial Period the length of Notice (as stated in section 6) is reduced, for both parties, to .....[***insert notice period - not less than 7 days***]

*Note: If there is a Trial Period, the Notice Period during the Trial Period maybe **shorter** than it will be after the Trial Period.*

3. Seafarer's Place of Work
The **Seafarer**'s place of work is aboard the **Vessel** and/or aboard any of the **Additional Vessels**.

Any change in the place of work must be agreed in writing, dated and signed by both parties to this Agreement.

The **Seafarer** will be provided with reasonable accommodation, food and drink at the **Employer**'s expense during the period of employment.

The **Employer** will pay for the **Seafarer**'s travel to the **Vessel** at the commencement of employment and, subject to section 10 below, from the **Vessel** back to his/her home at its end.

Required under MLC Standards A2.5.1.3. and A3.2

4. Seafarer's Place of Residence
It is agreed that the **Seafarer's** place of residence is .....[***insert town & country***] (hereinafter "**Place of Residence**").

The agreed repatriation destination if different from place of residence, is:
……..

Any change to the **Seafarer**'s **Place of Residence** or **agreed repatriation destination,** must be agreed in writing, dated and signed by both parties to this Agreement.

It is important to define a Place of Residence and/or repatriation destination because it may affect your repatriation rights (see section 10 below).

5. Wages
The **Seafarer**'s consolidated wage will initially be…….. [***insert currency & amount***] per day / week / month [***indicate which***]. Wages will be payable by
…….. [***insert method of payment***]
at weekly / monthly [***indicate which***] intervals on the ……..day of each week / month [***indicate which***].

Any change in the **Seafarer**'s wages must be agreed in writing, dated and signed by both parties to this Agreement.

The **Seafarer** will be provided with a monthly statement of his/her wages earned, any deductions or additional payments, the rate of exchange (if applicable) and details of payments made to him/her.

The **Seafarer** may nominate a third party to receive some or all of his/her wages direct from the **Employer**.

The **Employer** will cover the cost of the first bank charge per payroll. Should the **Seafarer** wish to split his/her wages into more than one account, the **Seafarer** will bear such reasonable bank charges unless agreed otherwise between the parties.

It is expressly agreed that the **Seafarer** is responsible for the payment of any and all taxes and social charges arising from his/her employment except to the extent mandated by the laws of the Flag State in which the **Vessel** is registered, or if the **Employer** and **Seafarer** are both resident in the same jurisdiction.

Note: Make sure you know, before you sign this agreement what taxes or social charges will be deducted from your wages. Your remaining wages after the taxes maybe significantly less, better to be sure about this in the beginning of your employment.

It is expressly agreed that no pension benefits accrue to the **Seafarer** from his/her employment, except to the extent mandated by the laws of the Flag State in which the **Vessel** is registered, or in the common jurisdiction of the **Employer** and **Seafarer**.

Required under MLC Standard A2.2

6. Notice and Termination of Employment:
A - Termination with notice
This Agreement may be terminated by either party by providing written notice of at least **……[*insert notice period - minimum 7 days***] to the other party.
The notice period must be the same for both parties to this Agreement and must be at least seven (07) days.

Any and all notices shall be made in writing/by email to:

a) to the **Employer**, at …….
b) to the **Seafarer**, at ……..

B - **Termination of Employment at shorter notice, or without notice**
The **Seafarer**'s employment may be terminated at shorter notice or without notice under circumstances agreed in an applicable collective agreement, OR in the following circumstances:

i) By mutual consent for a shorter, or no notice period;
ii) The **Seafarer**'s gross misconduct as prescribed in the Code of Conduct for the Merchant Navy or the **Yacht Owner**'s Code of Conduct;
iii) The **Seafarer**'s need to terminate the agreement for compassionate or other urgent reasons, such as, but not limited to, cases where during his/her employment his/her spouse, partner, child or parent has fallen dangerously ill, been seriously injured or died. This shall be without penalty to the Seafarer;
iv) The **Vessel** is stranded, lost or sold, and notice has not been served to terminate this Agreement. In such circumstances the **Seafarer** will be paid the shorter of either the remaining duration of their Agreement (if a Defined Period Agreement as defined in clause 1) or up to two (2) months indemnity against unemployment, or any longer period if stipulated by Flag State. Such indemnity against unemployment will cease to be due to the **Seafarer** if he/she refuses to accept any reasonable offer of alternate employment by the **Employer**, purchaser or a third party
(MLC Standard A2.6).
v) If medical evidence indicates that the **Seafarer** is incapable of continuing to perform his/her duties by reason of illness or injury.

At the end of the employment period, the **Seafarer** must be provided with a record/testimonial of their service on board the **Vessel**, signed by the **Employer**/**Owner**/Master.

It is an MLC requirement (Standard A2.1.1(e)) for you to be provided with a record of your employment. This may be in the format of a Certificate of Discharge or an entry in your Seaman's Discharge Book, but you are within your statutory rights to request a formal testimonial letter confirming the details of your employment and type of service undertaken (for example at sea, shipyard) which is important when revalidating or applying for a new certificate of competency.

You cannot be required to give more notice than the **Owner** is required to give you. Do not sign a SEA that allows the **Owner** to alter the duration of employment without your consent.

When you give notice, make sure you do it in writing (that can be by email), including the specific SEA clause under which the notice is given. This will make everything clear on whether/why notice was given and on any payments due.

7. Paid annual leave

The **Seafarer** is entitled to …….... days paid leave per year, or pro-rata if employed for less than one (1) year.

Note: Under MLC 2006 seafarers are entitled to minimum of 2.5 days of paid leave per month worked plus public holidays of the Flag state. This gives a minimum leave entitlement of 38 days of leave per year for seafarers employed on UK, KY, BVI, GG, JY registered vessels that are subject to MLC 2006.

Note Leave for seafarers working on Pleasure Vessels is generally by agreement unless the Flag Sate has regulations in respect of leave entitlements.

Upon the completion of .....[***insert number***] months of service the **Employer** will cover all reasonable travel costs for the **Seafarer** to return to their Place of Residence (or such other destination that may be agreed between the parties) in order to take their take their Annual Leave entitlement. Should the **Seafarer** wish to take their Annual Leave in more than one period, any additional travel costs will be borne by the **Seafarer** unless agreed otherwise with the **Employer**. If the **Employer** requires the **Seafarer** to go on Annual Leave (for example; rotational crew, prolonged period of **Vessel** inactivity) the **Employer** will cover all reasonable travel costs for the **Seafarer** to return to their Place of Residence (or such other destination that may be agreed between the parties).

The **Seafarer** may only take leave at times agreed by the **Employer**.

The **Seafarer** will be paid normal wages during periods of paid leave, unless stipulated otherwise by Flag State.

*Note: The **Seafarer** must be given suitable opportunity to take his/her annual leave in each year of employment. Failure by the **Employer** to grant the **Seafarer** sufficient opportunity could be grounds for detention during a Port State Control inspection. This clause is often misinterpreted as meaning the **Seafarer** forfeits their rights to their annual leave entitlement if they don't take it in each year of employment. The emphasis is really on the **Employer** to give the **Seafarer** sufficient opportunity to take their annual leave in each year of employment. For this reason, the **Employer** is entitled to insist on a **Seafarer** taking their Annual Leave at times that may not be the **Seafarer**'s primary choice. For these reasons, scheduled annual leave is often better for both parties. Required under MLC Standard A2.4.3.*

If, at the date of termination of employment, the **Seafarer** has taken more days of paid leave than his/her entitlement, a pro-rata deduction will be made from his/her final wages.

If, at the date of termination of employment, the **Seafarer** has not taken all of his/her accrued days of paid leave, payment for the days accrued up to the date of termination of employment will be added to his/her final wages.

The **Seafarer** may be required to take some or all of any accrued leave during the notice period.

At any time, during the course of this Agreement, the Master of the **Vessel** may grant Seafarers shore leave. Shore leave is typically defined as rest time off-duty within a short distance (e.g. 2 hours of travel) from the **Vessel**. Shore leave does not count against the Seafarer's entitlement to annual paid leave. There is no financial entitlement in respect of shore leave not granted or not taken.

8. Hours of Work and Rest

All Seafarer's hours of work and rest will be arranged by the Master, or a person authorised by the Master, and displayed in a prominent place (such as the crew mess) on board the **Vessel**. It is the Master's responsibility to ensure all seafarers are given sufficient opportunity to rest and avoid fatigue.

The Seafarer's normal working hours shall be based on an eight-hour day with one day off per week and rest on public holidays. The limits on hours of work or rest shall be as follows:
Either: Maximum hours of work shall not exceed:

i) 14 hours in any 24-hour period
ii) 72 hours in any seven-day period

or: Minimum hours of rest shall not be less than:

i) 10 hours in any 24-hour period
ii) 77 hours in any seven-day period

The **Seafarer**'s hours of rest may be divided into no more than two periods, one of which shall be at least 6 hours in length, and the interval between consecutive periods of rest shall not exceed 14 hours.

The Master, or a person authorised by the Master, will keep, in an approved form, a record of each seafarer's daily hours of work or hours of rest. Records will be kept in English and the working language of the **Vessel**. Seafarers will be provided with a copy of their hours of work / hours of rest records.

The **Seafarer** may be required, at the absolute discretion of the Master of the **Vessel**, to work additional hours during an emergency affecting the safety of the **Vessel**, her passengers, her crew or the marine environment or to give assistance to other vessels or persons in peril. The **Seafarer** may also be required to work additional hours for safety drills such as musters, firefighting and lifeboat drills. In such circumstances the **Seafarer** will be provided subsequently with compensatory rest period(s).

Note: The Hours of Work regulations do not, generally, apply to Pleasure Vessels but voluntary compliance is strongly recommended by many Flag State authorities.
Required under MLC Standard A2.3.

9. Health and Social Security Benefits

i) The **Seafarer** will be provided, free of charge, with any medical care that should that become necessary including access to necessary medicines, medical equipment and facilities for diagnosis and treatment and medical information and expertise. Dental cover will be limited to urgent treatment that cannot be postponed
ii) Where practicable and appropriate, the **Seafarer** will be given leave to visit a qualified medical doctor or dentist in ports of call for the purpose of obtaining urgent treatment.
iii) If the **Seafarer**, during his/her period of employment, becomes so sick or injured, that he/she must be repatriated, he/she will be paid normal basic wages as stated in this Agreement, until the **Seafarer** has been repatriated in accordance with clause 10 of this Agreement. After the **Seafarer** has been repatriated, he/she will be paid normal basic wages until they are again fit for work or up to a maximum period of 16 weeks from when he/she became sick or injured, whichever is earlier. In addition the **Yacht Owner** and/or **Employer** will, if necessary, cover the cost of the return of property left on board to the **Seafarer.**
iv) If the **Seafarer,** during the period of employment, becomes sick and/or injured he/she will be provided with medical care, including medical treatment and the supply of necessary medicines and therapeutic devices and board and lodging away from home until recovery, or until the sickness or incapacity has been declared of a permanent character, subject to a maximum period of 16 weeks. In addition the **Yacht Owner** and/or **Employer** will meet the cost of the return of property left on board to the **Seafarer**.
v) In the event of the **Seafarer**'s death, occurring on board or ashore, during his/her employment (but not while he/she is on leave), the **Yacht Owner** and/or **Employer** will cover the cost of burial expenses and the return of his/her property left on board to his/her next of kin or nominated beneficiary.
vi) In the event of the **Seafarer**'s long term disability, occurring on board or ashore, due to occupational injury, illness or hazard, during his/her employment (but not while he/she is on leave), the **Yacht Owner** and/or **Employer** will cover the cost of the return of his/her property left on board to his/her next of kin or nominated beneficiary and the **Seafarer** will be entitled to compensation in accordance with Flag State requirements.
vii) The **Yacht Owner** and/or **Employer** will not be liable for any benefits listed in this section, unless stipulated otherwise by Flag State, if:

i) The injury did not occur while the **Seafarer** was in the service of the **Vessel**;
ii) If sickness or injury was due to the **Seafarer**'s wilful misconduct; or
iii) The **Seafarer** concealed an existing sickness or incapacity from the **Yacht Owner** and/or **Employer** when he/she entered into this Agreement.

Note: This section is based on the requirements of MLC 2006 and should be regarded as the minimum acceptable standard. You should make sure you fully understand the extent of medical care that will be provided before you

sign this agreement. Many yachts provide more comprehensive medical cover than is required under MLC but do check if you are covered for water sports and/or winter sports.

10. Repatriation

If the **Seafarer** is entitled to repatriation as set out below, the **Yacht Owner** and/or **Employer** will pay for the **Seafarer**'s travel from the **Vessel** to the **Seafarer**'s Place of Residence, or, such other destination as has been agreed in writing between the parties.

The **Seafarer** will be entitled to be repatriated (with his/her personal possessions), at the expense of the **Yacht Owner** and/or **Employer**, if he/she is away from his/her Place of Residence/ Agreed Place of Repatriation:

a) When this agreement is terminated or expires;
b) In the event of **Seafarer**'s illness or injury or other medical condition requiring his/her repatriation;
c) If the **Vessel** is proceeding to a Warlike Operations Area and the **Seafarer** does not wish to proceed;
e) In circumstances where the **Seafarer** is no longer able to carry out his/her duties under this agreement or cannot be expected to do so e.g. loss or sale of the **Vessel**;
f) In the event of the **Employer and/or Yacht Owner** not being able to continue to fulfil their legal or contractual obligations by reasons of insolvency, sale of the **Vessel** or change in **Vessel**'s registration;

The maximum period of service on board following which the **Seafarer** is entitled to repatriation for the purpose of taking annual leave will always be less than 12 months.

The **Seafarer** may not be entitled to repatriation at the expense of the **Yacht Owner** in circumstances where he/she has been dismissed on disciplinary grounds or has breached his/her obligations under this Agreement. In such circumstances the **Yacht Owner** will still be liable to repatriate him/her but is entitled to recover from any wages due to him/her any reasonable costs of doing so but subject to any Flag State limitations.

Note: If your employment is terminated on disciplinary grounds or because you have breached the terms of this agreement the Employer may be entitled to recover the cost of repatriation from you.
Required under MLC Standard A2.5.

11. Compensation in respect of loss of personal property as a result of the loss or foundering of the Vessel

Where the **Seafarer** loses personal property as a result of the **Vessel** on which he/she is serving foundering or being lost, the **Yacht Owner** will pay compensation up to a maximum of EUR 2,000 or any limitation stipulated by Flag State.
Required under MLC Standard A2.6.

*Note: The **Vessel**'s insurance won't usually cover accidental loss of or damage to your personal possessions so it is recommended to take out your own insurance to cover the loss or damage to any valuable or cherished items you bring with you on board.*

12. Obligations and duties of the Seafarer (delete if not applicable)

i) The **Seafarer** is responsible to make sure he/she holds all, certificates and qualifications necessary to enable him/her to undertake this employment and It will be grounds for immediate termination of employment without notice if at any time he/she ceases to hold any such certificate or qualification.
ii) The **Seafarer** will not invite or bring guests on board the **Vessel** unless expressly authorised by the Captain or other authorised person and all authorised visits shall be subject to Standing Orders.
iii) The **Seafarer** will keep confidential all information regarding the **Vessel**'s itinerary and location, and the activities of guests and passengers, whether, or not, the same is/will be common knowledge amongst fellow Crew Members and/or others. The **Seafarer** will abide by any social media policy in place on board the **Vessel**. In the absence of such policy, due care should be taken with regards to security, safety and data protection requirements with regards to taking or posting photos or information regarding guests, other individuals on board, the location or itinerary of the **Vessel** and any secret or sensitive aspects of the **Vessel**.
iv) The **Seafarer** is responsible for keeping his/her quarters clean and tidy at all times and take all appropriate steps to preserve in good condition the equipment of the **Vessel** and all property on board. He/she is responsible for the return of all clothing and other effects supplied by the yacht, in good condition on termination of employment, fair wear and tear excepted.
v) The **Seafarer** will behave professionally throughout their employment and shall not disrupt the well-being of any person on board. The **Seafarer** shall act with integrity at all times and uphold the good standing of the **Vessel**. Failure to abide by this clause may lead to disciplinary action in accordance with clause 13.

13. Disciplinary Rules and Procedure
The applicable disciplinary rules are set out in either the Code of Conduct for the Merchant Navy, which has been agreed between the UK's Chamber of Shipping, Nautilus UK and the National Union of Rail, Maritime and Transport Workers, or the **Yacht Owner**'s Code of Conduct.

The Code of Conduct will be made available to the **Seafarer**, if so requested, before he/she signs this agreement.

If the **Seafarer** is dissatisfied with any disciplinary decision taken in relation to him/her, he/she should refer to the yacht's Complaints Procedure , which may be obtained from…….....……[***insert DPA or other contact details]***

*Note: You are advised to ask for and read the Code of Conduct and/or any disciplinary rules or Complaints Procedures applying to the **Vessel**.*

14. Governing Law and Jurisdiction
This Agreement and any dispute or claim arising out of or in connection with it shall be governed by and construed, in accordance with the law of the Flag State of the **Vessel** and any dispute or claim hereunder shall be referred to the Courts of the Flag State.

*Note: Governing Law and jurisdiction are very important. It defines the authorities you can contact if there is any dispute on your contract/wages/work on board the **Vessel**, please make sure this is included in the Agreement. Please also bear in mind that the jurisdiction of the country where the Vessel currently is when the dispute arises and/or while you are on board, may also apply and affect your rights (e.g. legal working hours are different in each country), if you decide to pursue a dispute in court.*

15. Additional Provisions [*Strike out or insert as required*]

i) In the event of the **Employer** failing, for whatever reason, to meet their obligations to the **Seafarer** under the terms of this **Seafarer**'s Employment Agreement, the **Yacht Owner** will meet those obligations to the **Seafarer** and at no cost to the **Seafarer**.
ii) .....
iii) .....

In witness whereof this Agreement has been executed by the parties in three (3) originals.

The Seafarer
I confirm that I have freely entered this agreement with a sufficient understanding of my rights and responsibilities, and I have been given an opportunity to review and seek advice on the agreement before signing.

Name …….
Signature……
Date…….....…
Place ……..

The Employer
I confirm that the **Seafarer** has been informed of their rights and duties under this agreement prior to or in the process of the **Seafarer**'s engagement onto the **Vessel**.

Name …….
Signature……
Date ……..
Place ……..

The Yacht Owner
Name …….

Signature……
Date…….....…
Place ……..

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COMMENTS AND EXPLANATIONS

1) Before signing you have the right to be given ample opportunity to seek advice on the SEA's content and you should do this, especially if you have doubts in relation to any terms. You can also contact the PYA about this, at advice@pya.org.

2) You should be given an original of the signed agreement, signed BY ALL PARTIES, and at least a copy of that, BEFORE starting work or travelling.

3) Ask for a clause that says that the Owner undertakes to indemnify you against the Employer's liability towards you in cases where those two are different people/entities. This would help by giving you the option to enforce your rights against the Owner too.

4) MLC does not apply to pleasure vessels not engaged in trade but it is good practice. Under MLC 2006 you have a legal right to have a SEA issued and signed by all parties, which specifies the details of your employment related to:

i) Dates or period of employment
ii)Capacity in which you are to be employed
iii) Salary/wages/formula of wages calculation
iv) Paid annual leave
v) Notice periods
vi) Repatriation rights
vii) Hours of work/rest
viii) Health/social security protection benefits provided by the Yacht Owner.

5) MLC 2006 sets out the minimum standards to be applied. It does not apply to pleasure vessels not engaged in trade, but it is good practice. If you are not sure, then ask whether the yacht is voluntarily MLC Compliant.

6) There might be other requirements or details, depending on the flag of the Yacht/Flag authority, therefore the flag authority's website should also be checked for this. You should also check that the SEA offered complies with the Yacht's flag minimum requirements.

7) The parties involved in the agreement could each be from a different country and resolving any claims could be difficult and complicated. You should therefore know and/or make sure, that you carry out an online research related to the employer and yacht owner, make enquiries on superyacht social media forums and/or contact current crew members or ex crew members.

8) Know that:

i) You should be paid in full at least once a month and the Employer or Owner have no right to withhold any part of your salary as deposit/security
ii) Any deductions from your salary/wages must be authorized under Flag State laws
iii) You should receive payment by the Employer even if the Owner has not paid the Employer
iv) You should not be asked to pay costs for joining the Yacht or repatriation

9) You can enquire with the Flag State and your country of residence about social security entitlements.