

Agreement of 2018
The Norwegian Agreement is the legal binding

357
Oil Service Companies (Industry Energy)
Expires 31 May 2020

A G R E E M E N T

b e t w e e n

The Confederation of Norwegian Business and Industry (NHO)/
The Norwegian Oil and Gas Association

and the oil service companies affiliated with the Confederation/Association

on the one side

and

The Norwegian Confederation of Trade Unions (LO)/ Industry Energy
and the local union concerned

on the other side

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SECTION I: THE MAIN AGREEMENT BETWEEN LO AND NHO

SECTION II: GENERAL PROVISIONS

2.1 SCOPE

- 2.1.1 This Agreement shall apply to employees employed in companies engaged in activities on or aimed at the Norwegian continental shelf, within or associated with subsea activities, drilling and well activities, geological surveys and services, as well as for other work within or connected to the oil industry which the parties may agree upon. Diving personnel are covered only in respect of Section I and Section VI of the Agreement.
- 2.1.2 For as long as this Collective Wage Agreement shall be in force between the organizations, none of the parties may enter into new agreements with other companies that perform services that fall under the scope of this Agreement, and which contain provisions relating to wages and working conditions that deviate from the provisions of this Agreement.

Separate entry

Reference is made to a letter from OLF (now The Norwegian Oil and Gas Association) to NOPEF (now Industry Energy) in connection with NOPEF's establishing a parallel agreement with the Norwegian Shipowners' Association, wherein it states, inter alia: "After considerable efforts by NOPEF and OSSSL, the Oil Service Agreement was established between the parties in 1992. The introductory provision is Clause 2.1 of the agreement, which states that neither OSSSL nor NOPEF may take part in new agreements that fall under the scope of this agreement, and which contain provisions that deviate from the Oil Service Agreement. Both parties have felt that the provision is necessary due to the many players within the collective wage arena on the Shelf. Great emphasis is placed on orderliness and cooperation through a joint development of the scope of the agreement between the parties." With reference to The Norwegian Oil and Gas Association' letter to Industry Energy, Industry Energy acknowledges that Clause 2.1.2 in the OSA contains a demand for conformity in the contents and editing in parallel agreements. The Norwegian Oil and Gas Association also acknowledges that it has the same obligations in relation to other organizations within the scope of the Agreement. Should deviations be necessary, it is assumed that such deviations must be discussed and registered in the minutes by The Norwegian Oil and Gas Association and Industry Energy.

- 2.1.3 This Agreement currently encompasses the following firms:

Aker Solutions AS, avd Ågotnes
Altus Intervention (Technologies) AS
Altus Intervention AS
Baker Hughes Norge AS
Benor AS
Cameron Norge AS
Enhanced Drilling AS
Expro Norway AS
Falck Nutec AS
Frank`s International AS

Halliburton AS
I O S Tubular Management AS
Intertek West Lab AS
KCA Deutag Drilling Norge AS
Landmark Graphics AS
Nosefo Bergen AS
NOSEFO Tau AS
Oceaneering AS
Oceaneering Asset Integrity AS
Petrotech AS
PSW Technology AS
Ramco Norway AS
ResQ AS
Schlumberger Norge AS
Soiltech Offshore Services AS
Speedcast Norway AS
Subsea 7 Norway AS
TWMA Norge AS
Weatherford Laboratories Norway AS
Weatherford Norge AS
Welltec Oilfield Services (Norway) AS

2.1.4 In addition, Industry Energy has exercised the Agreement for the following companies:

Completion Technology Resources AS
Dril-Quip Europe Ltd
Gyrodata AS
IKM Production Technology
Instrumentering AS
Jansen og Willumsen Services AS
National Oilwell Varco Fluidcontrol Norway
National Oilwell Varco Norway AS
National Oilwell Varco Norway AS avd Stavanger
National Oilwell Varco Norway AS avd Kristiansand
National Oilwell Varco Norway AS avd. Molde
National Oilwell Varco Norway AS avd. Asker
National Oilwell Varco Norway AS avd. Trondheim
National Oilwell Varco Norway AS avd. Tønsberg
NOV Wellbore Technologies Norway LLC
Oss-Nor Hammerfest AS
PipeTech International AS
Q10-Personell AS
Read ASA
Reflection Marine Norge AS
Resman AS
Roxar Flow Measurement AS, Avd. Bergen

Roxar FLOW Measurement AS, Avd. Stavanger
Roxar Flow Measurements AS, Avd. Trondheim
Roxar Software Solutions AS, Avd. Stavanger
Saybolt Norway AS
Scanwell AS
Schlumberger Information Solutions AS (SISAS)
SGS NORGE A.S.
Solid Offshore Technology AS
Tco AS (1121)
Tuboscope Norge A/S
Vertech Offshore AS
Vertikal Service AS
Vinde Tilkomsteknikk as
WesternGeco A/S
WesternGeco AS, Avd. Fjord Instruments

2.2 SPECIAL AGREEMENTS

The parties on a company level may enter into special agreements that are not in conflict with this Agreement.

Separate entry

For companies governed by the Oil Service Agreement and where other conditions have been established with other organizations that differ from the conditions in the Oil Service Agreement, the parties shall locally, or with assistance from the organizations if applicable, enter into negotiations regarding a special agreement in order to ensure equal wages and working conditions for the employees.

2.3 FOREIGN PERSONNEL

- 2.3.1 For foreign personnel employed on international conditions, as well as rotation of foreign personnel from the same group, work that falls under the scope of the Agreement must be performed for compensation which, on the basis of an overall evaluation, costs the employer an equal amount as the total due to a similar employee who is covered under this Agreement and who performs similar work. Compensation and working hours shall be based on the assumption that the work during the calculation period shall not exceed an average of 33.6 hours per week. For the purpose of comparison, compensation shall only include payment which it is assumed that the employee will report for tax purposes. Such personnel shall only be utilized when necessary in order to manage peak work loads that the company does not have sufficient Norwegian personnel to cover, as well as when necessary in order to meet a need for specialized labor. The use of such personnel shall be discussed with the union representatives in advance.

The use of such personnel, as well as the overall evaluation of the compensation level, shall be checked by Industry Energy and The Norwegian Oil and Gas Association, as the parties agree that this provision shall not lead to a situation wherein it becomes cheaper to use foreign labor as compared with Norwegian labor.

2.3.2 This agreement does not apply to foreign module, pipe, cable and construction personnel pursuant to Clause 3.13.1 if:

- a) the vessel is not subject to the regulations relating to worker protection and working environment in the petroleum sector,
- b) the company is bound by an approved agreement with ITF for all offshore service company vessels that are operating in North-Western Europe with this type of personnel, and
- c) the share of the personnel that is comprised by this agreement or have corresponding benefits, cf. Clause 2.3.1, exceeds 50% of the number of employees in this group on the individual vessel.

Separate entry

For companies with several vessels on the Norwegian Shelf, the 50% share can be calculated on the basis of the total number of vessels, inclusive of ROV personell, Diving personnel and Survey Personnel. Until further notice, this agreement does not apply to lay barges and large, specialized crane barges/vessels with an ITF agreement. The Norwegian Oil and Gas Association and Industry Energy may also agree to exclude personnel in the fields of module, pipe, cable and construction from the agreement in other cases.

For the personnel that, pursuant to this Clause, are excluded from this agreement, Industry Energy and the company shall prepare an agreement regarding payment into the educational and development fund; the scheme involving the loss of health certificates, and the supervisory scheme against social dumping, following the pattern used in Industry Energy's affiliation agreements.

2.4 WORK ABROAD

For assignments abroad, a written agreement regarding wages and working conditions shall be established between the company and the employee. If the assignment is of less than two months' duration, an agreement shall be established between the company and the union representatives.

2.5 EMPLOYMENT AND TERMINATION

2.5.1 The employees are employed by means of a written contract (employment contract) signed by the employee and the employer. The employment contract shall be in Norwegian, and in English, if applicable. The employment contract shall include the name of the employer, who can accept resignations or terminate employment on the part of the employer, a statement of the employee's position and wage rate, and shall otherwise satisfy the requirements of the (Norwegian) Working Environment Act. In the event of a dispute regarding the interpretation of the employment contract, the Norwegian text shall take precedence.

2.5.2 Upon employment, the employee shall be acquainted with this Agreement, and the employment contract shall refer to this Agreement.

- 2.5.3 Vacant and new positions shall normally be announced internally.
- 2.5.4 The Norwegian language should be used to the greatest extent possible. Other languages may be used if necessary or reasonable for the implementation of the activities.
- 2.5.5 Upon leaving the company, employees shall receive the pay that is due to them, including pay for accrued days off which cannot be taken due to the termination of employment.
- 2.5.6 The dismissal rules incorporated in the Working Environment Act shall apply to work under this collective wage agreement.
- 2.5.7 When a dismissal notice is presented and the period of notice according to Section 15 of the Working Environment Act expires on a specific date (i.e. the end of a month), the employment relationship will terminate immediately after the last available period that is concluded prior to the specified date. In those cases where there is an established shift schedule, the employment relationship shall be terminated immediately after the last trip offshore that is concluded prior to the specified date.
- 2.5.8 When the notice period expires on a date that falls within an offshore period, the employment relationship will terminate after this offshore period is concluded.
- 2.5.9 Clauses 2.5.7 and 2.5.8 do not apply to employees who are employed for a specific period of time or to carry out specific work of a transient nature, cf. Section 14-9 of the Working Environment Act.

2.6 MILITARY SERVICE, ALTERNATIVE CIVILIAN SERVICE, MILITARY REFRESHER TRAINING AND BIRTH

- 2.6.1 In connection with military service, alternative civilian service and absence in connection with birth, the employee will accrue company seniority as if the person were at work.
- 2.6.2 In connection with military service, the employee will earn the same wage seniority as if he/she had been at work.
- 2.6.3 Service of the initial military service in the Armed Forces or initial alternative civilian service shall be credited as wage seniority in connection with employment in a permanent position after such service has been completed.
- 2.6.4 Refresher training in the Armed Forces or mandatory service in the Norwegian Home Guard or the Civil Defense shall not entail any curtailment of monthly wages. When such periods fall within working hours, the compensation provided by the Government shall devolve proportionally to the company.

2.7 TRAINING

- 2.7.1 Participation in general technical training and enhancement of expertise that is not compulsory pursuant to Clause 2.8.1 is not considered to be compulsory training.
- 2.7.2 If the course is presented as an optional course, lack of participation shall not have negative consequences for the future of the employee in the company.

2.8 COMPULSORY COURSES

- 2.8.1 Compulsory courses mean courses that the employee is required to attend on the basis of demands stipulated by the employer, or as a consequence of the fact that the employer is required to provide for the relevant type of training on the basis of requirements stipulated by the authorities or operator. Courses that are incorporated as part of the company's position requirements pursuant to the individual's position category shall also be deemed to be compulsory courses, with the exception of Section 20 courses. The regulation also applies to compulsory courses that are CD-based or that are carried out via the Internet.
- 2.8.2 The employee will maintain his/her wages when participating in compulsory courses. When participating in compulsory courses, the actual course time shall be recorded and shall be a minimum of 7.5 land hours per course day entered as working hours. Web-based courses shall be recorded stating the estimated course time. Participation in compulsory courses during a free period will not entitle the employee to overtime pay. If the course takes place during the employee's leisure time on the Shelf, the employee will be paid overtime for the time spent. In connection with a compulsory course abroad of more than three months' duration, the company and the employee will agree on the terms. In connection with similar courses of shorter duration, 7.5 land hours shall be entered as working hours per course day.

Onshore employees shall be compensated with overtime payment (50%) for participation in compulsory courses during leisure time.
- 2.8.3 In connection with participation in compulsory courses, the company will normally cover only the costs associated with first and second time examinations.
- 2.8.4 In connection with participation in compulsory courses, trips home in connection with weekends and public holidays shall be agreed upon in advance between the company and the union representatives.
If the employee resides abroad, travel expenses to and from the course location shall be covered in accordance with the agreement between the employee and the company.
- 2.8.5 In connection with courses the company obliges the employee to attend, the company shall cover expenses for travel, course fees, good-quality accommodation and food in accordance with the company's scale of wages.

- 2.8.6 In the event of compulsory courses during the free period, the company shall notify the employee not later than two months prior to commencement of the course. In the event of later notification, the employee is not obliged to attend the course. This does not apply to courses required by the authorities.
- 2.8.7 For new employees or new employees in a new position category, compulsory courses during the first 12 months of employment shall not entail overtime payment or extra payment due to exceeding the annual number of man-hours, limited, however to six weeks.
- 2.8.8 Compulsory courses should ideally be scheduled to the employee's available time, providing that this does not entail operational difficulties.

2.9 WORK CLOTHES

The employer shall provide all necessary work clothes (coveralls, work shoes or equivalent, and insulated coveralls, winter coveralls and rain gear as needed), as well as safety equipment, including personal safety gear. Work clothes and safety gear provided by the company are the property of the company. When a new set of work clothes is provided, the worn set shall be handed in. Used safety equipment as mentioned above shall be properly cleaned before being reissued.

2.10 SURVIVAL SUIT

Operating companies or the company will provide the employee with a survival suit during transportation from the heliport to the installation, and during transportation from the installation to the heliport. The practical implementation of this provision shall be agreed upon locally.

2.11 UNION REPRESENTATIVES

Union representatives who follow the available schedule shall also have the necessary time to carry out their tasks under the Main Agreement. This means that the union representatives shall not have their annual income reduced, and also that the hours spent on necessary union work are registered as working hours. The income shall be based on the salary matrix for the group of employees to which the relevant union representative belongs. For company union representatives or senior union representatives where there is no company union representative within the area covered by the agreement, income shall mean the lowest average gross income for the salary group that the representative comes from. This also applies to other union representatives when an agreement on paid union work has been entered into. The parties assume that a practical arrangement is reached locally in order to avoid administrative routines that are unnecessarily work-intensive for the company.

2.12 PHYSICAL EXAMINATION AND ILLNESS

- 2.12.1 Upon employment and subsequently, the employee shall undergo physical examinations in accordance with regulations. This shall preferably be undertaken by the company physician. The company shall pay for the examinations.
- 2.12.2 In the event of illness during the employment relationship, the employee shall be compensated for the expenses of medical care outside of his native country.
- 2.12.3 If the employee is unfit for work at the end of the employment relationship, he/she is entitled to a free trip home. During business travel, the employee is entitled to reimbursement of necessary travel expenses due to illness or injury, when such travel has been ordered by a physician.
- 2.12.4 Reference is made to the sickness benefit arrangement under the National Insurance Act.

2.13 ELDERLY EMPLOYEES AND EMPLOYEES WITH IMPAIRED HEALTH

- 2.13.1 The company will exercise consideration with regard to wages and working conditions for elderly employees with many years of service with the company who have suffered impairment in their ability to work or health due to many years of heavy work, occupational illnesses, occupational injuries, etc. and are therefore no longer able to maintain a reasonable level of income in their regular work. It is recommended that the company work together with the union representatives to seek to find special arrangements that ensure lighter work and a reasonable level of income for such employees, taking into account the wage level in the company and benefits received from national insurance institutions or insurance schemes that are wholly or partly financed by the employer.
- 2.13.2 Industry Energy and The Norwegian Oil and Gas Association agree to work both on a central and a local level to provide for personnel policies that ensure that elderly employees and employees with impaired health may continue to work up to the normal retirement age.
- 2.13.3 It is assumed that the parties in the individual company discuss the working situation for elderly employees and employees with impaired health. Special consideration should be given to the fact that heavy lifts, overtime, travel assignments and particularly dirty work can entail strains that may be particularly disadvantageous for these employees. For this reason, elderly employees and employees with impaired health should be exempted from such work tasks insofar as possible on the basis of a physician's evaluation, or the wishes of the employee.
- 2.13.4 Individual agreements may be made with older workers and workers with impaired health as regards work tasks, specially adapted training/updates within own work area, breaks, working from home/distance work, part-time work/reduced working hours, etc. between the individual employee and the company

2.14 PREGNANT EMPLOYEES

In those cases where transfer is possible, pregnant employees are entitled to be transferred to other work in the company if their normal work or working situation may be hazardous to the fetus or the employee. If possible, such transfers shall also be implemented if pregnancy makes the work difficult. In the event of temporary transfer to other work, the employee's monthly wages shall not be reduced.

2.15 EQUAL OPPORTUNITY FOR MEN AND WOMEN

2.15.1 The parties agree to continue work both centrally and locally to ensure that women and men are granted equal opportunities to take part in the various work tasks within the industry.

2.15.2 In their personnel policies, the companies shall safeguard the equal opportunity perspective in respect of employment, promotions and expertise-enhancing post and continuing education.

2.15.3 During the duration of the collective wage agreement, the local parties should discuss aspects of equal opportunity and equal pay with a view towards establishing a company-specific equal opportunity agreement. The purpose of such an agreement shall be to achieve a situation wherein all employees, regardless of gender, are given the same opportunities for work and professional development, and are treated equally with regard to employment, wages, training and promotion. In addition, it should contribute to encouraging more women to find jobs within the industry. In connection with the establishment of equal opportunity agreements, and as a basis for equal opportunity work in the company, The Norwegian Oil and Gas Association and Industry Energy would inter alia point out the following:

- Equal opportunity is a management responsibility.
- Equality between the sexes comprises more than just wages.
- Equality also applies to attitudes and norms, and requires strong involvement on the part of the union representatives.
- Equal opportunity work should be discussed and followed up in the established cooperation forums in the company.

2.16 IMMIGRANTS

The parties agree that work must be done both centrally and locally to provide conditions that will lead to more immigrants choosing to work within the oil service industry. On this basis, the local parties should discuss relevant company issues related to recruiting immigrants, such as practical implementation and attitudes.

SECTION III: WORK OFFSHORE

3.1 SCOPE

This part of the Agreement applies to employees who work full-time or part-time offshore, however, it does not apply to employees covered under Section IV of the Agreement.

3.2 DEFINITIONS

3.2.1 Work periods

The period of time (normally 12 hours) that the employee spends working for the employer during the course of one day (24 hours).

3.2.2 Offshore periods

The period of time when the employee stays on offshore installations covered under the scope of the regulations.

3.2.3 Free periods

The time between two available periods. For employees on shift schedules, the time between two offshore periods.

3.2.4 Available schedule

A schedule set up in advance showing the periods when the employee is available to work for the company (the available period), and those periods when the employee is off (free period). Mandatory compensation time during the period when the employee is available to work for the company is also part of the available period.

3.2.5 Shift schedule

A schedule set up in advance showing the employee's work periods, offshore periods and free periods.

3.2.6 Work schedule

A plan for the individual employee showing when the working day starts and ends.

3.2.7 Work cycle

A delimited part of the available schedule or shift schedule with offshore periods / available periods and free periods that are regularly repeated.

3.2.8 Man-year

A man-year is defined as 1582 hours. In those cases where a fixed shift schedule is not used, the man-year shall be settled as of a stipulated date.

3.2.9 Plus days

Days worked during a free period that are not compensated with overtime.

3.3 WORKING HOURS

- 3.3.1 The regular working hours shall not exceed 12 hours per day and 33.6 hours per week on average over a period of no more than one year.
- 3.3.2 Working hours offshore shall be calculated as the time when the employee is available to work for the employer during his/her offshore period, in accordance with his/her work schedule.
Time spent waiting at places of accommodation/departure location/heliport during the period of time that is scheduled as working hours offshore shall be counted as working hours offshore for employees who follow a regular shift schedule.
- 3.3.3 For employees that follow a regular available schedule, the days spent travelling offshore and returning to shore shall be counted as six hours in connection with crew change. Outside of regular crew changes, work on the above-mentioned days shall be recorded hour for hour, with a minimum of six hours.
In companies that stipulate a registration of hours on the travel days that is more than a total of 12 hours, the stipulated arrangement shall be maintained.
- 3.3.4 The time spent waiting at departure locations/heliports/accommodation locations that does not fall on departure days shall be recorded as working hours on an hour by hour basis. Waiting time shall be calculated as from the reporting time/check-in time assigned to the employee prior to departure from his home. Waiting time during the free period shall be compensated with overtime as for onshore employees, i.e. 100% supplement for waiting time after 20.00 hours until the regular commencement of working hours, for days prior to Sundays and holidays after the end of regular working hours, and waiting time on Sundays. For waiting time on holidays, the supplement is 200 %. For all other times, the waiting time supplement is 50 %. The basis of calculation shall be monthly wages divided by 162.5. Waiting time in excess of 12 onshore hours per 24-hour day shall not be registered or compensated.
- 3.3.5 When the departure is cancelled after the employee has reported to the departure location/heliport/accommodation location, six onshore hours shall be registered on the man-year. In the event a departure is cancelled during a free period, a corresponding six onshore hours of overtime shall be paid, according to rates and bases of calculation as in Clause 3.3.4, calculated from the planned check-in time. The same shall also apply when an employee's departure is cancelled after the employee has undertaken air travel within Norway on his/her way to the departure location/heliport/accommodation location. This provision shall not apply if the employee is entitled to a higher number of hours/overtime payment pursuant to Clause 3.3.4.

- 3.3.6 During the time when an employee subject to an available schedule is on sick leave, is laid off, has compassionate leave pursuant to Clause 3.27 or is on military refresher training pursuant to Clause 2.6.4 during his/her available period, working hours per calendar day shall be registered as follows:

$$\frac{30.33 * \text{weeks in the work cycle}}{\text{weeks in available period}} * 7 = \text{Registered on a daily basis}$$

Employees who work on a shift schedule and accrue hours towards a man-year shall have 4.33 hours registered for each working day and day off that the employee is subject to instances as noted under the first paragraph of this clause.

Hours shall not be recorded in connection with sick leave and leaves of absence if work during the available period/shift period together with hours registered after this time exceeds an average of 30.33 hours per week for the entire work cycle viewed as a whole. If the man-year quota is met, sick leave or leaves of absence shall not entail that the man-hours are exceeded.

3.4 WORKING HOUR ARRANGEMENTS - AVAILABLE SCHEDULE AND SHIFT SCHEDULE

- 3.4.1 The parties understand the company's need to adapt available schedules/shift schedules to the relevant documented need for work performance in order to fulfill the company's contractual commitments. The working hour arrangements on the part of the individual company may be shift schedules, available schedules or both. The plans shall take into account that the employee should be able to predict his/her free periods to the greatest extent possible.
- 3.4.2 It is the assumption of the parties that available schedules/shift schedules shall be set up so that the plans enable the employee to carry out a man-year within regular working hours.
- 3.4.3 Instead of an available schedule/shift schedule, the company and the local union may enter into an agreement whereby up to 10 % of the employee group may choose the following alternatives:

The employee may take up to ten weeks off, including vacation. The remaining 42 weeks are available periods. The free period arrangement shall be agreed between the company and the individual employee.

- 3.4.4. Pursuant to Clause 3.13.1, the following applies to module, pipe, cable and construction personnel: in connection with work on vessels that are not subject to the regulations relating to worker protection and the working environment in the petroleum sector, the working hours arrangements should be the same as for the remainder of the crew on board, although Clause 3.10.3 applies. However, working hours shall not exceed what is applicable pursuant to the Norwegian Shipowners' Association agreements for offshore service vessels. If the provisions following from the above result in longer annual working hours on average than stipulated in this agreement (including the phasing out plan listed under Clause 3.13.1), a proportionate supplement shall be paid in addition to the wage.

3.5 AVAILABLE SCHEDULE

- 3.5.1 Available schedules shall be based on available periods of no more than 5 weeks, with free periods of no more than 4 weeks and with plus days in accordance with the formula appearing below.

Note: The parties are aware that free periods shorter than 4 weeks can be used, as long as the number of available days is less than 203.

(Days in free period per year * 10/100-12)*2

The above-mentioned availability schedule framework has 203 available days per year. The above-mentioned provisions do not preclude the local parties from agreeing on different availability schedules where the maximum available days per year is up to 203.

In those cases where the local parties agree on availability schedules, 3-3/6-4 and 6-4, prior to the revision of the collective wage agreement, then these schemes may be continued until the local parties agree to adjust the scheme to reflect the above-mentioned provision, but not later than 1 July 2015.

Plus days may not be used in three free periods per year. These periods shall be stipulated three months in advance. Three plus days may be used in each free period, which are presumed to be included in the extension of the available period.

The parties to the collective agreement can agree on deviations in relation to the above.

The local parties can agree on availability schedules with less availability. Availability schedules with less availability cannot be altered without the approval of the parties to the collective agreement, cf. minutes of 15 June 1995.

No one is to work more than 16 plus days per year.

Separate entry

The parties agree to assess a scheme in which it may be possible to introduce a financial compensation as a function of the number of available days. Furthermore, the parties are in agreement that any such compensation can be introduced in connection with next year's interim settlement, providing both parties agree on this.

- 3.5.2 If agreement regarding change/introduction is not reached locally, the parties to the collective agreement shall commence negotiations to ensure that the available schedule is adapted to 3.4.1 and 3.4.2, if so requested by one of the local parties.
- 3.5.3 If the local parties agree regarding the available schedule, the schedule shall be sent to the parties to the collective agreement before the schedule takes effect. If the parties agree regarding approval of the available schedule on the basis of the provisions in 3.4.1, 3.4.2 and 3.5.1, the schedule may be used.
- 3.5.4 Personnel who are summoned to work offshore will be notified as far in advance as practically feasible.
- 3.5.5 New employees who are included in the company's internal training program may be exempted from the available schedule requirement for the first twelve months from the date the employee started working for the company.

3.6 SHIFT SCHEDULE

- 3.6.1 Before establishing availability schedules, the local parties shall discuss whether a new shift schedule can be set up based on 14-28. A shift plan based on 14-28 entails a working hours reduction of 7.71%. Minutes shall be kept of such discussions.

The parties agree that a full-time equivalent pursuant to 3.2.8 is 1582 hours. It is presumed that the difference in hours this entails shall be docked from pay or made up. The specifics of how to accomplish this shall be agreed locally.

- 3.6.2 Normally, no one shall return from the installation on a later helicopter than that which they traveled out on. However, in exceptional circumstances, the parties understand that this may occur. Such waiting time shall not be regarded as working time. Work during the waiting period shall be compensated as overtime as specified.

3.7 WORK SCHEDULE

- 3.7.1 A work schedule shall be assigned to the employee well before the work commences, and no later than one hour after arrival on the installation. In exceptional circumstances where it is deemed to be appropriate, a work schedule that deviates from the work schedule used for the platform's other personnel may be used. The work schedule shall follow the main meals on the installation. If the employee has not received such a work schedule, the employee shall follow the work schedule that applies to the rest of the personnel on the platform.

3.7.2 Insofar as possible, the companies shall strive to distribute the work load as evenly as possible, including distribution of day and night work.

3.8 REST PERIODS

The employee shall have a rest period of at least eight continuous hours between two work periods. This applies also in connection with changes to the work schedule.

3.9 BREAKS

3.9.1 The break shall be at least one-half hour if the work day is at least 7.5 hours per day, and one hour when the work day is 12 hours per day. The break shall be included when counting the working hours if the work day is 12 hours. Breaks shall be granted in connection with scheduled meals on the installation.

3.9.2 The employee is obliged to leave the work site during contractual break times. If the employee is ordered by his/her superior to work during the meal break so that he/she has less than one-half hour of the contractual meal break in the dining room during the period when meals are served, the employee shall receive compensation of one hour overtime pay (annual wages/1752 * 1.65).

3.10 OFFSHORE PERIOD

3.10.1 The offshore period shall not normally exceed 14 days.

3.10.2 When special circumstances arise, the employer may, after advance discussions with the employees' union representatives, extend the offshore period under Clause 3.10.1 by up to seven days for a single period. If the regulations are amended during the contract period, Clause 3.10 shall be amended accordingly.

An offshore period involving a transit in accordance with the NPD's regulations is considered a continuous offshore period. 12 hours are added to the man-labour year for days in transit, and Shelf compensation is paid. If the one-third rule is changed, this interpretation will be revised.

3.10.3 For module, pipe, cable and construction personnel pursuant to Clause 3.13.1, the following applies: duty on vessels that are not subject to the regulations relating to worker protection and the working environment in the petroleum sector, the normal offshore period shall be the same as applies to the remainder of the crew on board. The period shall not exceed what applies pursuant to the Norwegian Shipowner's Association agreements for offshore service vessels, and it must not exceed four weeks. As far as possible, periods should not exceed three weeks.

3.11 WORKING HOURS ARRANGEMENTS FOR WORK ONSHORE

- 3.11.1 One hour of work onshore is calculated as 0.9 hours of work offshore in relation to the annual man-hours. In other respects, the working hours arrangement shall be agreed upon locally.
- 3.11.2 The company shall attempt to distribute work for the company onshore equally among the employees.
- 3.11.3 In connection with work for the company onshore, the regular monthly wages, excluding offshore supplement, shall be maintained.
- 3.11.4 For work onshore in excess of 7.5 hours per day, overtime shall be paid as for onshore employees. The basis of calculation shall be monthly wages divided by 162.5.
- 3.11.5 Employees who are called in to work onshore shall record hour for hour, but not less than four onshore hours per day.

3.12 TRAVEL

- 3.12.1 Travel time to and from the employee's home/departure location is not considered to be working time and shall not be compensated, excepting, however, Clauses 3.3.4 and 3.3.5.
- 3.12.2 The most practical travel plan from the individual's home at the time of employment to the departure location and return shall be set up in consultation with the individual employee. This travel plan shall normally be followed. Transportation expenses will be covered upon presentation of a receipt. Employees who reside in Norway shall receive full compensation for their transportation expenses. Employees who reside abroad shall also receive 100% compensation for their expenses. The employee is entitled to take out a cash advance for travel. The issue of covering increased expenses due to moves shall be agreed upon with the employee in each individual case.
In connection with travel and overnight accommodation, the company will refund the expenses in accordance with the company's travel scale for accommodation and board. Use of one's own car shall be compensated at the current deduction rates in connection with tax assessment for approved use of cars from home to place of work.
- 3.12.3 If changes should arise in the individual's travel plan that are due to a change in departure, the company will refund the expenses according to the rates in the company's travel scale for accommodations, transportation and board. The individual company will do its utmost to avoid having employees wait at the departure location. After a continuous waiting period of maximum ten hours after planned departure at the departure location, the employee should be given an opportunity to rest in a suitable location.

3.13 WAGES
3.13.1 WAGES EFFECTIVE FROM 1.6.2018

	Stillinger	4	5	6	7	8	9	10	11
A	MUB Ingeniør		651076	663998	676921	693368	709215	725062	738562
	Retningsmåler								
	Borestedtsgeolog								
	Feltgeolog								
	Brønnspecialist								
	Borevæske Ingeniør 1								
	Junior fisker								
	Junior retningsborer								
	Senior Brønntekniker	615443	627959	640474	652991	669397	685245	698745	710745
	Borevæske Ingeniør								
Senior Dataingeniør									
Senior Geolog									
Elektro og Instrumenttekniker									
Spesial Hydrauliker/ Spesial Kranfører									
Senior FU operatør									
Senior Dykkertekniker									
Dekksformann									
C	Brønntekniker	601083	613132	625182	637230	653174	666478	679978	691978
	Dataingeniør								
	Geolog								
	Fagarbeider/Sveiser/Kranfører/								
	Hydrauliker								
	FU operatør								
	Dykkertekniker								
	Junior MUB ingeniør								
	Hjelparbeider / Rigger	548181	557476	566769	576064	589250	596051	609551	
	Opplæringsstillinger 1)								

Lønnsattsør gjeldende fra 1.1.2019												
Stillinger	1	2	3	4	5	6	7	8	9	10	11	12
MUB Ingeniør		663998	676921	693368	703562	708562	713562	718562	723562	728562	733562	738562
Retningsmåler												
Borestedsgeolog												
Feltgeolog												
Brønnspecialist												
Borevæske Ingeniør 1												
Junior fisker												
Junior retningsborer												
Senior Brønntekniker	627959	640474	652991	669397	675745	680745	685745	690745	695745	700745	705745	710745
Borevæske Ingeniør												
Senior Dataingeniør												
Senior Geolog												
Elektro og Instrumenttekniker												
Spesial Hydrauliker/ Spesial Kranfører												
Senior FU operatør												
Senior Dykkertekniker												
Deksformann												
Brønntekniker	613132	625182	637230	653174	656978	661978	666978	671978	676978	681978	686978	691978
Dataingeniør												
Geolog												
Fagarbeider/Sveiser/Kranfører/												
Hydrauliker												
FU operatør												
Dykkertekniker												
Junior MUB ingeniør												
Hjelpearbeider / Rigger		557476	566769	576064	584551	589551	594551	599551	604551	609551		
Opplæringsstillinger 1)												

Employees with individual compensation shall not be paid at a lower rate than the new seniority grades as from the date of the company's wage negotiations which follow the introduction of the pay grades.

The following positions are paid in accordance with the Agreement's Clause 3.15.8:

Senior MUB Ingeniør
Senior Retningsmåler
Senior Borevæskeingeniør
Senior Brønnspecialist
Senior Arbeidsleder FU
Senior Feltgeolog
Arbeidsleder FU
Fisker
Retningsborer

¹⁾ Does not apply to the "fagarbeiderstilling".

New interpretation of the wage scale as regards apprentice positions. The wording "does not apply to skilled workers" ("fagarbeiderstilling") means skilled workers that have craft certificates for the position in which he/she is/will be employed.

The parties have the following joint understanding as regards apprentice positions:

- Personnel with craft certificates within oil-related disciplines are employed at Grade C.
- Personnel with relevant craft certificates pursuant to the training plan for oil-related disciplines are employed at Grade C. (applies e.g. to electricity and electronics craft certificates and TIP craft certificates)
- Personnel with craft certificates that are not in accordance with the training plan for oil-related disciplines are employed at Grade E for up to one year (e.g. craft certificate as cook)
- Personnel without craft certificates are employed at Grade E for up to two years if the complexity of the company's training plan so indicates.

3.13.2 Calculation of monthly wages, adjusted monthly wages and offshore supplement

The annual wages consist of the normal monthly wages * 12 with the addition of 47% offshore supplement, assuming a full man-year offshore. The offshore supplement includes compensation for participation in emergency drills and false alarms, additional charge for dirty work and lifeboat maneuvers.

Monthly wages are arrived at as follows:

$$\frac{\text{Annual wages} * 100}{147 * 12} = \text{Monthly wages}$$

Adjusted monthly wages (12 monthly wages + vacation pay) are arrived at as follows:

$$\frac{\text{Monthly wages} * 47.08}{52.14} = \text{Adjusted monthly wages}$$

Daily offshore supplement is arrived at as follows:

$$\frac{\text{Monthly wages} * 12 * 0.47}{146} = \text{Daily offshore supplement}$$

3.13.3 Calculation of monthly wages and adjusted monthly wages in connection with locally agreed fixed offshore supplement

Within the annual wages, the local parties can agree that the Shelf bonus be a fixed sum. Daily offshore supplement * 146 shall not exceed 50 % of the basis wages. If such an agreement is made, the monthly wages shall thereafter be calculated as follows:

$$\frac{\text{Annual wages} - (\text{daily Shelf comp.} * 146)}{12} = \text{Monthly wages}$$

Adjusted monthly wages after this point will be arrived at as follows:

$$\frac{\text{Monthly wages} * 47.08}{52.14} = \text{Adjusted monthly wages}$$

In written contexts, the position descriptions mentioned in the agreement shall be used. Company-specific position titles may be included in parentheses.

3.14 LOCAL WAGE DETERMINATION (FOR GROUPS WHERE NO STANDARD WAGE RATES HAVE BEEN FIXED)

- 3.14.1 Once each year at a specific time agreed upon locally, an evaluation and potential adjustment of the income level shall be undertaken. The basis for the evaluation shall be the company's financial status, productivity, outlook for the future and competitiveness. The evaluation shall also take into account any contractual increases granted since the previous evaluation.
- 3.14.2 Agreements regarding wage systems may be terminated upon one month's notice. It is presumed that the parties have carried out negotiations on a company basis, and if demanded by one of the parties, also with the assistance of the organizations, prior to dismissal being effected.
- 3.14.3 If agreement is not reached regarding the rates in a wage system and the agreement is terminated according to Clause 3.14.2, the individual employee shall be paid 45 % of his/her hourly income. Comparable work performance is a prerequisite. A reduction of the hourly income, with appurtenant reduced work performance, shall only be carried out for skilled workers and other workers.

3.14.4 In companies with other offshore groups than skilled workers and other workers, the following provision may also be used:

3.14.5 For supervisors as well as commercial and technical officers, the wages shall be fixed on an individual basis, taking into account the salary conditions in the company and other circumstances in general, as well as the individual's proficiency, experience, education, seniority, scope of work and responsibility.

In those instances where a position demands frequent or lengthy travel away from home, consideration shall also be given to this factor when fixing the wages.

For the above-mentioned personnel, wages may also include overtime compensation. In such cases, a specification of how many overtime hours are covered by the compensation shall be given.

3.14.6 Wages shall be evaluated once a year on a date agreed between the parties. When special circumstances arise, the wage evaluation may be made more than once a year. Any wage supplements granted outside of the stipulated date for wage evaluations shall be regarded as being advances on the subsequent wage evaluations/adjustments.

In connection with wage adjustments, consideration shall be given to the individual's post-qualifying education which is of significance for the position in the last wage adjustment performed, and whether the individual has experienced a significant change in his/her position.

In connection with the annual wage adjustment, lists of the members' wages are made available to the negotiation committee for internal use. Over and beyond this, the company may consider providing internal details on wage statistics. This is providing that the negotiation committee handles the wage data in accordance with the Act relating to Personal Data.

3.14.7 If the individual believes that inequities exist that provide a foundation for renewed consideration and possible revision of the wages, the union representatives may demand that the matter be raised with the company's management. In those cases where there are no union representatives, the individual employee may, under the same conditions, demand that the matter be raised via his/her organization. In such cases the company may provide wage details on the relevant wage level for the job category to which the employee pertains.

3.14.8 Before the company stipulates the annual wage adjustment, negotiations shall be held between the company and the union representatives. Minutes shall be kept of these negotiations.

Separate entry

Divisions between worker, supervisor, technical and commercial officers shall be based on established practice in the company.

3.15 GENERAL WAGE PROVISIONS

- 3.15.1 In connection with placement on the wage matrix, relevant seniority shall be credited up to a maximum of two years. Upon employment, wage seniority shall be granted with up to the same wage grade for relevant experience in the same or higher position within the oil service area. See also Clause 2.6.
- 3.15.2 New positions that are created shall be entered on the wage table according to advance negotiations between Industry Energy and The Norwegian Oil and Gas Association. The same applies to changes in wage groups.
- 3.15.3 Wages shall be paid monthly in accordance with the practice in the individual company.
- 3.15.4 One day's offshore supplement shall be paid for each day the employee has been on the Shelf. Diving technicians do not receive offshore supplement.
- 3.15.5 Criteria for advancement between the wage groups included in the individual position structure may be agreed upon locally. In the event of advancement, the employee shall be transferred to the nearest pay grade above the person's previous wages.
- 3.15.6 In the event of temporary assignments to a higher paid position, the higher wages shall be paid as from the first day of the assignment. For positions with individual wage compensation, a local supplement shall be granted.
- 3.15.7 Seniority advances are granted as per 1 January. Employees hired during the period 1 July – 31 December will be granted seniority advances from the second time they pass the year-end mark.
- 3.15.8 Positions with wage levels (basic wages + offshore compensation) in excess of the wage matrix shall be compensated in accordance with Section IV of the Agreement.
- 3.15.9 Per diem for diving technicians is included in the annual wages, and currently amounts to NOK 1,178 per month.
- 3.15.10 Foreign personnel who carry out work on the Norwegian Shelf shall have the day wages specified in this Agreement for those days that are worked on the Norwegian Shelf.

Separate entry

The parties agree that positions that were not previously regarded as being covered under the working hours chapter in legal terms shall be covered under Section III.

Changes in classification from management positions entails a substantive change of the position in relation to working hours. The change in working hours shall be reflected in the wages. The position demands a high level of education and technical expertise. Working hours arrangements for the above-mentioned personnel shall not be altered as a result of this entry.

3.16 APPRENTICES

3.16.1 The following shall apply to apprentices:

Based on the establishment of a new system for professional and vocational training with a primary model of 50 % trainee time and 50 % productive time for a two-year apprenticeship in a company, the apprentice shall have monthly wages that constitute a percentage of the normal monthly wages for newly qualified skilled workers. For apprentices on the Shelf, this is wage matrix C.

For offshore work, the same percentage of the offshore compensation shall also be paid.

For the 5th half-year: 30 %

For the 6th half-year: 40 %

For the 7th half-year: 50 %

For the 8th half-year: 80 %

ROV apprentice, 9th half-year: 95 %

3.16.2 Overtime is paid as for the company's auxiliary workers.

3.16.3 The working hours arrangement shall be set up and adapted to the training situation independently from the company's working hours arrangement. Apprentices that travel offshore in the sixth, seventh, eighth and ninth half-years may demand up to ten weeks guaranteed free time per calendar year. The company and the apprentice shall agree on which ten weeks shall apply. Vacation is included in these weeks.

3.16.4 The parties understand that the Act relating to vocational training with regulations applies to the companies that are covered under the Oil Service Agreement.

Separate entry

Apprentices will have half their apprenticeship (one year) approved as wage and corporate seniority in the event of employment in the company.

3.17 OVERTIME

3.17.1 For work in excess of 33.6 hours per week on average for the duration of the calculation period, work in excess of 12 continuous hours, work during free periods according to the available schedule or shift schedule, and work beyond the agreed offshore period shall be compensated with a supplement of 65 %. Under no circumstances can the overtime compensation exceed 65 % per hour worked. Overtime is paid for work carried out offshore in excess of the 168 ordinary working hours per trip.

Overtime work may only take place to the extent allowed by law. The employer is obliged to exempt employees from performing overtime work and extra work, as well as for work on plus days, when so requested by the employee for reasons of health or issues of significant social welfare. The employer is also obliged to exempt employees upon request for other personal reasons, when the work may be delayed or performed by others without detriment.

Attempts shall be made to distribute overtime work in such a way as to avoid excessive workloads for the individual employee.

In connection with the annual settlement of the regular man-year hours, hours that have already been disbursed as overtime pay shall not be counted in such settlement.

3.17.2 For employees that start work in an offshore position three months or less prior to the annual settlement date, the pro rata man-year hours may be exceeded by 25% in the first year's settlement without this triggering overtime payment in relation to the man-year hours. Hours in excess of the relevant average during the period and that have not been paid with overtime on some other basis shall be compensated with regular wages.

3.17.3 The basis for calculation of overtime payments is annual wages divided by 1752.

If the employee has been compensated with overtime payment for work during free periods that fall immediately prior to an offshore period, these days shall not be counted as part of the normal offshore period in relation to the provision regarding overtime for work beyond the normal offshore period.

3.18 SHIFT AND NIGHT SUPPLEMENT

A supplement of NOK 83.00 per hour worked shall be paid for shift and night work during the period outside of the day working hours for the installation's permanent personnel. No supplement shall be paid for hours that have been compensated with overtime payment for work in excess of 12 hours per day.

3.19 HOLIDAY COMPENSATION

Employees who are offshore on the following days shall be compensated in the amount of NOK 1975.00 per day: New Year's Day, Maundy Thursday, Good Friday, Easter Sunday, Easter Monday, Ascension Day, Whit Sunday, Whit Monday, Christmas Day, Boxing Day, as well as May 1 and May 17. Employees who are offshore after 15.00 hours on Christmas Eve or New Year's Eve shall be compensated in the same manner. The above-mentioned compensation shall be regarded as casual compensation for the individual employee and shall not be included in the basis for calculating sick pay.

3.20 UNQUALIFIED REST

A supplement of NOK 780.00 per day shall be paid when accommodations must be improvised and the employee is not assigned a bed in an approved cabin.

3.21 SHUTTLING

If an employee must travel to and from installations daily, or in certain circumstances (shuttling), and part of the travel falls outside of working hours, this shall be compensated with basic wages for two hours per day.

3.22 PERSONAL EFFECTS

Each employee shall have a lockable locker at his/her disposal. If it becomes necessary to move stored personal effects due to illness, transfer, etc., the company shall provide for a secure storage place. When personal effects are lost or damaged due to accidents on board or during travel to and from the installation, compensation shall be paid in the amount of up to NOK 11,000. The liability for damages may be modified or cancelled in the event of faults or omissions on the part of the employee.

3.23 WHEN THE VESSEL IS IN PORT

When the vessel is in port, compensation in the amount of one-quarter of the normal hourly wage shall be paid per hour when personnel are ordered to remain on board during his/her free time.

3.24 ACCIDENT INSURANCE

Satisfactory accident insurance shall be established for the employees. The coverage shall include the following as a minimum:

Insurance sum in the event of disability: 40 G (G = basic sum in the National Insurance)

Insurance sum in the event of death: 20 G

3.25 LOSS OF HEALTH CERTIFICATE

3.25.1 A "loss of the health certificate" scheme shall be established under the direction of Industry Energy. As of 1 July, the company shall pay in 6.8% of the basic amount in the national insurance for all employees as of 1 July who are covered under Section III of the Agreement.

3.25.2 Employees who are not Industry Energy members may be covered under the scheme by paying an administration fee to Industry Energy.

3.25.3 It is agreed that the fee for "non-members" shall be deducted from the individual's wages unless the employee declines to take part in the scheme. The company will provide for the deductions from wages. Lists with the names of "non-members" to be covered under the scheme shall be submitted to Industry Energy. Industry Energy shall be notified regarding new enrollments and withdrawals of "non-members" on an ongoing basis. The fee will be determined by Industry Energy, and is currently NOK 65,- per month. The deducted amount will be transferred in arrears as of 1 July.

3.25.4 If the collective wage agreement is established after 1 July, the amount shall be paid in pro rata.

Separate entry

If the Banking, Insurances and Securities Commissions requests that this scheme be wound up, the parties agree to meet in order to discuss the scheme.

3.26 LAY-OFFS

Hours in excess of an average of 33.6 hours per week (30.33) since the last settlement of the man-year hours shall be taken as compensation time prior to implementing lay-offs. Employees that have been targeted for lay-off shall start the lay-off period immediately after the compensation time has been taken. In the event that the employee is taken in again after a lay-off period is over, the employees who are on an available period at this time shall be brought back before employees who are on an free period. These employees will be taken in again as needed, but no later than when their available period commences. Other conditions being equal, laid-off personnel shall be taken in again according to seniority.

In the event of lay-offs, basis wages shall be paid during the work period (cf. Act relating to obligation to pay wages in connection with lay-offs). The employer period shall commence after time off has been taken for accrued compensation time.

3.27 COMPASSIONATE LEAVE

3.27.1 Short compassionate leaves shall be granted in the following instances:

- a) In the event of death and for participation in funeral arrangements for close family members. Close family refers to persons who are closely related to the employee, such as spouse/cohabitant, children, siblings, parents, parents-in-law, grandparents or grandchildren.
- b) In connection with acute serious illness in the home. Such illnesses must be documented by a doctor's certificate.
- c) Leave for spouse/cohabitant in connection with childbirth/adoption.
- d) Confirmation of one's own children.

3.27.2 The request for compassionate leave must be submitted to the company as soon as possible. It is assumed that the employee will receive a reply to the request as soon as possible.

3.27.3 Leave cases letters a and b shall be compensated with up to 5 days' wages (60 hours). Compassionate leave under c shall be compensated with up to 14 days' wages (168 hours). Letter d shall be compensated by up to two day's wages (24 hours). This applies even if the leave is of a greater duration due to communication circumstances.
Wages are defined here as offshore wages in line with the individual company practices as regards illness.

3.27.4 The employer shall provide for transportation to land as soon as possible. The company is not responsible for expenses in connection with travel from the heliport to the employee's home and return, if applicable. If the compassionate leave falls at the beginning of a work period so that departure is delayed, or at the end of a work period so that return during the same period is not possible, the employer shall cover the costs of travel to and from the employee's home in the normal manner.

3.27.5 The parties in the individual company will stipulate detailed guidelines for how this arrangement is put into practice.

3.28 VACATION

- 3.28.1 Vacation shall be granted in accordance with the (Norwegian) Paid Holidays Act. Periods for taking vacation and disbursement of vacation pay shall be stipulated in accordance with the provisions of the Paid Holidays Act.
- 3.28.2 Vacation shall be accrued and taken during the course of the year and is incorporated in the available schedule / shift schedule., cf. letter of 6 August 1976 from N.A.F. (now NHO - the Confederation of Norwegian Business and Industry) and the Norwegian Seamens' Union to the Ministry of Local Government and Labor, and the Ministry's letter of 6 September 1976, (incorrectly dated 6 December 1976).
- 3.28.3 Employees that have not accrued full vacation pay and who ask to be allowed to work during all or part of the vacation may in such cases extend the man-year hours by the number of hours of the vacation (maximum 170 hours) that the employee is allowed to work in. These hours shall be compensated with regular wages.
- 3.28.4 Contractual vacation shall be granted in accordance with Appendix 4.

Note:

Contractual vacation shall be taken during free periods during the course of the vacation year.

3.29 SIZE OF THE WORK GROUP

- 3.29.1 The employees, with or without their union representatives, may demand negotiations if they believe that a work group is too small, entailing unreasonable pressure or safety being compromised. This also applies if working conditions are significantly altered.
- 3.29.2 It is assumed that manning levels are sufficient to ensure that the work may be carried out in accordance with statutes and regulations.
- 3.29.3 When only one crew is dispatched for well operations, this crew shall consist of a minimum of two operators who cover 12 hours.

3.30 THE FORMER OCTOBER CLAUSE, NOW TO ENTER INTO THE 1.6 SETTLEMENT AS AN INDEPENDENT SECTION

During the discussions in connection with revision of the agreement between the Industry Energy and The Norwegian Oil and Gas Association, the goal of the parties has been to create stability as regards wage conditions offshore.

On this basis, the parties agree that the wage conditions for employees covered under this agreement shall be reconsidered and possibly adjusted by the organizations as of 1 June. This evaluation shall take place on the basis of the general financial situation and wage developments. When evaluating wage developments within the Oil Service Agreement since the last adjustment, the offshore supplement shall be disregarded.

SECTION IV: WORK ONSHORE

4.1 SCOPE

- 4.1.1 This part of the Agreement applies to employees who work permanently onshore in oil service companies, as well as for sporadic work offshore.
- 4.1.2 The establishment of the Agreement shall not result in any employees having poorer working and wage conditions than they have at the time when the Agreement enters into force.
- 4.1.3 Employees in superior positions such as senior manager within the company, personal secretary to the company management, or who shall represent the employer in negotiations or decisions regarding wages and working conditions for employees of the company, may not be elected as the employees' union representative. Disputes regarding this provision shall be resolved by a committee of two members, of which one is appointed by NHO and one by LO. If these parties cannot agree, they shall nominate an umpire or ask the State Mediator to nominate the umpire.

4.2 WAGES

- 4.2.1 Wages shall be paid monthly in accordance with the individual company's practice.
- 4.2.2 When an employee is ordered to act as a substitute in a higher position for one week or longer, the employee shall receive wages as for the higher position. For positions with individual compensation, the supplement shall be up to NOK 1000 per week, limited to an amount not to exceed the wages of the employee who regularly occupies the position. This applies even if the person who is substituting does not fully satisfy all the criteria for the job description.
- 4.2.3 Hourly wages for the individual may be determined by dividing the person's monthly wages by 4-1/3 multiplied by the relevant number of hours per week.
- 4.2.4 In those companies where the parties agree, monthly wages may be converted into adjusted monthly wages. This is done by dividing the monthly wages by 52.14 and then multiplying by 47.08. This adjusted monthly wage shall be disbursed 12 times a year. In addition, 12 % vacation pay shall be disbursed.

4.3 WAGE STIPULATION

- 4.3.1 The following minimum wage rates are stipulated for skilled workers and other general workers:
 - a) Skilled workers: 203.80 per hour
 - b) Other workers without previous experience: 183.10 per hour
 - Other workers with at least 1 year of relevant Industry experience: 191.00 per hour
 - c) Young workers (under) age 18: 122.90 per hour

The stipulated wage rates are minimum wage rates. The employee shall receive wages in excess of the stipulated minimum rates on the basis of competence, experience, seniority, work area and sphere of responsibility.

- 4.3.2 For management staff, as well as for commercial and technical officers, wages shall be stipulated on an individual basis, taking into account the wage conditions in the company and other general factors, as well as the individual's competence, experience, education, seniority, work area and sphere of responsibility.

In those cases where a position entails frequent or lengthy travel away from home, consideration shall also be given to this aspect when stipulating wages.

Wages for the above-mentioned personnel may also include overtime compensation. In such case, the number of overtime hours covered by the compensation shall be specified.

- 4.3.3 Wages shall be evaluated once a year on a date agreed between the parties. When special circumstances arise, the wage evaluation may be made more than once a year. Any wage supplements granted outside of the stipulated date for wage evaluations shall be regarded as being advances on the subsequent wage evaluations/adjustments.

In connection with wage adjustments, consideration shall be given to the individual's post-qualifying education which is of significance for the position in the last wage adjustment performed, and whether the individual has experienced a significant change in his/her position.

In connection with the annual wage adjustment, lists of the members' wages are made available to the negotiation committee for internal use. Over and beyond this, the company may consider providing internal details on wage statistics. This is providing that the negotiation committee handles the wage data in accordance with the Act relating to Personal Data.

- 4.3.4 If the individual believes that inequities exist that provide a foundation for renewed consideration and possible revision of the wages, the union representatives may demand that the matter be raised with the company's management. In those cases where there are no union representatives, the individual employee may, under the same conditions, demand that the matter be raised via his/her organization. In such cases the company may provide wage details on the relevant wage level for the job category to which the employee pertains.
- 4.3.5 Before the company stipulates the annual wage adjustment, negotiations shall be held between the company and the union representatives. Minutes shall be kept of these negotiations.

Separate entry

Divisions between worker, supervisor, technical and commercial officers shall be based on established practice in the company.

4.4 LOCAL AGREEMENT ON WAGE SYSTEMS

- 4.4.1 If demanded by one of the parties in the company, local negotiations may be carried out regarding a wage system that can deviate from Clause 4.3.
- 4.4.2 Once each year at a specific time agreed upon locally, an evaluation and potential adjustment of the income level shall be undertaken. The basis for the evaluation shall be the company's financial status, productivity, outlook for the future and competitiveness. The evaluation shall also take into account any contractual increases granted since the previous evaluation.
- 4.4.3 Agreements regarding wage systems may be terminated upon one month's notice. It is presumed that the parties have carried out negotiations on a company basis, and if demanded by one of the parties, also with the assistance of the organizations, prior to dismissal being effected.
- 4.4.4 If agreement is not reached regarding the rates in a wage system and the agreement is terminated according to Clause 4.4.3, the individual employee shall be paid 45 % of his/her hourly income. Comparable work performance is a prerequisite. A reduction of the hourly income, with appurtenant reduced work performance, shall only be carried out for employees as mentioned in Clause 4.3.1.

4.5 WORKING HOURS

- 4.5.1 The ordinary working hours shall not exceed 37.5 hours per week. By means of local agreements, the parties in the company stipulate normal working hours and the division of the working hours during the period between 06.00 hours - 19.00 hours on the first five working days of the week, and with equally long working hours each day. If the parties in the company do not agree, the issue may be brought before the main organizations.
- 4.5.2 In the event of two shifts onshore, the working hours shall be 36.5 hours per week.
- 4.5.3 In the event of continuous shift work and comparable rotation arrangements, the working hours are 33.6 hours per week.
- 4.5.4 Management staff have the same weekly working hours as the employees they supervise.
- 4.5.5 Flexible working hours may be introduced in those cases where the situation allows and the local parties reach agreement.
- 4.5.6 When necessitated by the nature of the activities, the employer may have the employees take their meals in breaks while the work is in progress so that, if necessary, the employees must remain constantly at the work site. In such cases, the break shall be regarded as being part of the working hours. As regards switchboard staffing, etc., working hours may be staggered.

4.5.7 In connection with part-time employment, the regular working hours and the monthly wage the person shall have must be incorporated in the written agreement. The agreed upon fixed working hours may only be changed upon agreement with the relevant employee, who shall be given an opportunity to confer with his/her union representative in advance.

4.6 OVERTIME WORK

4.6.1 In this connection, overtime work shall mean work that the employer requires the employee to perform outside of the employee's normal working hours pursuant to the agreed upon working hours division for full-time employees.

4.6.2 For compulsory overtime work, every half hour started shall be reported as a half hour worked.

4.6.3 When reporting for overtime work after the end of regular working hours, a minimum of two hours shall be paid.

4.6.4 A supplement of 100 % shall be paid for overtime work after 20.00 hours and up to the commencement of ordinary working hours, and on days prior to Sundays and public holidays after the end of normal working hours, as well as for overtime work on Sundays. A supplement of 200 % shall be paid for overtime work on public holidays. A supplement of 50 % shall be paid for other overtime work.

4.6.5 In those cases where a working hours arrangement has been stipulated that entails certain days off, work on these days by employees who should have had the day off shall be compensated with a supplement of 50 %. If such days off fall on Saturdays or days before public holidays, a supplement of 100 % shall nevertheless be paid for work after normal working hours for the employee in question.

4.6.6 When an employee is ordered to perform overtime work immediately after the end of ordinary working hours, NOK 86.50 shall be paid as a meal allowance. This assumes that the overtime work will be of at least two hours' duration and that the company does not provide food. If the work lasts longer than five hours, an additional sum for meal allowance shall be agreed upon, or the company shall provide food.

Note:

a) Established practice entailing superior meal allowances shall be maintained.

4.6.7 Upon local agreement, the parties in the individual company may enter into agreement regarding time off in lieu of accrued overtime. The overtime supplement shall be paid. The agreement shall contain provisions detailing when and how such time off shall be taken.

4.7 ON-CALL DUTY

An on-call duty arrangement may be negotiated locally in accordance with the provisions of the Working Environment Act. If agreement is not reached, the matter may be brought before the main organizations for consideration.

4.8 SHIFT WORK

- 4.8.1 A supplement of 25 % is paid for night work performed during a regular shift. If work is performed on two shifts, one of the shifts shall be counted as night work. In connection with work on 3 shifts, all work between 18.00 hours and 06.00 hours is considered to be night work. A supplement of 100 % shall be paid for the period from 14.00 hours on the day before Sundays or public holidays until 24.00 hours on the relevant Sunday or public holiday.

Work on "regular shifts" shall mean only shift work that lasts for a total of at least six working days and where the shifts are within the period of time and do not exceed the length stipulated by the Working Environment Act. Other shift work shall be paid as overtime. This last sentence shall not prevent individual companies from making other agreements with comparable compensation on the part of the company.

- 4.8.2 Shift workers who work overtime before or after their shift shall receive the regular overtime percentages in addition to the shift percentages for his/her shift. Under no circumstances shall this provision entail that the sum of the shift and overtime supplements exceed 200 %.
- 4.8.3 If possible, morning and afternoon shifts shall be alternated weekly.

4.9 VACATION

Vacation is granted in accordance with the Paid Holidays Act. Contractual vacation is granted in accordance with Appendix 4.

4.10 WORK OFFSHORE

- 4.10.1 An offshore compensation per day shall be agreed locally for work offshore in addition to the regular monthly wages. Ordinary working hours shall be 12 hours per day. The working arrangement and compensation time shall be agreed upon locally. For sporadic work offshore, one hour worked offshore shall be calculated as 1.115 onshore hours.
- 4.10.2 Work in excess of 12 hours per day and beyond the normal offshore period shall be compensated at a rate of 165 % per hour. The overtime basis is the regular hourly wage plus offshore compensation.
- 4.10.3 In other respects, the conditions for offshore work shall be agreed upon locally.

4.11 WORK ONSHORE - OUTSIDE OF THE COMPANY

- 4.11.1 If an employee is to work at a location other than his/her natural workplace, e.g. in another city or town, agreement shall be reached in advance regarding mode of travel and accommodations. The company will cover all costs in connection with such travel, alternatively, the travel expenses may be reimbursed according to the company's travel scale.

4.11.2 In the event of work at a different location and where overnight stays are required, the company shall cover all expenses in connection with accommodations and meals. If the parties find it to be practical and natural, the company and the employees may agree on a fixed sum per day to cover such expenses.

4.11.3 When an employee as defined in Section 4.3 is sent to perform work elsewhere that presupposes travel (does not apply to work offshore):

For trips lasting less than 24 hours, hourly wages shall be paid for the entire travel time that falls outside ordinary working hours. For trips of more than one day, hourly wages shall be paid for up to 15 hours per day including the payment for the ordinary working day. The individual company may make agreements for compensation other than the aforementioned.

For travel on Saturdays, Sundays, Christmas Eve, Easter Saturday and Whit Saturday, holidays other than those named below, and agreed free days, a 50% supplement to hourly wages is payable for up to 15 hours per day (including any working time).

For travel on Christmas Day, Easter Sunday and Whitsunday, a 100% supplement to hourly wages is payable for up to 15 hours per day (including any working time).

4.11.4 If employees are sent so far away that overnight stays outside the home are necessary, a supplement of 20% in addition to the regular hourly wages shall be paid. This does not apply to work offshore, confer Section 4.10.

4.12 BUSINESS TRAVEL

Employees shall be compensated for travel on company business according to the company's travel scale.

4.13 SHORT COMPASSIONATE LEAVE

As regards short compassionate leave, reference is made to the agreement between LO and NHO. Beyond this, such leaves shall be granted in accordance with the local agreement and practice in the individual company.

4.14 APPRENTICES

4.14.1 The following shall apply to apprentices:

Based on the establishment of a new system for professional and vocational training with a primary model of 50 % trainee time and 50 % productive time for a two-year apprenticeship in a company, the apprentice shall have monthly wages that constitute a percentage of the normal monthly wages for newly qualified skilled workers.

For the 5th half-year: 30 %

For the 6th half-year: 40 %

For the 7th half-year: 50 %

For the 8th half-year: 80 %

Apprentices in disciplines that have three years of training from the upper secondary school (GK (foundation course), VK1 (advanced course 1) and VK2 (advanced course 2)) plus one year's apprenticeship in a company shall follow the wage scale below:

For the 7th half-year: 50 %

For the 8th half-year: 80 %

Apprentices in disciplines that have three years of training in the upper secondary school (GK (foundation course), VK1 (advanced course 1) and VK2 (advanced course 2)) plus 1-1/2 years' apprenticeship in a company shall follow the wage scale below:

For the 7th half-year: 40 %

For the 8th half-year: 50 %

For the 9th half-year: 80 %

For apprentices that do not have GK (foundation course) and VK1 (advanced course 1) from the upper secondary school after Reform 94, local agreement shall be reached regarding the distribution of a skilled worker's wages during his/her apprenticeship.

The company shall enroll apprentices in the compulsory school tuition.

- 4.14.2 Overtime for apprentices over the age of 18 shall be paid using the rate in Clause 4.3.1 b) "Other workers " as the basis for calculation.

Separate entry

Apprentices will have half their apprenticeship (one year) approved as wage and corporate seniority in the event of employment in the company.

4.15 PAID FAMILY LEAVE IN CONNECTION WITH CHILDBIRTH

The company will pay ordinary wages during the leave period for employees granted leave in accordance with Section 12-3 of the Working Environment Act, in line with the individual company's practice for sick pay.

SECTION V: MISCELLANEOUS PROVISIONS

5.1 ADJUSTMENT PROVISIONS FOR THE SECOND YEAR OF THE AGREEMENT

Before the end of the first year of the Agreement, NHO and LO, or a body authorized by them, shall commence negotiations on any wage adjustments for the second year of the agreement. The parties are in agreement that the negotiations shall be carried out on the basis of the economic situation at the time of negotiation, and the prospects for the second year of the agreement, as well as price and wage developments in the first year of the agreement. The Supervisory Board of LO, or anybody authorized by the Supervisory Board, and NHO's Executive Board, shall consider changes in the collective wage agreements for the second year of the agreement. If the parties do not come to an agreement, the organization that has made demands can within 14 – fourteen – days after concluding the negotiations, cancel the individual collective wage agreements with 14 – fourteen – days' notice (but not to expire before 1 June 2019).

5.2 ENTRY INTO FORCE

Wage hikes shall not apply to employees who have resigned from the company prior to the decision. There shall be no recalculation or back pay of the overtime supplement (shift supplement), etc. for work performed prior to the decision.

5.3 DURATION

The agreement applies from 1 June 2018 to 31 May 2020, and then for one year at a time, if neither party gives the other party notice of termination, with two months' notice.

5.4 COMPETENCY

The individual employee is entitled to have his or her real competency documented.

Separate entries

Technical training and further education

The companies are faced with major challenges in the years to come, not least as regards technological change. The introduction of new technology and changes in modes of production will also mean that the employees will be faced with new and greater demands for competency.

It is the goal of the parties that an employee shall be able to qualify himself or herself to master the assignments allocated him or her at any given time. The necessary training and further education will be decisive in this connection. The parties presuppose that all employees are willing to undergo the necessary craft training that the company regards as necessary in order to meet the requirements as to increased competency that the post demands.

Training in accordance with the company's needs and craft training that falls within an employee's working time shall be done without loss of earnings.

Craft training shall be done in conformity with the Education Act and the regulations that at any given time are promulgated pursuant to this Act and the provisions of the Basic Agreement.

The parties are agreed:

- to work actively and systematically to ensure future recruitment to the industry. An important component of this is local cooperation between schools and working life. The parties take a positive view of accepting pupils in their work practice periods, and will endeavour to ensure that this time is meaningfully utilised.
- that the company and the union representatives discuss the need for intake of apprentices, so that the necessary intake of apprentices can be facilitated.
- the local parties discuss support for relevant schemes such as support for travel and moving expenses, and evaluating the need for measures that increase mobility and the supply of apprentices.
- apprentices and practice candidates shall not have economic expenses for e.g. course fees and study material in the period up to the craft examination. The employer will cover wages during the practical examination and the theoretical part of the craft examination for apprentices. The employer shall not be obligated to cover wages more than once for the same subject.
- jointly to work for a continuous updating of craft training, so that it is at all times in optimal conformity with industry requirements.
- to endeavour to ensure that the scheme whereby the craft examination can be taken under Section 3.5 of the Education Act (the Practice Candidate Scheme) is upheld also in the future.
- that the relevant public craft councils seek to prepare training services for updating the skilled workers' qualifications, which changed work requirements, working conditions, new technology and so forth will demand.

Further education

The companies are requested to treat training questions systematically in line with Chapter 16 of the Basic Agreement and in Section 12-8, which states: The Works Committee shall have the authority and responsibility for stipulation of general guidelines regarding vocational training for the employees in the company about whom the members of the Committee are agreed. The same shall apply to guidance for new employees. The Works Committee may also be a forum for the employees' active co-determination as regards general questions of training.

Industry Energy and the The Norwegian Oil and Gas Association will recommend that the local parties adapt their work organisation and their internal company agreements with a view to the requirements that new technology will involve.

For apprentices who do not pass the regular qualifying examination, a new qualifying examination may be taken according to Section 19 of the Act relating to vocational training. The parties encourage the companies to enter into such voluntary agreements between the host company and the apprentice regarding extended apprenticeship periods so that a new examination may be taken.

Travel scale

In previous agreements, reference has been made to the State Travel Scale. This has been replaced by the company's travel scale in this agreement. The intention is not to make any changes in the allowances, but to make it easier for the company to administer. Nor shall any changes be made in the company's travel scale that will make the overall allowances granted under the collective wage agreement poorer for those who follow this agreement than that which is stipulated in the State Travel Scale.

Loss of health certificate

As regards loss of health certificate, the OSA Board shall consider the size of the contributions and a possible co-ordination with the newly established scheme in other The Norwegian Oil and Gas Association areas. The OSA Board is authorized to adopt any changes.

GENERAL APPENDICES

- Appendix 1 Contractual pension (AFP)
- Appendix 2 Information and development fund
- Appendix 3 Severance pay
- Appendix 4 Contractual vacation, etc
- Appendix 5 Agreement relating to short compassionate leave
- Appendix 6 Compensation for public holidays, including 1 May and 17 May
- Appendix 7 Reduction of working hours as of 1 January 1987
- Appendix 8 The main organizations' work on equal opportunities for women and men
- Appendix 9 Agreement relating to information, cooperation and employee participation in connection with various forms of cooperation in the petroleum activities
- Appendix 10 Guidelines for percentage deduction of union dues
- Appendix 11 Supplemental Agreement X - European Works Council
- Appendix 12 Union-level funds
- Appendix 13 Non-union companies
- Appendix 14 Hiring employees and outsourcing work, etc.
- Appendix 15 Policy regarding hiring temporary agency workers

SECTION VI: MANNED SUBSEA OPERATIONS ON THE NORTH WEST EUROPEAN CONTINENTAL SHELF

6.1 SCOPE

6.1.1 This part of the Agreement governs minimum wages and conditions for diving personnel who work on the North West European Continental Shelf.

6.1.2 As a minimum, all personnel shall have the day wage and supplement as stated in this Agreement. Wages are based on pounds sterling. The exchange rate for conversion to Norwegian kroner (NOK) is determined for a half year at a time, based on Norges Bank's average exchange rate during the previous six-month period, respectively 1st of May and 1st of November.

6.2 STANDARD MINIMUM RATES WAGES, PER DAY (DAY WAGE)

6.2.1 Wages shall be paid with a minimum day wage rate, cf. Clause 6.2.2.a), for each day that the employee has been offshore (day wage).

6.2.2 Day wage rates

a) Day wage rates effective 1 November 2017, including holiday pay

Position		£ day wage
Dykkeleder Metning /	Diving Supervisor (mix gas)	884,11
Dykkeleder Luft	Diving Supervisor (air)	686,29
Profesjonell Dykker	Professional Diver (mix gass)	597,78
Dykker (Luft eller bl. gas)	Professional Diver (air)	584,68
Kammeroperatørleder	Life Support Supervisor	551,91
Kammeroperatør	Life Support Technician / Gas man	493,51
Ass. Kammeroperatør uten sert.	Asst. Life Support Technician	323,07
Deck foreman	Deck foreman	547,10
Rigger Formann e.l.	Rigging Supervisor/Foreman	423,75
Rigger/Sveiser	Rigger/Welder	375,15
Rigger	Rigger	345,48
ADS Pilot	ADS Pilot	571,06
Senior ADS Pilot	Senior ADS Pilot	732,52

b) Additional rates effective 1 November 2017, including holiday pay

<u>Supplement</u>		<u>£ day wage</u>
<u>ekstra trening- høy sats</u>	<u>Training Allowance</u>	26,27
<u>ekstra trening - lav sats</u>	<u>Training Allowance</u>	13,17
<u>metningsbonus</u>	<u>Sat hours</u>	37,58
<u>helseattest og sikkerhetskurs</u>	<u>Medic & Survival.</u>	6,59

- 6.2.3 Permanently employed personnel shall have a monthly wage disbursed in the amount of 11.2 day wages per month. Days worked in excess of 11.2 per month shall be settled at least once a year. For temporary employees, wages shall be paid at least once per month for the number of days that the employee has worked (day wage).
- 6.2.4 For permanently employed diving personnel, monthly wages shall be paid 12 times per year and shall include wages during vacation time.
- 6.2.5 In the event of temporary assignment in a higher-paid position, the higher wages shall be paid as from the first day of the assignment.
- 6.2.6 The minimum saturation bonus shall be paid per hour in saturation from seal to seal, cf. Clause 6.2.2 b).

The saturation bonus is a variable supplement that shall not be included in the basis for sick pay.

- 6.2.7 Remuneration for expenses
- a) Travel expenses shall be covered in accordance to Clause 3.12.2 in Section III of the Agreement
 - b) The company covers a survival suit and all compulsory work clothes.
 - c) A supplement to the day wage shall be paid for the health certificate and safety course, cf. Clause 6.2.2 b).
 - d) Additional training for divers and diving supervisors shall be compensated as follows: diving managers, diving supervisors, professional divers and divers involved in saturation diving - to be compensated per day cf. Clause 6.2.2 b) high rate. Diving managers, diving supervisors, professional divers and divers involved in air diving shall be compensated per day cf. Clause 6.2.2. b) low rate.
- 6.2.8 For work carried out on Easter Sunday and Easter Monday, Labour Day (1 May) and the Norwegian Constitution Day (17 May), 1 January, Christmas Day, Boxing Day, and Good Friday, a 100% supplement is paid in addition to daily wages and saturation bonus.

6.3 PROMOTION

There are two levels of divers, Professional Diver and Diver. Before a diver can be promoted to professional diver, he requires the relevant certificates and satisfactory qualifications (more than 50 days in saturation diving mode is considered satisfactory).

6.4 OVERTIME

- 6.4.1 For work on the Norwegian Continental Shelf in excess of 12 hours per day and/or 1877 hours per year, an overtime supplement of minimum 40% shall be paid.
- 6.4.2 The basis for calculating overtime payment is day wage / 12.

6.5 TRAVEL IN/OUT DAY

Travel in/out day is paid with the full day wage. The same applies if the employee must wait to travel home due to bad weather or other factors that prevent transportation home.

6.6 WORK ONSHORE - MOBILIZATION

6.6.1 In the event of mobilization when the vessel is in port, full day wages shall be paid for the day on which the employee arrives at the vessel. If the arrival is between the hours of 0000 - 0600, full day wages shall be paid for the previous day.

6.6.2 In other respects, work onshore shall be compensated with 50 % of the full day wage.

6.7 WORKING HOURS

6.7.1 Regular working hours are 12 hours per day.

6.7.2 The offshore period shall not normally exceed 21 days on the Norwegian Shelf and 28 days on a foreign shelf.

6.7.3 The break shall be at least one-half hour if the working hours are at least 7.5 hours per day, and one hour when working hours are 12 hours per day. The break shall be included in the working hours if the working hours are 12 hours. The break shall be granted in connection with the scheduled meals on the installation.

6.7.4 The employee shall have a work-free period of at least eight consecutive hours between two work periods.

6.7.5 A work journal shall be kept of the diving personnel's regular working hours and overtime for each individual day. Unions representatives shall have access to the journal.

6.7.6 In connection with stipulating and implementing working hours for permanent, seasonal and short-term employees, the company and the union representatives shall strive to plan working hours and free time so as to safeguard the employees' needs for regular, predictable time off and the employers/operators' need for continuity in the contractual relationship.

6.8 WORK SCHEDULE

6.8.1 A work schedule shall be assigned to the employee well before the work commences, and no later than one hour after arrival on the installation.

6.8.2 Insofar as possible, the companies shall strive to distribute the work load as evenly as possible, including distribution of saturation, day and night work.

6.8.3 In the event of a change in the work schedule, the employee shall have eight hours off before commencing a new work schedule.

6.9 SIZE OF THE WORK GROUP

- 6.9.1 It is assumed that manning levels are sufficient to ensure that the work may be carried out in accordance with statutes and regulations.
- 6.9.2 Minimum manning per 12-hour shift shall be in accordance with internal diving procedures. It is assumed that no positions are combined tasks other than those approved in the diving procedures.

In connection with saturation diving, there shall be a minimum of 80% professional divers and a maximum of 20% divers. In connection with air diving, there shall be at least 70% professional divers and no more than 30% divers.

- 6.9.3 The employees, with or without their union representatives, may demand negotiations if they believe that a work group is too small, entailing unreasonable pressure or safety is compromised. This also applies if working conditions are significantly altered.

6.10 LAY-OFFS – PRIORITY

- 6.10.1 When there is no work, permanently employed diving personnel shall be laid off. A lay-off notice may be issued with effect from the time when earned time off has been taken, independent of the notification deadlines in the Main Agreement. The company's duty to pay wages lapses in accordance with the Act relating to duty to pay wages in connection with lay-offs. With regard to lay-off confirmation, reference is made to Section 8-4 of the Main Agreement.
- 6.10.2 Permanently employed personnel shall have priority for work, but not in such a manner that would entail termination of short-term assignments that are already in force. Consideration shall be given to the priority rights of permanent employees when entering into contracts.

6.11 COMPASSIONATE LEAVE

- 6.11.1 Short compassionate leaves shall be granted in the following instances:
 - a) In the event of death and for participation in funeral arrangements for close family members. Close family refers to persons who are closely related to the employee, such as spouse/cohabitant, children, siblings, parents, parents-in-law, grandparents or grandchildren.
 - b) In connection with acute serious illness in the home. Such illnesses must be documented by a doctor's certificate.
 - c) Leave for spouse/cohabitant in connection with childbirth.
 - d) Confirmation of one's own children.

6.11.2 The request for compassionate leave must be submitted to the company as soon as possible. It is assumed that the employee will receive a reply to the request as soon as possible.

6.11.3 Such short compassionate leaves during the offshore period shall be compensated by up to two day's wages (24 hours), even if the leave is of a greater duration due to communication circumstances.

6.11.4 The employer shall provide for transportation to land as soon as possible. The company is not responsible for expenses in connection with travel from the heliport to the employee's home and return, if applicable.

6.12 PERSONAL EFFECTS

In accordance with Clause 3.22 in Section III of the Agreement.

6.13 ACCIDENT INSURANCE

In accordance with Clause 3.24 in Section III of the Agreement.

6.14 LOSS OF HEALTH CERTIFICATE

In accordance with Clause 3.25 in Section III of the Agreement.

6.15 RETREAT FUND

6.15.1 Companies that carry out saturation diving on the Norwegian Shelf shall pay a sum per saturation day into Industri Energi's retreat fund for saturation divers. The sum is calculated as follows: Wage Group E - 0 years in Section III of the Agreement divided by 12. One percent of this sum shall be paid in per saturation day.

6.15.2 No later than 1 July of each year, the company shall send Industri Energi a list of employees who are "non-members of Industri Energi", who are covered by the scheme, indicating the employees' names and how many saturation days the person has had during the past year.

6.16 WORK INSHORE

A local agreement must be established prior to commencing "inshore" diving in Norway.

6.17 UNION REPRESENTATIVES

In accordance with Clause 2.11.1 in Section II of the Agreement.

6.18 EMPLOYMENT

Pursuant to Item 2.11 in Section II of the agreement.

6.19 ADJUSTMENT PROVISION FOR THE SECOND YEAR OF THE AGREEMENT AND IN YEARS WITH CENTRAL WAGE SETTLEMENT

Supplements that are granted on a central level shall not apply to personnel who are covered under this section of the Agreement. The wage rates in Clause 6.2.2 will be updated the 1st of November every year. The evaluation shall take place on the basis of the wage developments in the industry on the North West European Continental Shelf.

Separate entry

The pay conditions for diving personnel offshore will be adjusted in accordance with the current pay conditions on British continental shelf. With reference to Offshore Diving Industry Agreement (OIDA with RMT).

Industri Energi shall prepare up-to-date wage tables revised on 1 November and 1 May according to the set template "Wage Voucher A", included with the minutes of the 2014 revision of the collective agreement.

6.20 DURATION

In accordance with Clause 5.3 of OSA.

6.21 MISCELLANEOUS PROVISIONS

- Appendix 1 Contractual pension (AFP)
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Stavanger, January 2019

Norwegian Confederation
of Trade Union (LO)

Industry Energy

Confederation of Norwegian
Business and Industry (NHO)

The Norwegian Oil and Gas Association

