TO: ALL SHIPOWNERS, OPERATORS, MASTERS AND OFFICERS OF MERCHANT SHIPS, AND RECOGNIZED ORGANIZATIONS

SUBJECT: Payment of Wages - Account.

References: (a) Marshall Islands Maritime Act (MI-107) Part 8, Section 827
           (b) Marshall Islands Maritime Regulations (MI-108), Section 7.51.4

PURPOSE:

This Notice clarifies the requirement for full and true accounting of wages to officers/seafarers with regards to fixed salary plans and offshore based electronic accounting systems. This Notice supersedes Rev. 11/06 to reflect the updating of reference (b) above from 7.51.3 to 7.51.4.

APPLICABILITY:

Maritime Act Part 8, Section 827 sub-paragraph (4) allows the implementation of a fixed salary plan which establishes a practical, modern salary system that will ensure a regular monthly income while the officer/seafarer is on active service, as well as during leave periods, and at the same time simplify the accounting system by reducing the administrative workload on board the ship.

REQUIREMENTS:

1.0 For the purpose of the penalty provision in Part 8, Section 827(4) of the Maritime Act, it shall be deemed that no default has occurred under the following controlled circumstances:

1.1 There exists an offshore based account system which utilizes an electronic transfer of wage payments to perform the wage accounting function, provided that individual wage account slips are transmitted to the ship electronically for the officer/seafarer and mailed to the officer/seafarer’s mailing address by a specified date, and

1.2 The officer/seafarer receives a shipboard transaction statement before signing off the ship, which shall be followed by a final wage account slip to the officer/seafarer’s mailing address by a specified date in the month following the date on which the sign-off occurs.

2.0 These arrangements should be reflected as an addendum to the Articles of Agreement between the Master and Seafarers.